
SUBSTITUTE HOUSE BILL 1087

State of Washington

62nd Legislature

2011 Regular Session

By House Ways & Means (originally sponsored by Representatives Hunter, Alexander, and Darneille; by request of Governor Gregoire)

READ FIRST TIME 04/07/11.

1 AN ACT Relating to fiscal matters; amending RCW 43.03.030,
2 41.60.150, 41.06.560, 41.50.110, 41.80.010, 41.80.020, 43.07.129,
3 43.08.190, 43.09.412, 43.09.475, 43.19.501, 43.79.201, 43.79.465,
4 43.135.045, 43.185C.060, 66.08.170, 66.08.190, 66.08.235, 67.70.260,
5 70.48.440, 70.93.180, 70.105D.070, 74.13.621, 79.64.040, 79.105.150,
6 80.36.430, 82.08.160, 82.14.310, 82.14.320, 82.14.330, 82.14.390,
7 82.14.500, 82.45.060, 86.26.007, 48.02.190, 79.17.210, and 79.64.020;
8 reenacting and amending RCW 41.06.070, 41.06.133, 41.06.500, 43.03.040,
9 43.155.050, and 43.330.250; amending 2011 c 5 ss 106, 107, 108, 113,
10 114, 115, 117, 118, 119, 120, 121, 122, 125, 126, 127, 128, 201, 202,
11 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216,
12 217, 218, 219, 220, 221, 222, 223, 301, 302, 303, 304, 305, 306, 307,
13 401, 402, 501, 502, 503, 504, 505, 507, 508, 601, 602, 603, 604, 605,
14 606, 607, 608, 609, 610, 612, 613, 614, 615, 616, 617, 703, and 801
15 (uncodified); amending 2010 2nd sp.s. c 1 ss 101, 102, 106, 107, 108,
16 116, 305, and 306 (uncodified); amending 2010 1st sp.s. c 37 ss 201,
17 504, 509, 510, 514, 515, 516, 517, 701, 702, 703, 709, 710, 801, and
18 802 (uncodified); amending 2009 c 564 ss 719, 802, and 803
19 (uncodified); adding a new section to chapter 41.06 RCW; adding a new
20 section to chapter 43.03 RCW; adding a new section to 2009 c 564
21 (uncodified); creating a new section; repealing 2010 1st sp.s. c 37 s

1 802 (uncodified); making appropriations; providing an effective date;
2 and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
5 to the provisions set forth in the following sections, the several
6 amounts specified in parts I through IX of this act, or so much thereof
7 as shall be sufficient to accomplish the purposes designated, are
8 hereby appropriated and authorized to be incurred for salaries, wages,
9 and other expenses of the agencies and offices of the state and for
10 other specified purposes for the fiscal biennium beginning July 1,
11 2011, and ending June 30, 2013, except as otherwise provided, out of
12 the several funds of the state hereinafter named.

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

15 (a) "Fiscal year 2012" or "FY 2012" means the fiscal year ending
16 June 30, 2012.

17 (b) "Fiscal year 2013" or "FY 2013" means the fiscal year ending
18 June 30, 2013.

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

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

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

27 **PART I**

28 **GENERAL GOVERNMENT**

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

30	General Fund--State Appropriation (FY 2012)	\$31,528,000
31	General Fund--State Appropriation (FY 2013)	\$32,155,000
32	TOTAL APPROPRIATION	\$63,683,000

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

2	General Fund--State Appropriation (FY 2012)	\$23,253,000
3	General Fund--State Appropriation (FY 2013)	\$25,430,000
4	TOTAL APPROPRIATION	\$48,683,000

5 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
6 **COMMITTEE**

7	General Fund--State Appropriation (FY 2012)	\$2,768,000
8	General Fund--State Appropriation (FY 2013)	\$2,839,000
9	TOTAL APPROPRIATION	\$5,607,000

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

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

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

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

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

36 (b) A description of how the employee incentive payment program at

1 the state lottery commission operates, and comparison to best practices
2 for outcome-based performance payments.

3 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
4 **ACCOUNTABILITY PROGRAM COMMITTEE**

5 General Fund--State Appropriation (FY 2012) \$2,065,000
6 General Fund--State Appropriation (FY 2013) \$2,236,000
7 TOTAL APPROPRIATION \$4,301,000

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

9 General Fund--State Appropriation (FY 2012) \$24,000
10 General Fund--State Appropriation (FY 2013) \$24,000
11 Department of Retirement Systems Expense
12 Account--State Appropriation \$3,487,000
13 TOTAL APPROPRIATION \$3,535,000

14 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
15 **COMMITTEE**

16 General Fund--State Appropriation (FY 2012) \$8,181,000
17 General Fund--State Appropriation (FY 2013) \$8,096,000
18 TOTAL APPROPRIATION \$16,277,000

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

20 General Fund--State Appropriation (FY 2012) \$4,363,000
21 General Fund--State Appropriation (FY 2013) \$4,824,000
22 TOTAL APPROPRIATION \$9,187,000

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

24 General Fund--State Appropriation (FY 2012) \$1,627,000
25 General Fund--State Appropriation (FY 2013) \$154,000
26 TOTAL APPROPRIATION \$1,781,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: \$443,000 of the general fund--state
29 appropriation for fiscal year 2012 is provided solely for the support
30 of legislative redistricting efforts. The commission shall enter into
31 an interagency agreement with the house of representatives and the
32 senate for the expenditure of these funds.

1 NEW SECTION. **Sec. 109. FOR THE SUPREME COURT**

2	General Fund--State Appropriation (FY 2012)	\$6,897,000
3	General Fund--State Appropriation (FY 2013)	\$6,938,000
4	TOTAL APPROPRIATION	\$13,835,000

5 NEW SECTION. **Sec. 110. FOR THE LAW LIBRARY**

6	General Fund--State Appropriation (FY 2012)	\$1,631,000
7	General Fund--State Appropriation (FY 2013)	\$1,629,000
8	TOTAL APPROPRIATION	\$3,260,000

9 NEW SECTION. **Sec. 111. FOR THE COURT OF APPEALS**

10	General Fund--State Appropriation (FY 2012)	\$15,625,000
11	General Fund--State Appropriation (FY 2013)	\$15,740,000
12	TOTAL APPROPRIATION	\$31,365,000

13 NEW SECTION. **Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT**

14	General Fund--State Appropriation (FY 2012)	\$1,078,000
15	General Fund--State Appropriation (FY 2013)	\$1,018,000
16	TOTAL APPROPRIATION	\$2,096,000

17 NEW SECTION. **Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS**

18	General Fund--State Appropriation (FY 2012)	\$41,840,000
19	General Fund--State Appropriation (FY 2013)	\$43,610,000
20	General Fund--Federal Appropriation	\$1,551,000
21	General Fund--Private/Local Appropriation	\$260,000
22	Judicial Information Systems Account--State	
23	Appropriation	\$38,190,000
24	Judicial Stabilization Trust Account--State	
25	Appropriation	\$7,256,000
26	TOTAL APPROPRIATION	\$132,707,000

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

29 (1) The distributions made under this subsection and distributions
30 from the county criminal justice assistance account made pursuant to
31 section 801 of this act constitute appropriate reimbursement for costs
32 for any new programs or increased level of service for purposes of RCW
33 43.135.060.

1 (2) \$265,000 of the general fund--state appropriation for fiscal
2 year 2012 is provided solely for the office of public guardianship to
3 provide guardianship services for low-income incapacitated persons.

4 (3) Until funding is specifically appropriated for the superior
5 court case management system, amounts appropriated in this section may
6 not be expended for the creation, development, or implementation of a
7 superior court case management system.

8 **NEW SECTION. Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE**

9	General Fund--State Appropriation (FY 2012)	\$24,934,000
10	General Fund--State Appropriation (FY 2013)	\$24,887,000
11	Judicial Stabilization Trust Account--State	
12	Appropriation	\$3,344,000
13	TOTAL APPROPRIATION	\$53,165,000

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

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

18 (2) \$375,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$375,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for panel attorneys providing
21 parents representation in dependency and termination cases in King
22 County.

23 **NEW SECTION. Sec. 115. FOR THE OFFICE OF CIVIL LEGAL AID**

24	General Fund--State Appropriation (FY 2012)	\$10,778,000
25	General Fund--State Appropriation (FY 2013)	\$10,791,000
26	Judicial Stabilization Trust Account--State	
27	Appropriation	\$1,474,000
28	TOTAL APPROPRIATION	\$23,043,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: An amount not to exceed \$40,000 of the
31 general fund--state appropriation for fiscal year 2012 and an amount
32 not to exceed \$40,000 of the general fund--state appropriation for
33 fiscal year 2013 may be used to provide telephonic legal advice and
34 assistance to otherwise eligible persons who are sixty years of age or
35 older on matters authorized by RCW 2.53.030(2) (a) through (k)
36 regardless of household income or asset level.

1 NEW SECTION. **Sec. 116. FOR THE OFFICE OF THE GOVERNOR**

2	General Fund--State Appropriation (FY 2012)	\$5,482,000
3	General Fund--State Appropriation (FY 2013)	\$5,485,000
4	Economic Development Strategic Reserve Account--State	
5	Appropriation	\$1,500,000
6	TOTAL APPROPRIATION	\$12,467,000

7 The appropriations in this section are subject to the following
8 conditions and limitations: \$1,500,000 of the economic development
9 strategic reserve account appropriation is provided solely for efforts
10 to assist with currently active industrial recruitment efforts that
11 will bring new jobs to the state or will retain headquarter locations
12 of major companies currently housed in the state.

13 NEW SECTION. **Sec. 117. FOR THE LIEUTENANT GOVERNOR**

14	General Fund--State Appropriation (FY 2012)	\$520,000
15	General Fund--State Appropriation (FY 2013)	\$533,000
16	General Fund--Private/Local Appropriation	\$90,000
17	TOTAL APPROPRIATION	\$1,143,000

18 NEW SECTION. **Sec. 118. FOR THE PUBLIC DISCLOSURE COMMISSION**

19	General Fund--State Appropriation (FY 2012)	\$2,187,000
20	General Fund--State Appropriation (FY 2013)	\$2,188,000
21	TOTAL APPROPRIATION	\$4,375,000

22 NEW SECTION. **Sec. 119. FOR THE SECRETARY OF STATE**

23	General Fund--State Appropriation (FY 2012)	\$16,670,000
24	General Fund--State Appropriation (FY 2013)	\$14,154,000
25	General Fund--Federal Appropriation	\$7,431,000
26	Archives and Records Management Account--State	
27	Appropriation	\$8,065,000
28	Charitable Organization Education Account--State	
29	Appropriation	\$452,000
30	Department of Personnel Service Account--State	
31	Appropriation	\$781,000
32	Local Government Archives Account--State	
33	Appropriation	\$10,728,000
34	Election Account--Federal Appropriation	\$17,338,000
35	TOTAL APPROPRIATION	\$75,619,000

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

3 (1) \$4,101,000 of the general fund--state appropriation for fiscal
4 year 2012 is provided solely to reimburse counties for the state's
5 share of primary and general election costs and the costs of conducting
6 mandatory recounts on state measures. Counties shall be reimbursed
7 only for those odd-year election costs that the secretary of state
8 validates as eligible for reimbursement.

9 (2)(a) \$1,897,000 of the general fund--state appropriation for
10 fiscal year 2012 and \$2,076,000 of the general fund--state
11 appropriation for fiscal year 2013 are provided solely for contracting
12 with a nonprofit organization to produce gavel-to-gavel television
13 coverage of state government deliberations and other events of
14 statewide significance during the 2011-2013 biennium. The funding
15 level for each year of the contract shall be based on the amount
16 provided in this subsection. The nonprofit organization shall be
17 required to raise contributions or commitments to make contributions,
18 in cash or in kind, in an amount equal to forty percent of the state
19 contribution. The office of the secretary of state may make full or
20 partial payment once all criteria in this subsection have been
21 satisfactorily documented.

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

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

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

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

- 1 (ii) Making contributions reportable under chapter 42.17 RCW; or
- 2 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
- 3 lodging, meals, or entertainment to a public officer or employee.
- 4 (3) Any reductions to funding for the Washington talking book and
- 5 Braille library may not exceed in proportion any reductions taken to
- 6 the funding for the library as a whole.

7 NEW SECTION. **Sec. 120. FOR THE GOVERNOR'S OFFICE OF INDIAN**
 8 **AFFAIRS**

9	General Fund--State Appropriation (FY 2012)	\$244,000
10	General Fund--State Appropriation (FY 2013)	\$253,000
11	TOTAL APPROPRIATION	\$497,000

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

23 NEW SECTION. **Sec. 121. FOR THE COMMISSION ON ASIAN PACIFIC**
 24 **AMERICAN AFFAIRS**

25	General Fund--State Appropriation (FY 2012)	\$218,000
26	General Fund--State Appropriation (FY 2013)	\$207,000
27	TOTAL APPROPRIATION	\$425,000

28 NEW SECTION. **Sec. 122. FOR THE STATE TREASURER**

29	State Treasurer's Service Account--State	
30	Appropriation	\$15,187,000

31 NEW SECTION. **Sec. 123. FOR THE STATE AUDITOR**

32	General Fund--State Appropriation (FY 2012)	\$728,000
33	General Fund--State Appropriation (FY 2013)	\$733,000
34	State Auditing Services Revolving	

1	Account--State Appropriation	\$179,000
2	Performance Audit of Government Account--State	
3	Appropriation	\$28,338,000
4	TOTAL APPROPRIATION	\$29,978,000

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

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

12 (2) \$728,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$733,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for staff and related costs to
15 verify the accuracy of reported school district data submitted for
16 state funding purposes; conduct school district program audits of state
17 funded public school programs; establish the specific amount of state
18 funding adjustments whenever audit exceptions occur and the amount is
19 not firmly established in the course of regular public school audits;
20 and to assist the state special education safety net committee when
21 requested.

22 (3) Within the amounts appropriated in this section, the state
23 auditor shall continue to complete the annual audit of the state's
24 comprehensive annual financial report and the annual federal single
25 audit consistent with the auditing standards generally accepted in the
26 United States and the standards applicable to financial audits
27 contained in government auditing standards, issued by the comptroller
28 general of the United States, and OMB circular A-133, audits of states,
29 local governments, and nonprofit organizations.

30 NEW SECTION. **Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES**
31 **FOR ELECTED OFFICIALS**

32	General Fund--State Appropriation (FY 2012)	\$156,000
33	General Fund--State Appropriation (FY 2013)	\$195,000
34	TOTAL APPROPRIATION	\$351,000

35 NEW SECTION. **Sec. 125. FOR THE ATTORNEY GENERAL**

36	General Fund--State Appropriation (FY 2012)	\$5,070,000
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1	General Fund--State Appropriation (FY 2013)	\$5,070,000
2	General Fund--Federal Appropriation	\$4,722,000
3	New Motor Vehicle Arbitration Account--State	
4	Appropriation	\$1,000,000
5	Legal Services Revolving Account--State	
6	Appropriation	\$202,738,000
7	Tobacco Prevention and Control Account--State	
8	Appropriation	\$270,000
9	TOTAL APPROPRIATION	\$218,870,000

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

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

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

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

34 (4) \$70,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$70,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for implementation of Substitute
37 House Bill No. 1793 (access to juvenile records). If this bill is not

1 enacted by June 30, 2011, the amounts provided in this subsection shall
2 lapse.

3 (5) The attorney general shall enter into an interagency agreement
4 with the health care authority and the mental health division of the
5 department of social and health services for expenditure of \$1,570,000
6 of the state's proceeds from the *cy pres* settlement in *State of*
7 *Washington v. AstraZeneca* (Seroquel) for the purposes set forth in
8 sections 213 (25) and (26) and 204(3)(b) of this act.

9 (6) \$62,000 of the legal services revolving fund--state
10 appropriation is provided solely to implement House Bill No. 1770
11 (state purchasing). If the bill is not enacted by June 30, 2011, the
12 amount provided in this subsection shall lapse.

13 (7) \$124,000 of the legal services revolving fund--state
14 appropriation is provided solely to implement House Bill No. 2002
15 (industrial insurance). If the bill is not enacted by June 30, 2011,
16 the amount provided in this subsection shall lapse.

17 (8) \$550,000 of the legal services revolving fund--state
18 appropriation is provided solely to implement House Bill No. 2008
19 (natural resources programs). If the bill is not enacted by June 30,
20 2011, the amount provided in this subsection shall lapse.

21 (9) The office of the attorney general is authorized to expend
22 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer
23 protection costs in accordance with uses authorized in the court
24 orders.

25 NEW SECTION. **Sec. 126. FOR THE CASELOAD FORECAST COUNCIL**

26	General Fund--State Appropriation (FY 2012)	\$709,000
27	General Fund--State Appropriation (FY 2013)	\$710,000
28	TOTAL APPROPRIATION	\$1,419,000

29 NEW SECTION. **Sec. 127. FOR THE DEPARTMENT OF COMMERCE**

30	General Fund--State Appropriation (FY 2012)	\$63,397,000
31	General Fund--State Appropriation (FY 2013)	\$78,963,000
32	General Fund--Federal Appropriation	\$282,675,000
33	General Fund--Private/Local Appropriation	\$4,982,000
34	Public Works Assistance Account--State	
35	Appropriation	\$3,059,000
36	Drinking Water Assistance Administrative	

1	Account--State Appropriation	\$443,000
2	Lead Paint Account--State Appropriation	\$65,000
3	Building Code Council Account--State Appropriation	\$13,000
4	Home Security Fund Account--State Appropriation	\$16,454,000
5	Affordable Housing for All Account--State	
6	Appropriation	\$12,909,000
7	County Research Services Account--State Appropriation	\$1,052,000
8	Financial Fraud and Identity Theft Crimes Investigation	
9	and Prosecution Account--State Appropriation	\$1,166,000
10	Low-Income Weatherization Assistance Account--State	
11	Appropriation	\$5,795,000
12	City and Town Research Services Account--State	
13	Appropriation	\$5,026,000
14	Manufacturing Innovation and Modernization	
15	Account--State Appropriation	\$61,000
16	Community and Economic Development Fee Account--State	
17	Appropriation	\$6,517,000
18	Washington Housing Trust Account--State	
19	Appropriation	\$17,607,000
20	Prostitution Prevention and Intervention Account--	
21	State Appropriation	\$94,000
22	Public Facility Construction Loan Revolving	
23	Account--State Appropriation	\$764,000
24	Washington Community Technology Opportunity Account--	
25	State Appropriation	\$713,000
26	TOTAL APPROPRIATION	\$501,755,000

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

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

36 (2) \$500,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$500,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for a grant to resolution

1 Washington to building statewide capacity for alternative dispute
2 resolution centers and dispute resolution programs that guarantee that
3 citizens have access to low-cost resolution as an alternative to
4 litigation.

5 (3) \$277,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$277,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for a grant to the retired senior
8 volunteer program.

9 (4) The department shall administer its growth management act
10 technical assistance so that smaller cities receive proportionately
11 more assistance than larger cities or counties.

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

17 (6) \$1,800,000 of the home security fund--state appropriation is
18 provided for transitional housing assistance or partial payments for
19 rental assistance under the independent youth housing program.

20 (7) \$5,000,000 of the home security fund--state appropriation is
21 for the operation, repair, and staffing of shelters in the homeless
22 family shelter program.

23 (8) \$160,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$160,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for the Washington new Americans
26 program.

27 (9) \$260,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$259,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for the Washington asset building
30 coalitions.

31 (10) \$2,909,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$2,908,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for associate development
34 organizations.

35 (11) \$2,000,000 of the community and economic development fee
36 account appropriation is provided solely for the department of commerce
37 for services to homeless families through the Washington families fund.

1 (12) \$127,000 of the general fund--federal appropriation is
2 provided solely for implementation of Substitute House Bill No. 1886
3 (Ruckelshaus center process). If the bill is not enacted by June 30,
4 2011, the amount provided in this subsection shall lapse.

5 (13) Up to \$200,000 of the general fund--private/local
6 appropriation is for a grant to the Washington tourism alliance for the
7 maintenance of the Washington state tourism web site
8 www.experiencewa.com and its related sub-sites. The department may
9 transfer ownership of the web site and other tourism promotion assets
10 and assign obligations to the Washington tourism alliance for purposes
11 of tourism promotion throughout the state. The alliance may use the
12 assets only in a manner consistent with the purposes for which they
13 were created. Any revenue generated from these assets must be used by
14 the alliance for the sole purposes of statewide Washington tourism
15 promotion. The legislature finds that the Washington tourism alliance,
16 a not-for-profit, 501.c.6 organization established, funded, and
17 governed by Washington tourism industry stakeholders to sustain
18 destination tourism marketing across Washington, is an appropriate body
19 to receive funding and assets from and assume obligations of the
20 department for the purposes described in this section.

21 (14) \$34,207,000 of the general fund--state appropriation for
22 fiscal year 2012 and \$49,028,000 of the general fund--state
23 appropriation for fiscal year 2013 are provided solely for housing
24 assistance and basic essential needs assistance for disability
25 lifeline-unemployable clients. The department of commerce shall
26 contract for these services with counties or community-based
27 organizations involved in providing housing supports to low-income
28 persons. The department shall distribute funding through a formula
29 based on the average number of eligible disability
30 lifeline-unemployable clients residing in the county in the three
31 preceding fiscal years and shall update this formula annually. The
32 department, counties, and community providers shall strive to minimize
33 administrative costs associated with this funding.

34 (a) The counties or community-based organizations shall use a
35 minimum of ten percent, but no more than fifteen percent, of the funds
36 appropriated in this subsection to provide products, such as basic
37 personal hygiene and cleaning products, that will help to meet basic
38 essential needs of disability lifeline-unemployable clients. The

1 counties or community-based organizations may distribute basic
2 essential needs that are gender specific to disability
3 lifeline-unemployable clients. Counties and community-based
4 organizations shall distribute basic essential products in a manner
5 that prevents abuse. To the greatest extent possible, the counties or
6 community-based organizations shall leverage local or private funds,
7 and volunteer support to acquire and distribute the basic essential
8 products. Basic essential needs assistance shall not be provided in
9 the form of cash assistance to disability lifeline-unemployable
10 clients.

11 (b) The counties or community-based organizations have flexibility
12 as funding allows in using the remaining funds appropriated in this
13 subsection to provide housing assistance to the maximum number of
14 housing-vulnerable disability lifeline-unemployable clients who have
15 incapacities likely to last for more than six months. The counties or
16 community-based organizations shall report to the department the
17 housing status of disability lifeline-unemployable clients who seek
18 housing assistance and who seek assistance with essential needs.

19 (c) The department and the department of social and health services
20 shall submit a joint report to the relevant fiscal and policy
21 committees of the legislature by December 31, 2011, and annually
22 thereafter. The initial report must describe the actions it has taken
23 to achieve the objectives of this subsection and the amount of funds
24 that are being used to administer the program. Subsequent reports must
25 also include data on the number of disability lifeline-unemployable
26 clients who have received housing assistance in the prior year and the
27 housing outcomes of all disability lifeline-unemployable clients.

28 (15) \$833,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$832,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for a contract with the Washington
31 technology center for work essential to the mission of the Washington
32 technology center and conducted in partnership with universities.

33 (16) \$100,000 of the affordable housing for all account--state
34 appropriation is provided solely for implementation of Substitute House
35 Bill No. 1997 (providing economic development by funding tourism
36 promotion, workforce housing, art and heritage programs, and community
37 development). If the bill is not enacted by June 30, 2011, the amount
38 provided in this subsection shall lapse.

1 (17) \$16,000 of the general fund--state appropriation for fiscal
 2 year 2012 is provided solely to implement section 503 of Substitute
 3 House Bill No. 1277 (licensed settings for vulnerable adults). The
 4 long-term care ombudsman shall convene an adult family home quality
 5 assurance panel to review problems concerning the quality of care for
 6 residents in adult family homes. If Substitute House Bill No. 1277
 7 (licensed settings for vulnerable adults) is not enacted by June 30,
 8 2011, the amounts provided in this subsection shall lapse.

9 NEW SECTION. **Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST**
 10 **COUNCIL**

11	General Fund--State Appropriation (FY 2012)	\$691,000
12	General Fund--State Appropriation (FY 2013)	\$749,000
13	Lottery Administrative Account--State Appropriation	\$50,000
14	TOTAL APPROPRIATION	\$1,490,000

15 NEW SECTION. **Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

16	General Fund--State Appropriation (FY 2012)	\$18,905,000
17	General Fund--State Appropriation (FY 2013)	\$19,101,000
18	General Fund--Federal Appropriation	\$31,581,000
19	General Fund--Private/Local Appropriation	\$1,270,000
20	Performance Audit of Government Account--	
21	State Appropriation	\$25,000
22	Economic Development Strategic Reserve Account--	
23	State Appropriation	\$289,000
24	Department of Personnel Services--State Appropriation	\$9,069,000
25	Data Processing Revolving Account--State	
26	Appropriation	\$5,208,000
27	Higher Education Personnel Services Account--State	
28	Appropriation	\$1,533,000
29	TOTAL APPROPRIATION	\$86,981,000

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

32 (1) \$12,000 of the general fund--state appropriation for fiscal
 33 year 2012 and \$12,000 of the general fund--state appropriation for
 34 fiscal year 2013 are provided solely for implementation of Substitute
 35 House Bill No. 1666 (higher education task force). If the bill is not

1 enacted by June 30, 2011, the amount provided in this subsection shall
2 lapse.

3 (2) \$1,210,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$1,210,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for implementation of House Bill
6 No. 1178 (regulatory assistance office). If the bill is not enacted by
7 June 30, 2011, the amounts provided in this subsection shall lapse.

8 (3) Funding provided in this section is sufficient for the office
9 of financial management to conduct an impact and feasibility study to
10 review possible implications of a direct deposit mandate for state
11 employees. This mandate would require that state employees receive
12 their paychecks through direct deposit. The impact and feasibility
13 study will consider the potential impact on employees and potential
14 liabilities for employers and include a recommendation as to whether
15 the state should implement a direct deposit mandate. The study shall
16 be due to the fiscal committees of the legislature by December 1, 2011.

17 (4) Funding provided in this section is sufficient for the office
18 of financial management to conduct a feasibility study on the potential
19 impacts of a system that would allow digital signatures to serve as
20 valid employee signatures for the purpose of employment activities. In
21 conducting this study, the office of financial management should assume
22 that this system would be available to all state employees. The study
23 must consider cost and other impacts to the state, including potential
24 liabilities. The study shall be due to the fiscal committees of the
25 legislature by December 1, 2011.

26 NEW SECTION. **Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

27 Administrative Hearings Revolving Account--State

28 Appropriation \$34,810,000

29 The appropriation in this section is subject to the following
30 conditions and limitations: \$580,000 of the administrative hearings
31 revolving account--state appropriation is provided solely to implement
32 Substitute House Bill No. 1741 (temp assist/needy families). If the
33 bill is not enacted by June 30, 2011, the amount provided in this
34 subsection shall lapse.

35 NEW SECTION. **Sec. 131. FOR THE WASHINGTON STATE LOTTERY**

36 Lottery Administrative Account--State

1 Appropriation \$27,075,000

2 NEW SECTION. Sec. 132. FOR THE COMMISSION ON HISPANIC AFFAIRS
3 General Fund--State Appropriation (FY 2012) \$233,000
4 General Fund--State Appropriation (FY 2013) \$239,000
5 TOTAL APPROPRIATION \$472,000

6 NEW SECTION. Sec. 133. FOR THE COMMISSION ON AFRICAN-AMERICAN
7 **AFFAIRS**
8 General Fund--State Appropriation (FY 2012) \$224,000
9 General Fund--State Appropriation (FY 2013) \$225,000
10 TOTAL APPROPRIATION \$449,000

11 NEW SECTION. Sec. 134. FOR THE DEPARTMENT OF RETIREMENT
12 **SYSTEMS--OPERATIONS**
13 Department of Retirement Systems Expense
14 Account--State Appropriation \$47,587,000

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

17 (1) \$45,000 of the department of retirement systems--state
18 appropriation is provided solely for the administrative costs
19 associated with implementation of House Bill No. 1742 (alternate early
20 retirement). If the bill is not enacted by June 30, 2011, the amount
21 provided in this subsection shall lapse.

22 (2) \$65,000 of the department of retirement systems--state
23 appropriation is provided solely for the administrative costs
24 associated with implementation of House Bill No. 1625 (plan 3 default
25 investment option). If the bill is not enacted by June 30, 2011, the
26 amount provided in this subsection shall lapse.

27 (3) \$67,000 of the department of retirement systems--state
28 appropriation is provided solely for the administrative costs
29 associated with implementation of House Bill No. 1981 (higher education
30 retirement plan and postretirement employment). If the bill is not
31 enacted by June 30, 2011, the amount provided in this subsection shall
32 lapse.

33 (4) \$15,000 of the department of retirement systems--state
34 appropriation is provided solely for the administrative costs

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

4 **NEW SECTION. Sec. 135. FOR THE DEPARTMENT OF REVENUE**

5	General Fund--State Appropriation (FY 2012)	\$108,813,000
6	General Fund--State Appropriation (FY 2013)	\$109,088,000
7	Timber Tax Distribution Account--State Appropriation	\$6,090,000
8	Waste Reduction/Recycling/Litter Control--State	
9	Appropriation	\$135,000
10	Waste Tire Removal Account--State Appropriation	\$2,000
11	State Toxics Control Account--State Appropriation	\$91,000
12	Oil Spill Prevention Account--State Appropriation	\$19,000
13	Master License Fund--State Appropriation	\$16,239,000
14	Vehicle License Fraud Account--State Appropriation	\$5,000
15	TOTAL APPROPRIATION	\$240,482,000

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

18 (1) \$16,192,000 of the master license account appropriation is
19 provided solely to implement House Bill No. 2017 (master license
20 service program). If the bill is not enacted by June 30, 2011, the
21 amount provided in this subsection shall lapse.

22 (2) \$47,000 of the master license account appropriation is provided
23 solely to implement Engrossed Substitute House Bill No. 1367 (for hire
24 vehicles and operators). If the bill is not enacted by June 30, 2011,
25 the amount provided in this subsection shall lapse.

26 (3) \$88,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$17,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely to implement Substitute House Bill
29 No. 1666 (higher education funding task force). If the bill is not
30 enacted by June 30, 2011, the amounts provided in this subsection shall
31 lapse.

32 **NEW SECTION. Sec. 136. FOR THE STATE INVESTMENT BOARD**

33	State Investment Board Expense Account--State	
34	Appropriation	\$29,858,000

35 The appropriation in this section is subject to the following
36 conditions and limitations: The complete biennial salary survey

1 required under RCW 43.33A.100 shall be provided to the office of
2 financial management and to the fiscal committees of the legislature as
3 part of the state investment board's biennial budget submittal, and
4 shall include the total amount of compensation increases proposed, as
5 well as recommended salary ranges.

6 NEW SECTION. **Sec. 137. FOR THE BOARD OF TAX APPEALS**

7	General Fund--State Appropriation (FY 2012)	\$1,275,000
8	General Fund--State Appropriation (FY 2013)	\$1,258,000
9	TOTAL APPROPRIATION	\$2,533,000

10 NEW SECTION. **Sec. 138. FOR THE OFFICE OF MINORITY AND WOMEN'S**
11 **BUSINESS ENTERPRISES**

12	OMWBE Enterprises Account--State Appropriation	\$3,368,000
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13 NEW SECTION. **Sec. 139. FOR THE CONSOLIDATED TECHNOLOGY SERVICES**
14 **AGENCY**

15	General Fund--State Appropriation (FY 2012)	\$3,000
16	General Fund--State Appropriation (FY 2013)	\$4,000
17	General Fund--Private/Local Appropriation	\$356,000
18	Data Processing Revolving Account--State	
19	Appropriation	\$53,000
20	TOTAL APPROPRIATION	\$416,000

21 The expenditures of the consolidated technology services agency are
22 subject to the following conditions and limitations:

23 (1) \$26,794,000 from the data processing revolving account
24 appropriation may be expended to design and install the network and
25 other necessary equipment to operate a consolidated state data center.
26 Before expending any funds from this account for equipping and
27 operating the data center, the following conditions must be met:

28 (a) The office of the chief information officer shall be
29 established and a chief information officer appointed as directed under
30 Substitute House Bill No. 1841 (information technology management);

31 (b) Technical standards for agencies to adopt shared services
32 consistent with the consolidated data center have been developed and
33 approved by the chief information officer;

34 (c) Labor provisions and contracting and purchasing authority have

1 been implemented consistent with Substitute House Bill No. 1841
2 (information technology management); and

3 (d) The consolidated technology services agency has developed a
4 rate model that provides competitive rates for agencies that use the
5 state data center. If necessary, the consolidated technology services
6 agency shall identify options with input from various stakeholders to
7 offset the fixed costs of operating the data center to allow for
8 competitive rates to be charged to agencies, including, but not limited
9 to, considering the agency competitively selecting a vendor to design,
10 install, and operate the consolidated data center. The contracting out
11 of any services to design, install, and operate the consolidated data
12 center shall be subject to state collective bargaining law on
13 contracting out.

14 (2) Once the conditions in subsection (1) of this section have been
15 met and approved by the office of financial management and the chief
16 information officer, the chief information officer and the consolidated
17 technology services agency shall submit to the appropriate committees
18 of the legislature a detailed technical, financial, and logistical
19 implementation plan for operation of the consolidated data center.

20 **NEW SECTION. Sec. 140. FOR THE INSURANCE COMMISSIONER**

21	General Fund--Federal Appropriation	\$4,474,000
22	Insurance Commissioners Regulatory Account--State	
23	Appropriation	\$48,501,000
24	TOTAL APPROPRIATION	\$52,975,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: \$42,000 of the insurance commissioner's
27 regulatory account--state appropriation is provided solely to implement
28 House Bill No. 1343 (insurance statutes). If the bill is not enacted
29 by June 30, 2011, the amount provided in this subsection shall lapse.

30 **NEW SECTION. Sec. 141. FOR THE BOARD OF ACCOUNTANCY**

31	Certified Public Accountants' Account--State	
32	Appropriation	\$2,814,000

33 **NEW SECTION. Sec. 142. FOR THE FORENSIC INVESTIGATION COUNCIL**

34	Death Investigations Account--State Appropriation	\$280,000
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1 The appropriation in this section is subject to the following
2 conditions and limitations: \$250,000 of the death investigations
3 account appropriation is provided solely for providing financial
4 assistance to local jurisdictions in multiple death investigations.
5 The forensic investigation council shall develop criteria for awarding
6 these funds for multiple death investigations involving an
7 unanticipated, extraordinary, and catastrophic event or those involving
8 multiple jurisdictions.

9 NEW SECTION. **Sec. 143. FOR THE HORSE RACING COMMISSION**
10 Horse Racing Commission Operating Account--State
11 Appropriation \$4,029,000

12 NEW SECTION. **Sec. 144. FOR THE LIQUOR CONTROL BOARD**
13 Liquor Control Board Construction and Maintenance
14 Account--State Appropriation \$3,817,000
15 Liquor Revolving Account--State Appropriation \$175,444,000
16 General Fund--Federal Appropriation \$120,000
17 TOTAL APPROPRIATION \$179,381,000

18 NEW SECTION. **Sec. 145. FOR THE UTILITIES AND TRANSPORTATION**
19 **COMMISSION**
20 General Fund--Federal Appropriation \$502,000
21 General Fund--Private/Local Appropriation \$11,216,000
22 Public Service Revolving Account--State
23 Appropriation \$31,114,000
24 Pipeline Safety Account--State Appropriation \$3,228,000
25 Pipeline Safety Account--Federal Appropriation \$2,887,000
26 TOTAL APPROPRIATION \$48,947,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: In accordance with RCW 80.36.610(1), the
29 utilities and transportation commission is authorized to establish
30 federal telecommunications act services fees in fiscal year 2012 as
31 necessary to meet the actual costs of conducting business and the
32 appropriation levels in this section.

33 NEW SECTION. **Sec. 146. FOR THE MILITARY DEPARTMENT**
34 General Fund--State Appropriation (FY 2012) \$8,179,000

1	General Fund--State Appropriation (FY 2013)	\$8,213,000
2	General Fund--Federal Appropriation	\$160,163,000
3	Enhanced 911 Account--State Appropriation	\$46,619,000
4	Disaster Response Account--State Appropriation	\$18,018,000
5	Disaster Response Account--Federal Appropriation	\$66,266,000
6	Military Department Rent and Lease Account--State	
7	Appropriation	\$615,000
8	Worker and Community Right-to-Know Account--State	
9	Appropriation	\$2,178,000
10	TOTAL APPROPRIATION	\$310,251,000

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

13 (1) \$18,018,000 of the disaster response account--state
14 appropriation and \$66,266,000 of the disaster response account--federal
15 appropriation may be spent only on disasters declared by the governor
16 and with the approval of the office of financial management. The
17 military department shall submit a report to the office of financial
18 management and the legislative fiscal committees on October 1st and
19 February 1st of each year detailing information on the disaster
20 response account, including: (a) The amount and type of deposits into
21 the account; (b) the current available fund balance as of the reporting
22 date; and (c) the projected fund balance at the end of the 2011-2013
23 biennium based on current revenue and expenditure patterns.

24 (2) \$75,000,000 of the general fund--federal appropriation is
25 provided solely for homeland security, subject to the following
26 conditions:

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

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

36 NEW SECTION. **Sec. 147. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
37 Volunteer Firefighters' and Reserve Officers'

1 Administrative Account--State Appropriation \$1,069,000

2 NEW SECTION. **Sec. 148. FOR THE PUBLIC EMPLOYMENT RELATIONS**
3 **COMMISSION**

4 General Fund--State Appropriation (FY 2012) \$2,410,000
5 General Fund--State Appropriation (FY 2013) \$2,476,000
6 Higher Education Personnel Services Account--State
7 Appropriation \$257,000
8 Department of Personnel Service Account--State
9 Appropriation \$3,392,000
10 TOTAL APPROPRIATION \$8,535,000

11 NEW SECTION. **Sec. 149. FOR THE DEPARTMENT OF HERITAGE, ARTS, AND**
12 **CULTURE**

13 General Fund--State Appropriation (FY 2012) \$1,841,000
14 General Fund--State Appropriation (FY 2013) \$1,961,000
15 General Fund--Federal Appropriation \$3,907,000
16 General Fund--Private/Local Appropriation \$1,074,000
17 TOTAL APPROPRIATION \$8,783,000

18 NEW SECTION. **Sec. 150. FOR THE DEPARTMENT OF ENTERPRISE**
19 **SERVICES**

20 General Fund--State Appropriation (FY 2012) \$4,067,000
21 General Fund--State Appropriation (FY 2013) \$4,065,000
22 General Fund--Federal Appropriation \$184,000
23 General Fund--Private/Local Appropriation \$368,000
24 Building Code Council Account \$1,183,000
25 Department of Personnel Service Account \$10,029,000
26 General Administration Service Account \$27,228,000
27 TOTAL APPROPRIATION \$47,124,000

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

30 (1) \$3,090,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$3,090,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the payment of facilities and
33 services charges, utilities and contracts charges, public and historic
34 facilities charges, and capital projects surcharges allocable to the
35 senate, house of representatives, statute law committee, and joint

1 legislative systems committee. The department shall allocate charges
2 attributable to these agencies among the affected revolving funds. The
3 department shall maintain an interagency agreement with these agencies
4 to establish performance standards, prioritization of preservation and
5 capital improvement projects, and quality assurance provisions for the
6 delivery of services under this subsection. The legislative agencies
7 named in this subsection shall continue to enjoy all of the same rights
8 of occupancy and space use on the capitol campus as historically
9 established.

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

(End of part)

1 may be necessary to finance a unified health care plan for the WMIP
2 program enrollment. The amount of funding assigned from each program
3 may not exceed the average per capita cost assumed in this act for
4 individuals covered by that program, actuarially adjusted for the
5 health condition of persons enrolled, times the number of clients
6 enrolled. In implementing the WMIP, the health care authority and the
7 department may: (a) Withhold from calculations of "available
8 resources" as set forth in RCW 71.24.025 a sum equal to the capitated
9 rate for enrolled individuals; and (b) employ capitation financing and
10 risk-sharing arrangements in collaboration with health care service
11 contractors licensed by the office of the insurance commissioner and
12 qualified to participate in both the medicaid and medicare programs.
13 The health care authority and the department shall conduct an
14 evaluation of the WMIP, measuring changes in participant health
15 outcomes, changes in patterns of service utilization, participant
16 satisfaction, participant access to services, and the state fiscal
17 impact.

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

28 (5) By October 1, 2011, the department shall compile and submit to
29 the department of health data regarding food procurement costs for
30 fiscal year 2011 regarding meals and other food for both residential
31 and nonresidential clients, including the percentage of food purchased
32 from Washington sources. The data shall be reported by setting and
33 population, including costs per client, and be accompanied by the
34 department's current food purchasing policies and standards.

35 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
36 **SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**
37 General Fund--State Appropriation (FY 2012) \$302,013,000

1	General Fund--State Appropriation (FY 2013)	\$304,003,000
2	General Fund--Federal Appropriation	\$473,006,000
3	General Fund--Private/Local Appropriation	\$1,389,000
4	Home Security Fund Appropriation	\$8,967,000
5	Domestic Violence Prevention Account--State	
6	Appropriation	\$1,154,000
7	Education Legacy Trust Account--State Appropriation	\$725,000
8	TOTAL APPROPRIATION	\$1,091,257,000

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

11 (1) Within amounts provided for the foster care and adoption
12 support programs, the department shall control reimbursement decisions
13 for foster care and adoption support cases such that the aggregate
14 average cost per case for foster care and for adoption support does not
15 exceed the amounts assumed in the projected caseload expenditures.

16 (2) \$668,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$668,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely to contract for the operation of
19 one pediatric interim care center. The center shall provide
20 residential care for up to thirteen children through two years of age.
21 Seventy-five percent of the children served by the center must be in
22 need of special care as a result of substance abuse by their mothers.
23 The center shall also provide on-site training to biological, adoptive,
24 or foster parents. The center shall provide at least three months of
25 consultation and support to the parents accepting placement of children
26 from the center. The center may recruit new and current foster and
27 adoptive parents for infants served by the center. The department
28 shall not require case management as a condition of the contract. The
29 department shall collaborate with the pediatric interim care center to
30 determine if and how the center could be appropriately incorporated
31 into the performance-based lead agency model and report its findings to
32 the legislature by December 1, 2012.

33 (3) \$79,941,000 of the general fund--state appropriation for fiscal
34 year 2012, \$80,236,000 of the general fund--state appropriation for
35 fiscal year 2013, and \$74,555,000 of the general fund--federal
36 appropriation are provided solely for the department to utilize
37 performance-based contracts as required under RCW 74.13.360(1) to
38 obtain services for children and families.

1 (a) The department shall contract with lead agencies to, within the
2 scope of their allowable activities under the contract, provide
3 services to safely reduce the number of children in out-of-home care,
4 safely reduce the time spent in out-of-home care prior to achieving
5 permanency, and safely reduce the number of children returning to
6 out-of-home care following permanency. The services provided through
7 the lead agencies must include, but are not limited to, pediatric
8 interim care community-based services, behavioral rehabilitative
9 services, crisis intervention services, family preservation services,
10 intensive family preservation services, assessment services,
11 evidence-based programs, and constellation hub models for foster care
12 support.

13 (b) The department shall collect and monitor outcome and
14 performance data associated with child and family safety and
15 well-being. The department shall report outcome and performance data
16 annually to the legislature. The first report shall be submitted to
17 the relevant policy and fiscal committees of the legislature on
18 December 1, 2011. The report shall include, but is not limited to,
19 data on the following outcomes:

20 (i) Percent of children that remain safely in their homes without
21 a substantiated maltreatment report while their case is open for
22 services;

23 (ii) Percent of children that do not have a substantiated
24 maltreatment report within six months of case closures;

25 (iii) Percent of children in out-of-home care with two or fewer
26 placements in the first year;

27 (iv) Percent of children placed in out-of-home care with no
28 placement disruptions in the last 12 months, 24 months, and 36 months;

29 (v) Reduction in the total number of care days for all children
30 placed in out-of-home care;

31 (vi) Reduction in the median length of stay for children intensive
32 treatment settings; and

33 (vii) Percent and number of children who reenter out-of-home care
34 following an exit from care.

35 (c) In addition to outcome data, the report shall include
36 information related to:

37 (i) The number of children and families served;

- 1 (ii) The type of services provided, including the extent to which
2 evidence-based services and promising practices are being used;
3 (iii) The duration of the services provided;
4 (iv) The cost of services provided during the reporting period;
5 (v) Any changes in racial and ethnic disproportionality among the
6 children served by the lead agencies; and
7 (vi) The results of stakeholder and tribal partners' satisfaction
8 surveys.

9 (d) The initial report also shall include lead agency start-up
10 costs incurred during the first six months of state fiscal year 2012.

11 (4) \$36,000 of the general fund--state appropriation for fiscal
12 year 2012, \$36,000 of the general fund--state appropriation for fiscal
13 year 2013, and \$32,000 of the general fund--federal appropriation are
14 provided solely for the implementation of chapter 465, Laws of 2007
15 (child welfare).

16 (5) \$176,000 of the general fund--state appropriation for fiscal
17 year 2012, \$177,000 of the general fund--state appropriation for fiscal
18 year 2013, \$656,000 of the general fund--private/local appropriation,
19 \$253,000 of the general fund--federal appropriation, and \$725,000 of
20 the education legacy trust account--state appropriation are provided
21 solely for children's administration to contract with an educational
22 advocacy provider with expertise in foster care educational outreach.
23 The amounts in this subsection are provided solely for contracted
24 education coordinators to assist foster children in succeeding in K-12
25 and higher education systems and to assure a focus on education during
26 the transition to performance based contracts. Funding shall be
27 prioritized to regions with high numbers of foster care youth and/or
28 regions where backlogs of youth that have formerly requested
29 educational outreach services exist. The department shall utilize
30 private matching funds to maintain educational advocacy services.

31 (6) \$670,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$670,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for services provided through
34 children's advocacy centers.

35 (7) To ensure expenditures remain within available funds
36 appropriated in this section as required by RCW 74.13A.005 and
37 74.13A.020, the secretary shall not set the amount of any adoption
38 assistance payment or payments, made pursuant to RCW 26.33.320 and

1 74.13A.005 through 74.13A.080, to more than ninety percent of the
2 foster care maintenance payment for that child had he or she remained
3 in a foster family home during the same period. This subsection does
4 not apply to adoption assistance agreements in existence on the
5 effective date of this section.

6 (8) \$67,000 of the general fund--state appropriation for fiscal
7 year 2012, \$67,000 of the general fund--state appropriation for fiscal
8 year 2013, and \$8,967,000 of the home security fund--state
9 appropriation are provided solely for the department to contract for
10 services pursuant to RCW 13.32A.030 and 74.15.220. The department
11 shall contract and collaborate with service providers in a manner that
12 maintains the availability and geographic representation of secure and
13 semi-secure crisis residential centers and HOPE centers. To achieve
14 efficiencies and increase utilization, the department shall allow the
15 co-location of these centers, except that a youth may not be placed in
16 a secure facility or the secure portion of a co-located facility except
17 as specifically authorized by chapter 13.32A RCW.

18 (9) \$47,000 of the general fund--state appropriation for fiscal
19 year 2012, \$14,000 of the general fund--state appropriation for fiscal
20 year 2013, and \$40,000 of the general fund--federal appropriation are
21 provided solely to implement Substitute House Bill No. 1697 (dependency
22 system). If the bill is not enacted by June 30, 2011, the amounts
23 provided in this subsection shall lapse.

24 (10) \$564,000 of the general fund--federal appropriation is
25 provided solely to implement Second Substitute House Bill No. 1128
26 (extended foster care). If the bill is not enacted by June 30, 2011,
27 the amount provided in this subsection shall lapse.

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

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

36	General Fund--State Appropriation (FY 2012)	\$88,859,000
37	General Fund--State Appropriation (FY 2013)	\$88,902,000

1	General Fund--Federal Appropriation	\$702,000
2	General Fund--Private/Local Appropriation	\$1,912,000
3	Washington Auto Theft Prevention Authority Account--	
4	State Appropriation	\$196,000
5	Juvenile Accountability Incentive Account--Federal	
6	Appropriation	\$2,805,000
7	TOTAL APPROPRIATION	\$183,376,000

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

10 (1) \$331,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$331,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for deposit in the county criminal
13 justice assistance account for costs to the criminal justice system
14 associated with the implementation of chapter 338, Laws of 1997
15 (juvenile code revisions). The amounts provided in this subsection are
16 intended to provide funding for county adult court costs associated
17 with the implementation of chapter 338, Laws of 1997 and shall be
18 distributed in accordance with RCW 82.14.310.

19 (2) \$2,716,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$2,716,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for the implementation of chapter
22 338, Laws of 1997 (juvenile code revisions). The amounts provided in
23 this subsection are intended to provide funding for county impacts
24 associated with the implementation of chapter 338, Laws of 1997 and
25 shall be distributed to counties as prescribed in the current
26 consolidated juvenile services (CJS) formula.

27 (3) \$3,482,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$3,482,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely to implement community juvenile
30 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
31 code revisions). Funds provided in this subsection may be used solely
32 for community juvenile accountability grants, administration of the
33 grants, and evaluations of programs funded by the grants.

34 (4) \$1,130,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$1,130,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely to implement alcohol and substance
37 abuse treatment programs for locally committed offenders. The juvenile
38 rehabilitation administration shall award these moneys on a competitive

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

6 (5) \$2,873,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$2,873,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for grants to county juvenile
9 courts for the following programs identified by the Washington state
10 institute for public policy (institute) in its October 2006 report:
11 "Evidence-Based Public Policy Options to Reduce Future Prison
12 Construction, Criminal Justice Costs and Crime Rates": Functional
13 family therapy, multi-systemic therapy, aggression replacement training
14 and interagency coordination programs, or other programs with a
15 positive benefit-cost finding in the institute's report. County
16 juvenile courts shall apply to the juvenile rehabilitation
17 administration for funding for program-specific participation and the
18 administration shall provide grants to the courts consistent with the
19 per-participant treatment costs identified by the institute.

20 (6) \$1,287,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$1,287,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for expansion of the following
23 treatments and therapies in juvenile rehabilitation administration
24 programs identified by the Washington state institute for public policy
25 in its October 2006 report: "Evidence-Based Public Policy Options to
26 Reduce Future Prison Construction, Criminal Justice Costs and Crime
27 Rates": Multidimensional treatment foster care, family integrated
28 transitions, and aggression replacement training. The administration
29 may concentrate delivery of these treatments and therapies at a limited
30 number of programs to deliver the treatments in a cost-effective
31 manner.

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

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

21 (b) The juvenile rehabilitation administration shall phase the
22 implementation of the formula provided in subsection (1) of this
23 section by including a stop-loss formula of five percent in fiscal year
24 2012 and five percent in fiscal year 2013.

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

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

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

30 (8) The legislature finds that regular review of comparative
31 juvenile court data is important to juvenile courts' quality assurance
32 and program improvement efforts. By December 1, 2011, the joint
33 legislative audit and review committee shall recommend to the fiscal
34 committees of the legislature a format of data sharing between the
35 juvenile rehabilitation administration and the juvenile courts,
36 including reporting periods and content, in order to optimize quality
37 assurance and program outcomes.

1 higher than the nonmedicaid allocation they receive under this section
2 to supplement these funds with local dollars or funds received under
3 section 204(1)(a) of this act. The department and regional support
4 networks shall maintain consistency with all essential elements of the
5 PACT evidence-based practice model in programs funded under this
6 section.

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

15 (d) The number of nonforensic beds allocated for use by regional
16 support networks at eastern state hospital shall be 192 per day. The
17 number of nonforensic beds allocated for use by regional support
18 networks at western state hospital shall be 557 per day.

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

25 (f) \$4,582,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$4,582,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for mental health services for
28 mentally ill offenders while confined in a county or city jail and for
29 facilitating access to programs that offer mental health services upon
30 release from confinement.

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

34 (h) \$750,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$750,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely to continue performance-based
37 incentive contracts to provide appropriate community support services
38 for individuals with severe mental illness who were discharged from the

1 state hospitals as part of the expanding community services initiative.
2 These funds will be used to enhance community residential and support
3 services provided by regional support networks through other state and
4 federal funding.

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

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

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

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

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

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

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

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

1 crisis and commitment, community inpatient, residential care, and
2 outpatient services presently available to persons not eligible for
3 medicaid.

4 (2) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2012)	\$121,371,000
6	General Fund--State Appropriation (FY 2013)	\$121,215,000
7	General Fund--Federal Appropriation	\$152,593,000
8	General Fund--Private/Local Appropriation	\$65,834,000
9	TOTAL APPROPRIATION	\$461,013,000

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

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

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

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

29 (3) SPECIAL PROJECTS

30	General Fund--State Appropriation (FY 2012)	\$1,459,000
31	General Fund--State Appropriation (FY 2013)	\$1,464,000
32	General Fund--Federal Appropriation	\$2,682,000
33	General Fund--Private/Local Appropriation	\$700,000
34	TOTAL APPROPRIATION	\$6,305,000

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

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

6 (b) \$700,000 of the general fund--private/local appropriation is
7 provided solely for the University of Washington's evidence based
8 practice institute which supports the identification, evaluation, and
9 implementation of evidence-based or promising practices for serving
10 children and youth with mental health disorders. The department shall
11 enter into an interagency agreement with the office of the attorney
12 general for expenditure of \$700,000 of the state's proceeds of the cy
13 pres settlement in *State of Washington v. AstraZeneca* (Seroquel) for
14 this purpose.

15 (4) PROGRAM SUPPORT

16	General Fund--State Appropriation (FY 2012)	\$4,193,000
17	General Fund--State Appropriation (FY 2013)	\$4,034,000
18	General Fund--Federal Appropriation	\$7,125,000
19	General Fund--Private/Local Appropriation	\$981,000
20	TOTAL APPROPRIATION	\$16,333,000

21 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
22 the department is authorized to increase license and certification fees
23 in fiscal years 2012 and 2013 as necessary to support the costs of the
24 regulatory program. The department's fee schedule shall have
25 differential rates for providers with proof of accreditation from
26 organizations that the department has determined to have substantially
27 equivalent standards to those of the department, including but not
28 limited to the joint commission on accreditation of health care
29 organizations, the commission on accreditation of rehabilitation
30 facilities, and the council on accreditation. To reflect the reduced
31 costs associated with regulation of accredited programs, the
32 department's fees for organizations with such proof of accreditation
33 must reflect the lower costs of licensing for these programs than for
34 other organizations which are not accredited.

35 (b) \$53,000 of the general fund--private/local appropriation is
36 provided solely for implementation of Substitute House Bill No. 1170
37 (triage facilities). If the bill is not enacted by June 30, 2011, the
38 amounts provided in this subsection shall lapse.

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

3 (1) COMMUNITY SERVICES

4	General Fund--State Appropriation (FY 2012)	\$421,592,000
5	General Fund--State Appropriation (FY 2013)	\$431,459,000
6	General Fund--Federal Appropriation	\$737,173,000
7	General Fund--Private/Local Appropriation	\$565,000
8	TOTAL APPROPRIATION	\$1,590,789,000

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

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

15 (b) Amounts appropriated in this section reflect a reduction to
16 funds appropriated for in-home care. The department shall reduce the
17 number of in-home hours authorized. The reduction shall be scaled
18 based on the acuity level of care recipients. The largest hour
19 reductions shall be to lower acuity patients and the smallest hour
20 reductions shall be to higher acuity patients.

21 (c) Amounts appropriated in this section are sufficient to develop
22 and implement the use of a consistent, statewide outcome-based vendor
23 contract for employment and day services by July 1, 2012. The rates
24 paid to vendors under this contract shall also be made consistent. In
25 its description of activities the agency shall include activity
26 listings and dollars appropriated for: Employment services, day
27 services, child development services and county administration of
28 services to the developmentally disabled. The department shall begin
29 reporting to the office of financial management on these activities
30 beginning in fiscal year 2010.

31 (d) \$1,159,000 of the general fund--state appropriation for fiscal
32 year 2012, \$1,242,000 of the general fund--state appropriation for
33 fiscal year 2013, and \$2,400,000 of the general fund--federal
34 appropriation are provided solely for state contributions for
35 individual provider health care benefits. Pursuant to the collective
36 bargaining agreement negotiated with the exclusive bargaining
37 representative of individual providers established under RCW

1 74.39A.270, the state shall contribute to the multiemployer health
2 benefits trust fund \$1.96 per paid hour worked by individual providers.

3 (e) \$1,509,000 of the general fund--state appropriation for fiscal
4 year 2012, \$1,609,000 of the general fund--state appropriation for
5 fiscal year 2013, and \$3,116,000 of the general fund--federal
6 appropriation are provided solely for home care agencies to purchase
7 health coverage for home care providers. In order to negotiate the
8 most comprehensive health benefits package for its employees, each
9 agency may determine benefit levels according to the hours an employee
10 works to provide state-funded personal care. At a minimum, employees
11 who work 35 hours a week or greater must receive a comprehensive
12 medical benefit. The department shall not pay an agency for benefits
13 provided to an employee who otherwise receives health care coverage
14 through other family members, other employment-based coverage, or
15 military or veteran's coverage. The department shall require annually,
16 each home care agency to review each of its employee's available health
17 coverage and to provide a written declaration to the department
18 verifying that health benefits purchased with public funds are solely
19 for employees that do not have other available coverage. Home care
20 agencies may determine a reasonable employee copremium not to exceed 20
21 percent of the total benefit cost.

22 (f) \$1,127,000 of the general fund--state appropriation for fiscal
23 year 2012, \$1,199,000 of the general fund--state appropriation for
24 fiscal year 2013, and \$2,322,000 of the general fund--federal
25 appropriation are provided solely for the state's contribution to the
26 training partnership, as provided in RCW 74.39A.360, for instructional
27 costs associated with the training of individual providers. House Bill
28 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)
29 make statutory changes to the increased training requirements and
30 therefore the state shall contribute to the partnership \$0.17 per paid
31 hour worked by all home care workers. This amount is pursuant to the
32 collective bargaining agreement negotiated with the exclusive
33 bargaining representative of individual providers established under RCW
34 74.39A.270. Expenditures for the purposes specified in this subsection
35 shall not exceed the amounts provided in this subsection.

36 (g) \$475,000 of the general fund--state appropriation for fiscal
37 year 2012, \$490,000 of the general fund--state appropriation for fiscal
38 year 2013, and \$967,000 of the general fund--federal appropriation are

1 provided solely to compensate individual providers who are not related
2 to their clients and agency providers for time required to participate
3 in enhanced mandatory basic training.

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

20 (ii) The department shall work with the center for medicare and
21 medicaid services to incorporate a day services option into the home
22 and community-based medicaid waivers. The day services option shall:

23 (A) Be designed to promote positive growth,

24 (B) Provide activities that foster learning opportunities, self
25 determination, and independent skills and abilities, and

26 (C) Facilitate opportunities for socialization and leisure such as
27 music therapy, working with computers, social activities, and
28 interaction with therapy animals.

29 (iii) The department shall lower the expenditure limits for
30 employment services in the basic plus, CORE, and community protection
31 waivers. In administering these expenditure limitations, the
32 department shall negotiate with counties to limit direct client
33 impacts.

34 (iv) \$11,030,000 of the general fund--state appropriation for
35 fiscal year 2012, \$11,030,000 of the general fund--state appropriation
36 for fiscal year 2013, and \$18,770,000 of the general fund--federal
37 appropriation are provided solely for a day services option for
38 medicaid home and community-based waiver clients who have a

1 developmental disability. Amounts in this subsection (h)(iv) are
2 sufficient to provide a day service option to clients with
3 developmental disabilities who are on a medicaid home and community-
4 based services waiver, but are not receiving employment services.

5 (v) The appropriation in this subsection includes funding to
6 provide employment, community access, or a day services option to 168
7 young adults with developmental disabilities living with their family
8 who need employment opportunities and assistance after high school
9 graduation.

10 (i) \$1,098,000 of the general fund--state appropriation for fiscal
11 year 2012, \$1,097,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$2,195,000 of the general fund--federal
13 appropriation are provided solely to provide dental coverage through
14 the aging and disability services administration's home and community-
15 based waiver programs. Services shall include preventive, routine, and
16 emergent dental care for eligible long-term care clients and clients
17 with developmental disabilities.

18 (j) \$75,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$75,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for the restoration of direct
21 support to local organizations that utilize parent-to-parent networks
22 and communication to promote access and quality of care for individuals
23 with developmental disabilities and their families.

24 (k) In accordance with Substitute House Bill No. 1277 (licensed
25 settings for vulnerable adults) the department is authorized to
26 increase adult family home fees in fiscal year 2012 as necessary to
27 meet the actual costs of conducting licensure, inspection, and
28 regulatory programs.

29 (i) The current annual renewal license fee for adult family homes
30 shall be increased to \$386 per bed beginning in fiscal year 2012 and
31 assumes \$565,000 of the general fund--private/local appropriation.

32 (ii) Adult family homes shall receive a corresponding vendor rate
33 increase of \$1.02 per medicaid patient day to cover the license fee
34 increase for publicly funded beds.

35 (2) INSTITUTIONAL SERVICES

36	General Fund--State Appropriation (FY 2012)	\$84,488,000
37	General Fund--State Appropriation (FY 2013)	\$80,686,000
38	General Fund--Federal Appropriation	\$148,654,000

1 General Fund--Private/Local Appropriation \$21,607,000
2 TOTAL APPROPRIATION \$335,435,000

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

5 (a) Individuals receiving services as supplemental security income
6 (SSI) state supplemental payments shall not become eligible for medical
7 assistance under RCW 74.09.510 due solely to the receipt of SSI state
8 supplemental payments.

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

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

22 (d) The state is consolidating the number of institutions it
23 operates to care for clients with developmental disabilities. The
24 department shall cease new placements at Francis Haddon Morgan Center
25 and Yakima Valley School and relocate current clients to alternative
26 placements. In doing so, the department shall conduct individual
27 assessments, and work closely with the clients and the clients' legal
28 representatives to develop individual transition and support plans to
29 help ensure the clients' physical and mental health, welfare, and
30 safety through this process.

31 (3) PROGRAM SUPPORT

32 General Fund--State Appropriation (FY 2012) \$1,537,000
33 General Fund--State Appropriation (FY 2013) \$1,530,000
34 General Fund--Federal Appropriation \$1,562,000
35 TOTAL APPROPRIATION \$4,629,000

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

1 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

2 General Fund--State Appropriation (FY 2012) \$780,295,000

3 General Fund--State Appropriation (FY 2013) \$805,624,000

4 General Fund--Federal Appropriation \$1,682,387,000

5 General Fund--Private/Local Appropriation \$34,247,000

6 Traumatic Brain Injury Account--State Appropriation \$3,394,000

7 Nursing Facility Quality Assurance Account--State

8 Appropriation \$88,000,000

9 TOTAL APPROPRIATION \$3,393,947,000

10 The appropriations in this section are subject to the following

11 conditions and limitations:

12 (1) For purposes of implementing chapter 74.46 RCW, the weighted

13 average nursing facility payment rate shall not exceed \$170.37 for

14 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,

15 including the rate add-ons described in (a) and (b) of this subsection.

16 However, if the waiver requested from the federal centers for medicare

17 and medicaid services in relation to the safety net assessment created

18 by House Bill No. 1722 or Senate Bill No. 5581 (nursing home safety net

19 assessment) is for any reason not approved and implemented, the

20 weighted average nursing facility payment rate shall not exceed \$159.87

21 for fiscal year 2012 and shall not exceed \$160.93 for fiscal year 2013.

22 There will be no adjustments for economic trends and conditions in

23 fiscal years 2012 and 2013. The economic trends and conditions factor

24 or factors defined in the biennial appropriations act shall not be

25 compounded with the economic trends and conditions factor or factors

26 defined in any other biennial appropriations acts before applying it to

27 the component rate allocations established in accordance with chapter

28 74.46 RCW. When no economic trends and conditions factor for either

29 fiscal year is defined in a biennial appropriations act, no economic

30 trends and conditions factor or factors defined in any earlier biennial

31 appropriations act shall be applied solely or compounded to the

32 component rate allocations established in accordance with chapter 74.46

33 RCW.

34 (a) Within the funds provided, the department shall continue to

35 provide an add-on per medicaid resident day per facility not to exceed

36 \$1.57. The add-on shall be used to increase wages, benefits, and/or

37 staffing levels for certified nurse aides; or to increase wages and/or

38 benefits for dietary aides, housekeepers, laundry aides, or any other

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

8 (b) The department shall do a comparative analysis of the facility
9 based payment rates calculated on July 1, 2011, using the payment
10 methodology defined in Substitute House Bill No. 1249 (nursing home
11 payment methodology), to the facility-based payment rates calculated to
12 produce the fiscal year 2010 weighted average nursing facility payment
13 rate published in chapter 37, Laws of 2010. If the former is smaller
14 than the latter, the difference shall be provided to the individual
15 nursing facilities as an add-on payment per medicaid resident day.

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

21 (d) If the waiver requested from the federal centers for medicare
22 and medicaid services in relation to the safety net assessment created
23 by House Bill No. 1722 or Senate Bill No. 5581 (nursing home safety net
24 assessment) is for any reason not approved and implemented, subsections
25 (b) and (c) of this subsection do not apply.

26 (2) After examining actual nursing facility cost information, the
27 legislature finds that the medicaid nursing facility rates calculated
28 pursuant to Substitute House Bill No. 1249 (nursing facility medicaid
29 payments) provides sufficient reimbursement to efficient and
30 economically operating nursing facilities and bears a reasonable
31 relationship to costs.

32 (3) In accordance with chapter 74.46 RCW, the department shall
33 issue no additional certificates of capital authorization for fiscal
34 year 2012 and no new certificates of capital authorization for fiscal
35 year 2013 and shall grant no rate add-ons to payment rates for capital
36 improvements not requiring a certificate of need and a certificate of
37 capital authorization for fiscal years 2012 and 2013.

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

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

13 (6) \$2,090,000 of the general fund--state appropriation for fiscal
14 year 2012, \$2,163,000 of the general fund--state appropriation for
15 fiscal year 2013, and \$4,183,000 of the general fund--federal
16 appropriation are provided solely for state contributions for
17 individual provider health care benefits. Pursuant to the collective
18 bargaining agreement negotiated with the exclusive bargaining
19 representative of individual providers established under RCW
20 74.39A.270, the state shall contribute to the multiemployer health
21 benefits trust fund \$1.96 per paid hour worked by individual providers.

22 (7) \$13,576,000 of the general fund--state appropriation for fiscal
23 year 2012, \$14,477,000 of the general fund--state appropriation for
24 fiscal year 2013, and \$28,053,000 of the general fund--federal
25 appropriation are provided solely for home care agencies to purchase
26 health coverage for home care providers. In order to negotiate the
27 most comprehensive health benefits package for its employees, each
28 agency may determine benefit levels according to the hours an employee
29 works to provide state-funded personal care. At a minimum, employees
30 who work 35 hours a week or greater must receive a comprehensive
31 medical benefit. The department shall not pay an agency for benefits
32 provided to an employee who otherwise receives health care coverage
33 through other family members, other employment-based coverage, or
34 military or veteran's coverage. The department shall require annually,
35 each home care agency to review each of its employee's available health
36 coverage and to provide a written declaration to the department
37 verifying that health benefits purchased with public funds are solely

1 for employees that do not have other available coverage. Home care
2 agencies may determine a reasonable employee copremium not to exceed 20
3 percent of the total benefit cost.

4 (8) \$2,063,000 of the general fund--state appropriation for fiscal
5 year 2012, \$2,195,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$4,260,000 of the general fund--federal
7 appropriation are provided solely for the state's contribution to the
8 training partnership, as provided in RCW 74.39A.360, for instructional
9 costs associated with the training of individual providers. House Bill
10 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)
11 make statutory changes to the increased training requirements and
12 therefore the state shall contribute to the partnership \$0.17 per paid
13 hour worked by all home care workers. This amount is pursuant to the
14 collective bargaining agreement negotiated with the exclusive
15 bargaining representative of individual providers established under RCW
16 74.39A.270. Expenditures for the purposes specified in this subsection
17 shall not exceed the amounts provided in this subsection.

18 (9) \$1,775,000 of the general fund--state appropriation for fiscal
19 year 2012, \$1,866,000 of the general fund--state appropriation for
20 fiscal year 2013, and \$3,642,000 of the general fund--federal
21 appropriation are provided solely to compensate individual providers
22 who are not related to their clients and agency providers for time
23 required to participate in enhanced mandatory basic training.

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

28 (11) \$3,210,000 of the general fund--state appropriation for fiscal
29 year 2012, \$3,396,000 of the general fund--state appropriation for
30 fiscal year 2013, and \$6,606,000 of the general fund--federal
31 appropriation are provided solely to provide dental coverage through
32 the aging and disability services administration's home and community-
33 based waiver programs. Services shall include preventive, routine, and
34 emergent dental care for eligible long-term care clients and clients
35 with developmental disabilities.

36 (12) The department shall eliminate the adult day health program
37 under the state plan 1915(i) option and shall reestablish it under the

1 long-term care home and community-based waiver. The department shall
2 also establish a day services option under the developmental
3 disabilities home and community-based service waivers.

4 (13) \$4,588,000 of the general fund--state appropriation for fiscal
5 year 2012, \$4,559,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$9,237,000 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.

16 (14) \$1,840,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$1,877,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for operation of the volunteer
19 services program. Funding shall be prioritized towards serving
20 populations traditionally served by long-term care services to include
21 senior citizens and persons with disabilities.

22 (15) In accordance with Substitute House Bill No. 1277 (licensed
23 settings for vulnerable adults) nursing facility and adult family home
24 fees are increased in fiscal year 2012 as necessary to meet the actual
25 costs of conducting licensure, inspection, and regulatory programs.

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

32 (b) The current annual renewal license fee for adult family homes
33 shall be increased to \$386 per bed beginning in fiscal year 2012 and
34 assumes \$11,426,000 of the general fund--private/local appropriation.
35 Adult family homes shall receive a corresponding vendor rate increase
36 of \$1.02 per medicaid patient day to cover the license fee increase for
37 publicly funded beds.

1 (c) \$72,000 of the general fund--state appropriation for fiscal
2 year 2012, \$847,000 of the general fund--private/local appropriation,
3 and \$937,000 of the general fund--federal appropriation are provided
4 solely to implement sections 501 through 503 of Substitute House Bill
5 No. 1277 (licensed settings for vulnerable adults). The department
6 shall use additional investigative resources to address complaints
7 about provider practices as well as alleged abuse, neglect,
8 abandonment, and exploitation of residents in adult family homes. The
9 department shall develop a statewide internal quality review and
10 accountability program to improve the accountability of staff and the
11 consistent application of investigative activities, and shall provide
12 information and support to the long-term care ombudsman's adult family
13 home quality assurance panel. If Substitute House Bill No. 1277
14 (licensed settings for vulnerable adults) is not enacted by June 30,
15 2011, the amounts provided in this subsection shall lapse.

16 (16) \$3,316,000 of the traumatic brain injury account--state
17 appropriation is provided solely to continue services for persons with
18 traumatic brain injury (TBI) as defined in Substitute House Bill No.
19 1614 (traumatic brain injury strategic partnership).

20 (17) The department is authorized to place long-term care clients
21 residing in nursing homes and paid for with state only funds into less
22 restrictive community care settings while continuing to meet the
23 client's care needs.

24 (18) \$30,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$30,000 of the general fund--federal appropriation are
26 provided solely to implement Engrossed Second Substitute House Bill No.
27 1901 (reshaping the delivery of long-term care services). If the bill
28 is not enacted by June 30, 2011, the amounts provided in this
29 subsection shall lapse.

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

32	General Fund--State Appropriation (FY 2012)	\$507,478,000
33	General Fund--State Appropriation (FY 2013)	\$505,091,000
34	General Fund--Federal Appropriation	\$1,119,538,000
35	General Fund--Private/Local Appropriation	\$30,592,000
36	TOTAL APPROPRIATION	\$2,162,699,000

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

3 (1) \$297,623,000 of the general fund--state appropriation for
4 fiscal year 2012, \$297,623,000 of the general fund--state appropriation
5 for fiscal year 2013, net of child support pass-through recoveries, and
6 \$675,154,000 of the general fund--federal appropriation are provided
7 solely for all components of the WorkFirst program. Within the amounts
8 provided for the WorkFirst program, the department may provide
9 assistance using state-only funds for families eligible for temporary
10 assistance for needy families.

11 (a) Within the amounts provided for WorkFirst in this subsection,
12 the department shall continue to implement WorkFirst program
13 improvements that are designed to achieve progress against outcome
14 measures specified in RCW 74.08A.410.

15 (b) The department shall report quarterly to the legislative fiscal
16 committees:

17 (i) The outcome data regarding job retention and wage progression
18 to appropriate fiscal and policy committees of the legislature
19 regarding families who leave assistance, measured after 12 months, 24
20 months, and 36 months and the percentage of families who have returned
21 to temporary assistance for needy families after 12 months, 24 months,
22 and 36 months;

23 (ii) The spending plan for the WorkFirst programs. The plan shall
24 identify how spending levels in the 2011-2013 biennium will be adjusted
25 to stay within available federal grant levels and the appropriated
26 state-fund levels;

27 (iii) Information regarding the amount expended from general
28 fund--state and general fund--federal by activity, maintenance of
29 effort allotments, expenditure amounts, and caseloads for the WorkFirst
30 program to the legislative fiscal committees.

31 (c) The department may establish a career services work transition
32 program.

33 (2) \$28,272,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$21,494,000 of the general fund--state appropriation for
35 fiscal year 2013, in addition to supplemental security income (SSI)
36 recoveries, are provided solely for cash assistance and other services
37 to recipients in the disability lifeline program. Of the amounts in

1 this subsection, \$10,901,000 of the general fund--state appropriation
2 for fiscal year 2012 is provided solely for providing cash assistance
3 to disability lifeline-unemployable clients through September 30, 2011.

4 (a) The department shall determine eligibility for disability
5 lifeline applicants.

6 (b) When determining financial eligibility for the disability
7 lifeline program, the department shall use the disability lifeline
8 payment standard in effect on December 31, 2010.

9 (c) For persons who meet the disability lifeline incapacity and
10 financial eligibility requirements and are not likely to be eligible
11 for federal supplemental security income benefits, the department shall
12 determine whether the person's incapacity is likely to last for more
13 than six months and whether the individual is homeless or at risk of
14 homelessness.

15 (i) The department shall refer all disability lifeline clients who
16 are not likely to be eligible for federal supplemental security income
17 benefits for basic essential needs assistance, which includes essential
18 household and personal care products not available through food
19 assistance programs or food banks.

20 (ii) The department shall refer all disability lifeline clients who
21 are not likely to be eligible for federal supplemental security income
22 benefits and who have an incapacity that is likely to last longer than
23 six months and are homeless or at risk for homelessness for housing
24 assistance.

25 (d) The department shall aggressively pursue opportunities to
26 transfer disability lifeline clients to disability lifeline expedited
27 coverage and to facilitate client applications for federal supplemental
28 security income when the client's incapacities indicate that he or she
29 would be likely to meet the federal disability criteria for
30 supplemental security income. The department shall initiate and file
31 the federal supplemental security income interim agreement as quickly
32 as possible in order to maximize the recovery of federal funds.

33 (e) The department shall review the disability lifeline caseload to
34 identify recipients that would benefit from assistance in becoming
35 naturalized citizens, and thus be eligible to receive federal
36 supplemental security income benefits. Those cases shall be given high
37 priority for naturalization funding through the department.

1 (f) The department shall actively coordinate with local workforce
2 development councils to expedite access to worker retraining programs
3 for clients in those regions of the state with the greatest number of
4 such clients.

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

11 (3) \$1,000,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$1,000,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for naturalization services.

14 (4)(a) \$2,366,000 of the general fund--state appropriation for
15 fiscal year 2012 is provided solely for refugee employment services, of
16 which \$1,774,000 is provided solely for the department to pass through
17 to statewide refugee assistance organizations for limited English
18 proficiency pathway services; and \$2,366,000 of the general fund--state
19 appropriation for fiscal year 2013 is provided solely for refugee
20 employment services, of which \$1,774,000 is provided solely for the
21 department to pass through to statewide refugee assistance
22 organizations for limited English proficiency pathway services.

23 (b) On December 1, 2011, and annually thereafter, the department
24 must report to the legislature on all sources of funding available for
25 refugee and immigrant services during the current fiscal year and the
26 amounts expended to date by service type and funding source. The
27 report must also include the number of clients served and outcome data
28 for the clients.

29 (5) To ensure expenditures remain within available funds
30 appropriated in this section, the legislature establishes the benefit
31 under the state food assistance program, pursuant to RCW 74.08A.120, to
32 be fifty percent of the federal supplemental nutrition assistance
33 program benefit amount.

34 (6) The appropriations in this section reflect reductions in the
35 appropriations for the economic services administration's
36 administrative expenses. It is the intent of the legislature that
37 these reductions shall be achieved, to the greatest extent possible, by

1 reducing those administrative costs that do not affect direct client
2 services or direct service delivery or program.

3 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
4 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

5	General Fund--State Appropriation (FY 2012)	\$76,022,000
6	General Fund--State Appropriation (FY 2013)	\$76,186,000
7	General Fund--Federal Appropriation	\$141,591,000
8	General Fund--Private/Local Appropriation	\$2,086,000
9	Criminal Justice Treatment Account--State	
10	Appropriation	\$17,760,000
11	Problem Gambling Account--State Appropriation	\$1,455,000
12	TOTAL APPROPRIATION	\$315,100,000

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

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

20 (2) Within the amounts appropriated in this section, the department
21 shall continue to provide for chemical dependency treatment services
22 for adult medicaid eligible, pregnant and parenting women, disability
23 lifeline, and alcoholism and drug addiction treatment and support act
24 patients.

25 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
26 department is authorized to increase fees for the review and approval
27 of treatment programs in fiscal years 2012 and 2013 as necessary to
28 support the costs of the regulatory program. The department's fee
29 schedule shall have differential rates for providers with proof of
30 accreditation from organizations that the department has determined to
31 have substantially equivalent standards to those of the department,
32 including but not limited to the joint commission on accreditation of
33 health care organizations, the commission on accreditation of
34 rehabilitation facilities, and the council on accreditation. To
35 reflect the reduced costs associated with regulation of accredited
36 programs, the department's fees for organizations with such proof of

1 accreditation must reflect the lower cost of licensing for these
2 programs than for other organizations which are not accredited.

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

7 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
8 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

9	General Fund--State Appropriation (FY 2012)	\$11,672,000
10	General Fund--State Appropriation (FY 2013)	\$11,778,000
11	General Fund--Federal Appropriation	\$102,622,000
12	Telecommunications Devices for the Hearing and	
13	Speech Impaired--State Appropriation	\$2,775,000
14	TOTAL APPROPRIATION	\$128,847,000

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

17 (1) The vocational rehabilitation program shall coordinate closely
18 with the economic services program to serve lifeline clients under
19 chapter 8, Laws of 2010 1st sp. sess. who are referred for eligibility
20 determination and vocational rehabilitation services, and shall make
21 every effort, within the requirements of the federal rehabilitation act
22 of 1973, to serve these clients.

23 (2) \$480,000 of the telecommunications devices for the hearing and
24 speech impaired account--state appropriation is provided solely for the
25 office of deaf and hard of hearing to enter into an interagency
26 agreement with the department of services for the blind to support
27 contracts for services that provide employment support and help with
28 life activities for deaf-blind individuals in King county.

29 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
30 **SERVICES--SPECIAL COMMITMENT PROGRAM**

31	General Fund--State Appropriation (FY 2012)	\$57,846,000
32	General Fund--State Appropriation (FY 2013)	\$57,798,000
33	TOTAL APPROPRIATION	\$115,644,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: \$8,978,000 of the general fund--state
36 appropriation for fiscal year 2012 and \$8,978,000 of the general fund--

1 state appropriation for fiscal year 2013 are provided solely for
2 increased legal expenses resulting from the state supreme court's
3 ruling in *In re McCuiston*.

4 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

6	General Fund--State Appropriation (FY 2012)	\$28,445,000
7	General Fund--State Appropriation (FY 2013)	\$28,152,000
8	General Fund--Federal Appropriation	\$40,048,000
9	General Fund--Private/Local Appropriation	\$716,000
10	TOTAL APPROPRIATION	\$97,361,000

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

13 (1) \$300,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$300,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for the Washington state mentors
16 program to continue its public-private partnerships to provide
17 technical assistance and training to mentoring programs that serve
18 at-risk youth.

19 (2) \$445,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$445,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for funding of the teamchild
22 project through the governor's juvenile justice advisory committee.

23 (3) \$178,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$178,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for the juvenile detention
26 alternatives initiative.

27 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
28 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

29	General Fund--State Appropriation (FY 2012)	\$66,921,000
30	General Fund--State Appropriation (FY 2013)	\$64,011,000
31	General Fund--Federal Appropriation	\$59,701,000
32	TOTAL APPROPRIATION	\$190,633,000

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

35 (1) \$2,272,000 of the general fund--state appropriation for fiscal

1 year 2012 and \$2,272,000 of the general fund--state appropriation for
2 fiscal year 2013 are provided solely for increased legal expenses
3 resulting from the state supreme court's ruling in *In re McCuistion*.

4 (2) \$580,000 of the general fund--state appropriation for fiscal
5 year 2012 is provided solely for implementation of Second Substitute
6 House Bill No. 1741 (temporary assistance/needier families). If the bill
7 is not enacted by June 30, 2011, the amount provided in this subsection
8 shall lapse.

9 NEW SECTION. **Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY**

10	General Fund--State Appropriation (FY 2012)	\$2,209,850,000
11	General Fund--State Appropriation (FY 2013)	\$2,330,841,000
12	General Fund--Federal Appropriation	\$5,693,232,000
13	General Fund--Private/Local Appropriation	\$68,186,000
14	Emergency Medical Services and Trauma Care Systems	
15	Trust Account--State Appropriation	\$15,081,000
16	Hospital Safety Net Assessment Fund--State	
17	Appropriation	\$392,441,000
18	State Health Care Authority Administration Account--	
19	State Appropriation	\$34,975,000
20	Medical Aid Account--State Appropriation	\$535,000
21	TOTAL APPROPRIATION	\$10,745,141,000

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

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

34 (2) The health care authority shall require organizations and
35 individuals that are paid to deliver basic health plan services and
36 that choose to sponsor enrollment in the subsidized basic health plan

1 to pay 133 percent of the premium amount which would otherwise be due
2 from the sponsored enrollees.

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

21 (4) In order to maximize the funding appropriated for the basic
22 health plan, the health care authority is directed to make
23 modifications that will maintain the total number of subsidized
24 enrollees at the number of enrollees as of June 30, 2011. In addition
25 to the reduced enrollment, other modifications may include changes in
26 enrollee premium obligations, changes in benefits, enrollee cost-
27 sharing, and termination of the enrollment of individuals concurrently
28 enrolled in a medical assistance program.

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

34 (6) \$3,034,000 of the general fund--state appropriation for fiscal
35 year 2012, \$2,060,000 of the general fund--state appropriation for
36 fiscal year 2013, and \$22,336,000 of the general fund--federal
37 appropriation are provided solely for the second phase of development
38 and implementation of the system that is replacing the existing

1 medicaid management information system, which will expand the system to
2 include long-term care reimbursements. The amounts provided in this
3 subsection are conditioned on the health care authority satisfying the
4 requirements of section 902 of this act.

5 (7) \$87,000,000 of the general fund--federal appropriation is
6 provided solely for planning and implementation of a health benefit
7 exchange under the federal patient protection and affordable care act.
8 Within the amounts provided in this subsection, funds used by the
9 authority for information technology projects are conditioned on the
10 authority satisfying the requirements of section 902 of this act.

11 (8)(a) \$250,000 of the general fund--state appropriation for fiscal
12 year 2012 is provided solely for the health care authority, in
13 consultation with labor organizations representing school district
14 employees, to develop several options to reform the provision of health
15 benefits for K-12 employees in a way that provides comparable benefits
16 while reducing the costs to employees, employing districts, and the
17 state. The options should also reduce administrative burdens on school
18 districts, the inefficiencies in the current system of pooling risk,
19 and the inequities in coverage. In developing the options, the
20 authority shall evaluate and may incorporate the savings strategies
21 identified by the state auditor in the January 31, 2011, K-12 health
22 benefits study. Each option must be developed with the objective of
23 implementing the reforms during the 2013-2015 fiscal biennium.

24 (b) By December 15, 2011, the health care authority shall report
25 the options developed to the governor and the fiscal committees of the
26 legislature.

27 (c) By January 1, 2012, the health care authority shall submit to
28 the governor and the fiscal committees of the legislature proposed
29 legislation to implement the option identified by the administrator of
30 the health care authority as most effectively furthering the goals
31 identified in this subsection.

32 (9) Based on quarterly expenditure reports and caseload forecasts,
33 if the health care authority estimates that expenditures for the
34 medical assistance program will exceed the appropriations, the health
35 care authority shall take steps including but not limited to reduction
36 of rates or elimination of optional services to reduce expenditures so
37 that total program costs do not exceed the annual appropriation
38 authority.

1 (10) In determining financial eligibility for medicaid-funded
2 services, the health care authority is authorized to disregard
3 recoveries by Holocaust survivors of insurance proceeds or other
4 assets, as defined in RCW 48.104.030.

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

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

13 (13) \$7,102,000 of the general fund--state appropriation for fiscal
14 year 2012, \$7,102,000 of the general fund--state appropriation for
15 fiscal year 2013, and \$14,204,000 of the general fund--federal
16 appropriation are provided solely for low-income care disproportionate
17 share hospital payments under RCW 74.09.730(1)(a).

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

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

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

1 for which the hospital can certify allowable match. If payments during
2 the fiscal year are less than the baseline amount, the hospital will be
3 paid a state grant equal to the difference between payments during the
4 fiscal year and the applicable baseline amount. Payment of the state
5 grant shall be made in the applicable fiscal year and distributed in
6 monthly payments. The grants will be recalculated and redistributed as
7 the baseline is updated during the fiscal year. The grant payments are
8 subject to an interim settlement within eleven months after the end of
9 the fiscal year. A final settlement shall be performed. To the extent
10 that either settlement determines that a hospital has received funds in
11 excess of what it would have received as described in this subsection,
12 the hospital must repay the excess amounts to the state when requested.
13 \$32,673,000 of the general fund--state appropriation for fiscal year
14 2012, of which \$6,570,000 is appropriated in section 204(1) of this
15 act, and \$29,693,000 of the general fund--state appropriation for
16 fiscal year 2013, of which \$6,570,000 is appropriated in section 204(1)
17 of this act, are provided solely for state grants for the participating
18 hospitals. CPE hospitals will receive the inpatient and outpatient
19 reimbursement rate restorations in RCW 74.60.080 and rate increases in
20 RCW 74.60.090 funded through the hospital safety net assessment fund
21 rather than through the baseline mechanism specified in this
22 subsection.

23 (16) The contract with the managed care plan to provide services
24 for disability lifeline clients shall be designed to incentivize care
25 in the most appropriate setting, including maximizing primary care-
26 based services and optimizing appropriate hospital utilization and
27 savings. The health care authority may include shared savings or other
28 risk sharing arrangements in the contract with the managed care plan in
29 order to incentivize aggressive management of hospital services,
30 including prior authorization, concurrent review, and discharge
31 planning. In determining the allocation of shared savings, the health
32 care authority shall consider the appropriate balance between
33 incentivizing aggressive management of hospital services by the managed
34 care plan and realizing budgetary savings from the state's investment
35 in the inclusion of care management and mental health services in the
36 managed care contract.

37 (17) The health care authority shall evaluate the impact of the use
38 of a managed care delivery and financing system on state costs and

1 outcomes for lifeline medical clients. Outcomes measured shall include
2 state costs, utilization, changes in mental health status and symptoms,
3 and involvement in the criminal justice system.

4 (18) The health care authority shall seek public-private
5 partnerships and federal funds that are or may become available to
6 provide on-going support for outreach and education efforts under the
7 federal children's health insurance program reauthorization act of
8 2009.

9 (19) The health care authority shall target funding for maternity
10 support services towards pregnant women with factors that lead to
11 higher rates of poor birth outcomes, including hypertension, a preterm
12 or low birth weight birth in the most recent previous birth, a
13 cognitive deficit or developmental disability, substance abuse, severe
14 mental illness, unhealthy weight or failure to gain weight, tobacco
15 use, or African American or Native American race. The health care
16 authority shall prioritize evidence-based practices for delivery of
17 maternity support services. To the extent practicable, the health care
18 authority shall develop a mechanism to increase federal funding for
19 maternity support services by leveraging local public funding for those
20 services.

21 (20) \$175,000 of the general fund--state appropriation for fiscal
22 year 2012, \$263,000 of the general fund--state appropriation for fiscal
23 year 2013, and \$2,485,000 of the general fund--federal appropriation
24 are provided solely to expand eligibility for the take charge family
25 planning program to cover individuals with family incomes below 250
26 percent of the federal poverty level. The health care authority shall
27 collect data on enrollment and utilization, and the health care
28 authority shall study whether this expansion reduces medical assistance
29 expenditures by reducing covered pregnancies. The health care
30 authority shall report its findings to the legislature by December 1,
31 2012.

32 (21) For children with family incomes above 200 percent of the
33 federal poverty level in the state-funded children's health program for
34 children who are not eligible for coverage under the federally funded
35 children's health insurance program, premiums shall be set every two
36 years in an amount equal to the average state-only share of the per
37 capita cost of coverage in the state-funded children's health program

1 for children in families with incomes at or less than two hundred
2 percent of the federal poverty level.

3 (22) \$704,000 of the general fund--state appropriation for fiscal
4 year 2012, \$726,000 of the general fund--state appropriation for fiscal
5 year 2013, and \$1,431,000 of the general fund--federal appropriation
6 are provided solely for disproportionate share hospital payments to
7 hospitals that provide services to children in the children's health
8 program who are not eligible for services under Title XIX or XXI of the
9 federal social security act due to their citizenship status.

10 (23) \$998,000 of the general fund--state appropriation for fiscal
11 year 2012, \$979,000 of the general fund--state appropriation for fiscal
12 year 2013, and \$1,980,000 of the general fund--federal appropriation
13 are provided solely to increase prior authorization activities for
14 advanced imaging procedures.

15 (24) \$249,000 of the general fund--state appropriation for fiscal
16 year 2012, \$246,000 of the general fund--state appropriation for fiscal
17 year 2013, and \$495,000 of the general fund--federal appropriation are
18 provided solely to increase prior authorization activities for surgical
19 procedures, which may include orthopedic procedures, spinal procedures
20 and interventions, and nerve procedures.

21 (25) \$300,000 of the general fund--private/local appropriation and
22 \$300,000 of the general fund--federal appropriation are provided solely
23 for a prescriptive practices improvement collaborative focusing upon
24 atypical antipsychotics and other medications commonly used in the
25 treatment of severe and persistent mental illnesses among adults. The
26 project shall promote collaboration among community mental health
27 centers, other major prescribers of atypical antipsychotic medications
28 to adults enrolled in state medical assistance programs, and
29 psychiatrists, pharmacists, and other specialists at the University of
30 Washington department of psychiatry and/or other research universities.
31 The collaboration shall include patient-specific prescriber
32 consultations by psychiatrists and pharmacists specializing in
33 treatment of severe and persistent mental illnesses among adults;
34 production of profiles to assist prescribers and clinics in tracking
35 their prescriptive practices and their patients' medication use and
36 adherence relative to evidence-based practices guidelines, other
37 prescribers, and patients at other clinics; and in-service seminars at
38 which participants can share and increase their knowledge of evidence-

1 based and other effective prescriptive practices. The health care
2 authority shall enter into an interagency agreement with the office of
3 the attorney general for expenditure of \$300,000 of the state's
4 proceeds of the *cy pres* settlement in *State of Washington v.*
5 *AstraZeneca* (Seroquel) for this purpose.

6 (26) \$570,000 of the general fund--private/local appropriation is
7 provided solely for continued operation of the partnership access line
8 for child mental health consultations. The health care authority shall
9 enter into an interagency agreement with the office of the attorney
10 general for expenditure of \$570,000 of the state's proceeds of the *cy*
11 *pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for
12 this purpose.

13 (27) \$80,000 of the general fund--state appropriation for fiscal
14 year 2012, \$80,000 of the general fund--state appropriation for fiscal
15 year 2013, and \$160,000 of the general fund--federal appropriation are
16 provided solely to fund the Tacoma-Pierce county health department for
17 access and outreach activities to reduce infant mortality.

18 (28) \$75,000 of the general fund--state appropriation for fiscal
19 year 2012, \$75,000 of the general fund--state appropriation for fiscal
20 year 2013, and \$150,000 of the general fund--federal appropriation are
21 provided solely to assist with development and implementation of
22 evidence-based strategies regarding the appropriate, safe, and
23 effective role of C-section surgeries and early induced labor in births
24 and neonatal care. The strategies shall be identified and implemented
25 in consultation with clinical research specialists, physicians,
26 hospitals, advanced registered nurse practitioners, and organizations
27 concerned with maternal and child health.

28 (29) \$1,657,000 of the general fund--state appropriation for fiscal
29 year 2012, \$1,705,000 of the general fund--state appropriation for
30 fiscal year 2013, \$145,000 of the hospital safety net assessment fund--
31 state appropriation, and \$2,754,000 of the general fund--federal
32 appropriation are provided solely to provide health coverage for
33 children transitioned from the basic health plan as a result of
34 implementation of the federal waiver for the basic health plan.

35 (30) \$258,000 of the general fund--state appropriation for fiscal
36 year 2012, \$258,000 of the general fund--state appropriation for fiscal
37 year 2013, \$19,691,000 of the general fund--local appropriation, and

1 \$516,000 of the general fund--federal appropriation are provided solely
2 to implement an intergovernmental transfer program to use local funds
3 to match federal funds for school-based medical services.

4 (31) \$5,295,000 of the general fund--state appropriation for fiscal
5 year 2012, \$5,596,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$11,558,000 of the general fund--federal
7 appropriation are provided solely for payments to federally qualified
8 health clinics and rural health centers under an alternative payment
9 methodology that reimburses the clinics and centers at rates that are
10 five percent higher than the rates that would be provided under the
11 federal prospective payment system.

12 (32) \$1,555,000 of the general fund--state appropriation for fiscal
13 year 2012, \$1,580,000 of the general fund--state appropriation for
14 fiscal year 2013, and \$2,171,000 of the general fund--federal
15 appropriation are provided solely to continue to provide dental
16 services to pregnant women. Services shall include preventive,
17 routine, and emergent dental care.

18 (33) \$395,000 of the general fund--state appropriation for fiscal
19 year 2012, \$395,000 of the general fund--state appropriation for fiscal
20 year 2013, and \$790,000 of the general fund--federal appropriation are
21 provided solely for continued operation of the dental education in care
22 of persons with disabilities (DECOD) program at the University of
23 Washington.

24 (34) \$112,000 of the general fund--state appropriation for fiscal
25 year 2012, \$112,000 of the general fund--state appropriation for fiscal
26 year 2013, and \$1,928,000 of the general fund--federal appropriation
27 are provided solely for the provider incentive program and other
28 initiatives related to the health information technology Medicaid plan.

29 (35) \$1,439,000 of the general fund--state appropriation for fiscal
30 year 2012, \$1,228,000 of the general fund--state appropriation for
31 fiscal year 2013, and \$2,890,000 of the general fund--federal
32 appropriation are provided solely for efforts to reduce Medicaid fraud
33 and abuse and to seek coverage or recovery from other medical payers.

34 (36) \$2,926,000 of the general fund--local appropriation and
35 \$2,928,000 of the general fund--federal appropriation are provided
36 solely to support medical airlift services.

1 NEW SECTION. **214. FOR THE HUMAN RIGHTS COMMISSION**

2	General Fund--State Appropriation (FY 2012)	\$2,258,000
3	General Fund--State Appropriation (FY 2013)	\$2,270,000
4	General Fund--Federal Appropriation	\$1,994,000
5	TOTAL APPROPRIATION	\$6,522,000

6 NEW SECTION. **Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE**

7 **APPEALS**

8	Worker and Community Right-to-Know Account--State	
9	Appropriation	\$10,000
10	Accident Account--State Appropriation	\$18,145,000
11	Medical Aid Account--State Appropriation	\$18,145,000
12	TOTAL APPROPRIATION	\$36,300,000

13 NEW SECTION. **Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**

14 **COMMISSION**

15	General Fund--State Appropriation (FY 2012)	\$14,506,000
16	General Fund--State Appropriation (FY 2013)	\$14,500,000
17	General Fund--Federal Appropriation	\$456,000
18	General Fund--Private/Local Appropriation	\$3,121,000
19	Death Investigations Account--State Appropriation	\$148,000
20	Municipal Criminal Justice Assistance Account--	
21	State Appropriation	\$460,000
22	Washington Auto Theft Prevention Authority Account--	
23	State Appropriation	\$6,768,000
24	TOTAL APPROPRIATION	\$39,959,000

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

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

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

1 commission the costs of ammunition, based on the average cost of
2 ammunition per cadet, for cadets that they enroll in the basic law
3 enforcement academy.

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

6 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**
7 **INDUSTRIES**

8	General Fund--State Appropriation (FY 2012)	\$18,302,000
9	General Fund--State Appropriation (FY 2013)	\$19,253,000
10	General Fund--Federal Appropriation	\$12,655,000
11	Asbestos Account--State Appropriation	\$426,000
12	Electrical License Account--State Appropriation	\$37,984,000
13	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
14	Worker and Community Right-to-Know Account--	
15	State Appropriation	\$1,000,000
16	Public Works Administration Account--State	
17	Appropriation	\$6,466,000
18	Manufactured Home Installation Training Account--	
19	State Appropriation	\$527,000
20	Accident Account--State Appropriation	\$251,693,000
21	Accident Account--Federal Appropriation	\$13,622,000
22	Medical Aid Account--State Appropriation	\$258,574,000
23	Medical Aid Account--Federal Appropriation	\$3,186,000
24	Plumbing Certificate Account--State Appropriation	\$1,736,000
25	Pressure Systems Safety Account--State Appropriation	\$4,179,000
26	TOTAL APPROPRIATION	\$629,631,000

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

29 (1) Pursuant to RCW 43.135.055, the department is authorized to
30 increase fees related to factory assembled structures, contractor
31 registration, electricians, plumbers, asbestos removal, boilers,
32 elevators, and manufactured home installers. These increases are
33 necessary to support expenditures authorized in this section,
34 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
35 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

36 (2) \$50,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$50,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the crime victims compensation
2 program to pay claims for mental health services for crime victim
3 compensation program clients who have an established relationship with
4 a mental health provider and subsequently obtain coverage under the
5 medicaid program or the medical care services program under chapter
6 74.09 RCW. Prior to making such payment, the program must have
7 determined that payment for the specific treatment or provider is not
8 available under the medicaid or medical care services program. In
9 addition, the program shall make efforts to contact any healthy options
10 or medical care services health plan in which the client may be
11 enrolled to help the client obtain authorization to pay the claim on an
12 out-of-network basis.

13 (3) \$34,000 of the general fund--state appropriation for fiscal
14 year 2012 is provided solely for implementation of Engrossed Second
15 Substitute House Bill No. 1701 (contractor misclassification). If the
16 bill is not enacted by June 30, 2011, the amount provided in this
17 subsection shall lapse.

18 (4) \$1,942,000 of the accident account--state appropriation and
19 \$6,704,000 of the medical aid account--state appropriation are provided
20 solely for implementation of Engrossed Substitute House Bill No. 2002
21 (industrial insurance). If the bill is not enacted by June 30, 2011,
22 the amount provided in this subsection shall lapse.

23 (5) \$1,096,000 of the accident account--state appropriation and
24 \$1,096,000 of the medical aid account--state appropriation are provided
25 solely for implementation of Engrossed Substitute House Bill No. 1725
26 (workers' compensation). If the bill is not enacted by June 30, 2011,
27 the amounts provided in this subsection shall lapse.

28 (6) \$51,000 of the accident account--state appropriation and
29 \$51,000 of the medical aid account--state appropriation are provided
30 solely for implementation of Engrossed Substitute House Bill No. 1367
31 (for hire vehicles, operators). If the bill is not enacted by June 30,
32 2011, the amounts provided in this subsection shall lapse.

33 (7) \$9,433,000 of the accident medical aid account--state
34 appropriation is provided solely for implementation of Engrossed
35 Substitute House Bill No. 1869 (occupational health best practices).
36 If the bill is not enacted by June 30, 2011, the amount provided in
37 this subsection shall lapse.

1 (8) \$1,817,000 of the accident account--state appropriation and
2 \$1,812,000 of the medical aid account--state appropriation are provided
3 solely for implementation of Engrossed Substitute House Bill No. 1487
4 (retrospective rating plan claims). If the bill is not enacted by June
5 30, 2011, the amounts provided in this subsection shall lapse.

6 (9) \$369,000 of the manufactured home installation training
7 account--state appropriation is provided solely for implementation of
8 Substitute House Bill No. 1502 (manufactured/mobile home program). If
9 the bill is not enacted by June 30, 2011, the amount provided in this
10 subsection shall lapse.

11 (10) \$800,000 of the public works administration account--state
12 appropriation is provided solely for the purposes of investigation and
13 enforcement of underground economy activity.

14 **NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

15 (1) HEADQUARTERS

16 General Fund--State Appropriation (FY 2012) \$1,897,000
17 General Fund--State Appropriation (FY 2013) \$1,899,000
18 Charitable, Educational, Penal, and Reformatory
19 Institutions Account--State Appropriation \$10,000
20 TOTAL APPROPRIATION \$3,806,000

21 (2) FIELD SERVICES

22 General Fund--State Appropriation (FY 2012) \$4,810,000
23 General Fund--State Appropriation (FY 2013) \$4,812,000
24 General Fund--Federal Appropriation \$2,759,000
25 General Fund--Private/Local Appropriation \$4,223,000
26 Veterans Innovations Program Account--State
27 Appropriation \$161,000
28 Veteran Estate Management Account--Private/Local
29 Appropriation \$1,109,000
30 TOTAL APPROPRIATION \$17,874,000

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

33 (a) The department shall collaborate with the department of social
34 and health services to identify and assist eligible general assistance
35 unemployable clients to access the federal department of veterans
36 affairs benefits.

1 (b) \$161,000 of the veterans innovations program account--state
 2 appropriation is provided solely for the department to continue support
 3 for returning combat veterans through the veterans innovation program,
 4 including emergency financial assistance through the defenders' fund
 5 and long-term financial assistance through the competitive grant
 6 program.

7 (c) The post traumatic stress disorder program has provided state
 8 funded services to soldiers who may qualify for federal outpatient
 9 mental health treatment but have not yet been adjudicated for federal
 10 benefits. The department shall prioritize state funding towards
 11 assisting and facilitating with the adjudication of soldiers who may
 12 qualify for federal veterans benefits. The state shall be the payer of
 13 last resort. State funded treatment shall be prioritized to rural
 14 areas that are not near a federally funded veterans medical center, a
 15 federally funded readjustment counseling services center, or a
 16 federally funded veterans community-based clinic.

17 (3) INSTITUTIONAL SERVICES

18	General Fund--State Appropriation (FY 2012)	\$1,741,000
19	General Fund--State Appropriation (FY 2013)	\$963,000
20	General Fund--Federal Appropriation	\$57,521,000
21	General Fund--Private/Local Appropriation	\$34,530,000
22	TOTAL APPROPRIATION	\$94,755,000

23 NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF HEALTH

24	General Fund--State Appropriation (FY 2012)	\$84,797,000
25	General Fund--State Appropriation (FY 2013)	\$84,487,000
26	General Fund--Federal Appropriation	\$536,389,000
27	General Fund--Private/Local Appropriation	\$149,767,000
28	Hospital Data Collection Account--State Appropriation	\$220,000
29	Health Professions Account--State Appropriation	\$95,669,000
30	Aquatic Lands Enhancement Account--State Appropriation	\$610,000
31	Emergency Medical Services and Trauma Care Systems	
32	Trust Account--State Appropriation	\$12,327,000
33	Safe Drinking Water Account--State Appropriation	\$4,545,000
34	Drinking Water Assistance Account--Federal	
35	Appropriation	\$23,251,000
36	Waterworks Operator Certification--State	
37	Appropriation	\$1,560,000

1	Drinking Water Assistance Administrative Account--	
2	State Appropriation	\$326,000
3	Biotoxin Account--State Appropriation	\$1,167,000
4	State Toxics Control Account--State Appropriation	\$3,771,000
5	Medical Test Site Licensure Account--State	
6	Appropriation	\$2,366,000
7	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
8	Community and Economic Development Fee Account--State	
9	Appropriation	\$596,000
10	Public Health Supplemental Account--Private/Local	
11	Appropriation	\$3,602,000
12	Accident Account--State Appropriation	\$316,000
13	Medical Aid Account--State Appropriation	\$57,000
14	Tobacco Prevention and Control Account--State	
15	Appropriation	\$37,000
16	TOTAL APPROPRIATION	\$1,007,372,000

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

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

1 that federal law does not require to be spent on specifically defined
2 projects or matched on a formula basis by state funds.

3 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
4 is authorized to establish and raise fees in fiscal year 2012 as
5 necessary to meet the actual costs of conducting business and the
6 appropriation levels in this section. This authorization applies to
7 fees required for: The review of health care facility construction;
8 review of health facility requests for certificate of need; the
9 regulation and inspection of farm worker housing, hospital licensing,
10 in-home health service agencies, and producers of radioactive waste;
11 the regulation and inspection of shellfish sanitary control, and; fees
12 associated with the following professions: Dieticians and
13 nutritionists, occupational therapists, pharmacy, veterinarian,
14 orthotics and prosthetics, surgical technicians, nursing home
15 administrators, health care assistants, hearing and speech, psychology,
16 hypnotherapy, chiropractic.

17 (3) It is the intent of the legislature that the reductions in
18 appropriations to the AIDS/HIV programs shall be achieved, to the
19 greatest extent possible, by reducing those state government
20 administrative costs that do not affect direct client services or
21 direct service delivery or programs. If reductions made to
22 administrative costs are insufficient to align program costs with
23 appropriations for AIDS/HIV programs, the agency shall reduce
24 prevention services as necessary. The agency shall not change client
25 eligibility standards or benefit levels during the 2011-2013 fiscal
26 biennium.

27 (4) \$125,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$125,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for tobacco cessation programs for
30 communities of color.

31 (5) \$137,000 of the health professions account--state appropriation
32 is provided solely for implementation of Substitute House Bill No. 1133
33 (massage practitioner license). If the bill is not enacted by June 30,
34 2011, the amount provided in this subsection shall lapse.

35 (6) \$1,670,000 of the safe drinking water account--state
36 appropriation is provided solely for implementation of Substitute House
37 Bill No. 1468 (public water system permits). If the bill is not

1 enacted by June 30, 2011, the amount provided in this subsection shall
2 lapse.

3 (7) \$85,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$85,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for the developmental disabilities
6 council to contract for a family-to-family mentor program to provide
7 information and support to families and guardians of persons who are
8 transitioning out of residential habilitation centers. To the maximum
9 extent allowable under federal law, these funds shall be matched under
10 medicaid through the department of social and health services and
11 federal funds shall be transferred to the department for the purposes
12 stated in this subsection.

13 (8) The department shall coordinate the collection of data among
14 identified state agencies and, by November 15, 2011, provide a report
15 to the legislature regarding food procurement costs to inform state
16 food purchasing decisions. The data shall include food procurement
17 costs for fiscal year 2011: For the department of health on behalf of
18 its employees and stakeholders; for the department of corrections and
19 the department of social and health services regarding meals and other
20 food served to both residential and nonresidential clients; and for the
21 department of services for the blind for vending machine services and
22 on-site food and beverage vending services.

23 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF CORRECTIONS**

24 (1) ADMINISTRATION AND SUPPORT SERVICES

25	General Fund--State Appropriation (FY 2012)	\$57,065,000
26	General Fund--State Appropriation (FY 2013)	\$56,437,000
27	TOTAL APPROPRIATION	\$113,502,000

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

30 (a) \$35,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$35,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the support of a statewide
33 council on mentally ill offenders that includes as its members
34 representatives of community-based mental health treatment programs,
35 current or former judicial officers, and directors and commanders of
36 city and county jails and state prison facilities. The council will
37 investigate and promote cost-effective approaches to meeting the

1 long-term needs of adults and juveniles with mental disorders who have
2 a history of offending or who are at-risk of offending, including their
3 mental health, physiological, housing, employment, and job training
4 needs.

5 (b) \$25,000 of the general fund--state appropriation for fiscal
6 year 2012 is provided solely for the sentencing guidelines commission,
7 in partnership with the Washington state institute of public policy, to
8 develop a plan to adjust the sentencing guidelines or otherwise reduce
9 sentences in a manner supported by the latest research, to save at
10 least \$10,000,000 by fiscal year 2013 that would be partially
11 reinvested in evidence-based programs for juveniles and adults proven
12 to reduce recidivism. The sentencing guidelines commission shall
13 report its recommendations to the governor and the legislature by
14 December 1, 2011.

15 (c) By October 1, 2011, the department shall compile and submit to
16 the department of health data regarding food procurement costs for
17 fiscal year 2011 regarding meals and other food for both residential
18 and nonresidential clients, including the percentage of food purchased
19 from Washington sources. The data shall be reported by setting and
20 population, including costs per client, and be accompanied by the
21 department's current food purchasing policies and standards.

22 (2) CORRECTIONAL OPERATIONS

23	General Fund--State Appropriation (FY 2012)	\$618,802,000
24	General Fund--State Appropriation (FY 2013)	\$581,118,000
25	General Fund--Federal Appropriation	\$3,300,000
26	General Fund--Private/Local Appropriation	\$2,336,000
27	Washington Auto Theft Prevention Authority Account--	
28	State Appropriation	\$15,351,000
29	TOTAL APPROPRIATION	\$1,220,907,000

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

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

37 (b) During the 2011-13 biennium, when contracts are established or
38 renewed for offender pay phone and other telephone services provided to

1 inmates, the department shall select the contractor or contractors
2 primarily based on the following factors: (i) The lowest rate charged
3 to both the inmate and the person paying for the telephone call; and
4 (ii) the lowest commission rates paid to the department, while
5 providing reasonable compensation to cover the costs of the department
6 to provide the telephone services to inmates and provide sufficient
7 revenues for the activities funded from the institutional welfare
8 betterment account.

9 (c) The Harborview medical center and the University of Washington
10 medical center shall provide inpatient and outpatient hospital services
11 to offenders confined in department of corrections facilities at a rate
12 no greater than the average rate that the department has negotiated
13 with other community hospitals in Washington state.

14 (d) \$4,014,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$4,014,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for in-prison evidence-based
17 programs and for the reception diagnostic center program as part of the
18 offender re-entry initiative.

19 (e) \$102,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$102,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely to implement House Bill No. 1290
22 (health care employee overtime). If the bill is not enacted by June
23 30, 2011, the amounts provided in this subsection shall lapse.

24 (f) \$32,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$33,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely to implement Substitute House Bill
27 No. 1718 (offenders with developmental disabilities). If the bill is
28 not enacted by June 30, 2011, the amounts provided in this subsection
29 shall lapse.

30 (3) COMMUNITY SUPERVISION

31	General Fund--State Appropriation (FY 2012)	\$135,350,000
32	General Fund--State Appropriation (FY 2013)	\$132,828,000
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation	\$495,000
35	TOTAL APPROPRIATION	\$268,673,000

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

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

6 (b) \$1,585,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$1,585,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for evidence-based community
9 programs and for community justice centers as part of the offender
10 re-entry initiative.

11 (c) \$875,000 of the general fund--state appropriation for fiscal
12 year 2012 is provided solely to implement Substitute House Bill No.
13 1632 (cost of supervision). If the bill is not enacted by June 30,
14 2011, the amount provided in this subsection shall lapse.

15 (4) CORRECTIONAL INDUSTRIES

16	General Fund--State Appropriation (FY 2012)	\$3,623,000
17	General Fund--State Appropriation (FY 2013)	\$3,617,000
18	TOTAL APPROPRIATION	\$7,240,000

19 The appropriations in this subsection are subject to the following
20 conditions and limitations: \$132,000 of the general fund--state
21 appropriation for fiscal year 2012 and \$132,000 of the general
22 fund--state appropriation for fiscal year 2013 are provided solely for
23 transfer to the jail industries board. The board shall use the amounts
24 provided only for administrative expenses, equipment purchases, and
25 technical assistance associated with advising cities and counties in
26 developing, promoting, and implementing consistent, safe, and efficient
27 offender work programs.

28 (5) INTERAGENCY PAYMENTS

29	General Fund--State Appropriation (FY 2012)	\$39,190,000
30	General Fund--State Appropriation (FY 2013)	\$36,555,000
31	TOTAL APPROPRIATION	\$75,745,000

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

34 (a) The state prison institutions may use funds appropriated in
35 this subsection to rent uniforms from correctional industries in
36 accordance with existing legislative mandates.

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

5 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**
6 **BLIND**

7	General Fund--State Appropriation (FY 2012)	\$2,304,000
8	General Fund--State Appropriation (FY 2013)	\$2,299,000
9	General Fund--Federal Appropriation	\$19,419,000
10	General Fund--Private/Local Appropriation	\$30,000
11	TOTAL APPROPRIATION	\$24,052,000

12 The appropriations in this subsection are subject to the following
13 conditions and limitations: By October 1, 2011, the department shall
14 compile and submit to the department of health data regarding food
15 procurement costs for fiscal year 2011 regarding vending machine
16 services and on-site food and beverage vending services. The data
17 shall be reported by location and type and be accompanied by the
18 department's food purchasing policies and standards.

19 NEW SECTION. **Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

20	General Fund--Federal Appropriation	\$269,150,000
21	General Fund--Private/Local Appropriation	\$34,481,000
22	Unemployment Compensation Administration Account--	
23	Federal Appropriation	\$368,389,000
24	Administrative Contingency Account--State Appropriation . .	\$20,394,000
25	Employment Service Administrative Account--State	
26	Appropriation	\$34,479,000
27	TOTAL APPROPRIATION	\$726,893,000

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

30 (1) \$39,666,000 of the unemployment compensation administration
31 account--federal appropriation is from amounts made available to the
32 state by section 903 (d), (f), and (g) of the social security act (Reed
33 act). This amount is provided solely for continuing current
34 unemployment insurance functions and department services to employers
35 and job seekers.

1 (2) \$35,584,000 of the unemployment compensation administration
2 account--federal appropriation is from amounts made available to the
3 state by section 903 (d), (f), and (g) of the social security act (Reed
4 act). This amount is provided solely for the replacement of the
5 unemployment insurance tax information system for the employment
6 security department. The employment security department shall support
7 the department of revenue and department of labor and industries to
8 develop a common vision to ensure technological compatibility between
9 the three agencies to facilitate a coordinated business tax system for
10 the future that improves services to business customers. The amounts
11 provided in this subsection are conditioned on the department
12 satisfying the requirements of section 902 of this act.

13 (3) \$25,000 of the unemployment compensation administration
14 account--federal appropriation is from amounts made available to the
15 state by section 903 (d), (f), and (g) of the social security act (Reed
16 act). This amount is provided solely for implementation of system
17 changes to the unemployment insurance tax information system required
18 under chapter 4, Laws of 2011 (unemployment insurance program).

19 (4) \$1,459,000 of the unemployment compensation administration
20 account--federal appropriation is from amounts available to the state
21 by section 903 (d), (f), and (g) of the social security act (Reed act).
22 This amount is provided solely for implementation of chapter 4, Laws of
23 2011 (unemployment insurance program).

24 (5) \$60,000 of the unemployment compensation administration
25 account--federal appropriation is provided solely for costs associated
26 with the initial review and evaluation of the training benefits program
27 as directed in section 15(2), chapter 4, Laws of 2011 (unemployment
28 insurance program). The initial review shall be developed by the joint
29 legislative audit and review committee. This appropriation is provided
30 from funds made available to the state by section 903 (d), (f), and (g)
31 of the social security act (Reed act).

(End of part)

PART III
NATURAL RESOURCES

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

General Fund--State Appropriation (FY 2012)	\$410,000
General Fund--State Appropriation (FY 2013)	\$419,000
General Fund--Federal Appropriation	\$32,000
General Fund--Private/Local Appropriation	\$799,000
TOTAL APPROPRIATION	\$1,660,000

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

General Fund--State Appropriation (FY 2012)	\$51,060,000
General Fund--State Appropriation (FY 2013)	\$48,171,000
General Fund--Federal Appropriation	\$79,024,000
General Fund--Private/Local Appropriation	\$16,804,000
Special Grass Seed Burning Research Account--State Appropriation	\$3,000
Reclamation Revolving Account--State Appropriation	\$3,722,000
Flood Control Assistance Account--State Appropriation	\$1,987,000
State Emergency Water Projects Revolving Account--State Appropriation	\$270,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$11,679,000
State Drought Preparedness Account--State Appropriation	\$118,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$435,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$512,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$728,000
Wood Stove Education and Enforcement Account--State Appropriation	\$616,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,721,000
Water Rights Processing Account--State Appropriation	\$2,286,000
State Toxics Control Account--State Appropriation	\$114,882,000
State Toxics Control Account--Private/Local	

1	Appropriation	\$983,000
2	Local Toxics Control Account--State Appropriation	\$27,581,000
3	Water Quality Permit Account--State Appropriation	\$38,605,000
4	Underground Storage Tank Account--State Appropriation	\$3,348,000
5	Biosolids Permit Account--State Appropriation	\$1,858,000
6	Hazardous Waste Assistance Account--State Appropriation	\$6,011,000
7	Air Pollution Control Account--State Appropriation	\$2,502,000
8	Oil Spill Prevention Account--State Appropriation	\$5,829,000
9	Air Operating Permit Account--State Appropriation	\$2,816,000
10	Freshwater Aquatic Weeds Account--State Appropriation	\$1,710,000
11	Oil Spill Response Account--State Appropriation	\$7,076,000
12	Metals Mining Account--State Appropriation	\$14,000
13	Water Pollution Control Revolving Account--State	
14	Appropriation	\$630,000
15	Water Pollution Control Revolving Account--Federal	
16	Appropriation	\$2,583,000
17	TOTAL APPROPRIATION	\$435,610,000

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

20 (1) \$170,000 of the oil spill prevention account--state
21 appropriation is provided solely for a contract with the University of
22 Washington's sea grant program to continue an educational program
23 targeted to small spills from commercial fishing vessels, ferries,
24 cruise ships, ports, and marinas.

25 (2) Pursuant to RCW 43.135.055, the department is authorized to
26 increase the following fees as necessary to meet the actual costs of
27 conducting business and the appropriation levels in this section:
28 Wastewater discharge permit, not more than 4.34 percent in fiscal year
29 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not
30 more than 10 percent during the biennium; and air contaminate source
31 registration fee, not more than 36 percent during the biennium.

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

37 (4) \$463,000 of the state toxics control account--state
38 appropriation is provided solely for implementation of Engrossed Second

1 Substitute House Bill No. 1186 (state's oil spill program). If the
2 bill is not enacted by June 30, 2011, the amount provided in this
3 subsection shall lapse.

4 (5) \$45,000 of the general fund--state appropriation for fiscal
5 year 2012 is provided solely for implementation of Engrossed Second
6 Substitute House Bill No. 1952 (SEPA process). If the bill is not
7 enacted by June 30, 2011, the amount provided in this subsection shall
8 lapse.

9 (6) The department may not spend waste reduction, recycling, and
10 litter control account funds to support the following activities: The
11 beyond waste plan, work on national solid waste recycling issues, work
12 on construction and demolition recycling and green building
13 alternatives, education programs including the green schools
14 initiative, and management of the 1-800-recycle hotline and database on
15 school awards. Waste reduction, recycling, and litter account control
16 funds must be prioritized to support litter pickup using correctional
17 crews, regulatory programs, and technical assistance to local
18 governments.

19 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
20 **COMMISSION**

21	General Fund--State Appropriation (FY 2012)	\$10,512,000
22	General Fund--State Appropriation (FY 2013)	\$10,650,000
23	General Fund--Federal Appropriation	\$5,981,000
24	Winter Recreation Program Account--State Appropriation . . .	\$1,770,000
25	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$233,000
26	Snowmobile Account--State Appropriation	\$4,867,000
27	Aquatic Lands Enhancement Account--State Appropriation	\$363,000
28	Parks Renewal and Stewardship Account--State	
29	Appropriation	\$125,470,000
30	Parks Renewal and Stewardship Account--Private/Local	
31	Appropriation	\$300,000
32	TOTAL APPROPRIATION	\$160,146,000

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

35 (1) \$9,921,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$9,921,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely to assist state parks in its

1 implementation of a new fee structure. The goal of this structure is
2 to make the parks system self-supporting. By August 1, 2012, state
3 parks must submit a report to the office of financial management
4 detailing its progress toward this goal and outlining any additional
5 statutory changes needed for successful implementation.

6 (2) \$79,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$79,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for a grant for the operation of
9 the Northwest avalanche center.

10 (3) \$53,550,000 of the parks renewal and stewardship account--state
11 appropriation is provided solely for implementation of House Bill No.
12 1796 (Washington's heritage). If the bill is not enacted by June 30,
13 2011, the amount provided in this subsection shall lapse.

14 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**
15 **FUNDING BOARD**

16	General Fund--State Appropriation (FY 2012)	\$962,000
17	General Fund--State Appropriation (FY 2013)	\$988,000
18	General Fund--Federal Appropriation	\$3,346,000
19	General Fund--Private/Local Appropriation	\$274,000
20	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
21	Vessel Response Account--State Appropriation	\$100,000
22	Firearms Range Account--State Appropriation	\$37,000
23	Recreation Resources Account--State Appropriation	\$3,043,000
24	NOVA Program Account--State Appropriation	\$900,000
25	TOTAL APPROPRIATION	\$9,928,000

26 The appropriations in this section are subject to the following
27 conditions and limitations: \$40,000 of the general fund--federal
28 appropriation, \$24,000 of the general fund--private/local
29 appropriation, \$100,000 of the vessel response account--state
30 appropriation, and \$12,000 of the recreation resources account--state
31 appropriation are provided solely for House Bill No. 1413 (invasive
32 species council). If the bill is not enacted by June 30, 2011, the
33 amounts provided in this subsection shall lapse.

34 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
35 **HEARINGS OFFICE**

36	General Fund--State Appropriation (FY 2012)	\$2,478,000
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1 General Fund--State Appropriation (FY 2013) \$2,490,000
 2 TOTAL APPROPRIATION \$4,968,000

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

4 General Fund--State Appropriation (FY 2012) \$6,137,000
 5 General Fund--State Appropriation (FY 2013) \$6,156,000
 6 General Fund--Federal Appropriation \$1,301,000
 7 TOTAL APPROPRIATION \$13,594,000

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

10 (1) The conservation commission, in cooperation with all
 11 conservation districts, will seek to minimize conservation district
 12 overhead costs. These efforts may include merging conservation
 13 districts along county lines.

14 (2) \$122,000 of the general fund--federal appropriation is provided
 15 solely for Engrossed Substitute House Bill No. 1886 (Ruckelshaus center
 16 process). If the bill is not enacted by June 30, 2011, the amount
 17 provided in this subsection shall lapse.

18 NEW SECTION. **Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

19 General Fund--State Appropriation (FY 2012) \$36,199,000
 20 General Fund--State Appropriation (FY 2013) \$34,773,000
 21 General Fund--Federal Appropriation \$107,370,000
 22 General Fund--Private/Local Appropriation \$51,566,000
 23 ORV and Nonhighway Vehicle Account--State Appropriation . . . \$393,000
 24 Aquatic Lands Enhancement Account--State Appropriation . . . \$6,992,000
 25 Recreational Fisheries Enhancement--State Appropriation . . \$3,601,000
 26 Warm Water Game Fish Account--State Appropriation \$3,125,000
 27 Eastern Washington Pheasant Enhancement Account--State
 28 Appropriation \$849,000
 29 Aquatic Invasive Species Enforcement Account--State
 30 Appropriation \$210,000
 31 Aquatic Invasive Species Prevention Account--State
 32 Appropriation \$741,000
 33 State Wildlife Account--State Appropriation \$108,781,000
 34 Special Wildlife Account--State Appropriation \$2,399,000
 35 Special Wildlife Account--Federal Appropriation \$3,431,000
 36 Special Wildlife Account--Private/Local Appropriation \$487,000

1	Wildlife Rehabilitation Account--State Appropriation	\$260,000
2	Regional Fisheries Enhancement Salmonid Recovery	
3	Account--Federal Appropriation	\$5,001,000
4	Oil Spill Prevention Account--State Appropriation	\$919,000
5	Oyster Reserve Land Account--State Appropriation	\$927,000
6	Hydraulic Project Approval Account--State	
7	Appropriation	\$2,000,000
8	TOTAL APPROPRIATION	\$370,024,000

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

11 (1) \$294,000 of the aquatic lands enhancement account--state
12 appropriation is provided solely for the implementation of hatchery
13 reform recommendations defined by the hatchery scientific review group.

14 (2) \$355,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$355,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the department to continue a
17 pilot project with the Confederated Tribes of the Colville Reservation
18 to develop expanded recreational fishing opportunities on Lake Rufus
19 Woods and its northern shoreline and to conduct joint enforcement of
20 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
21 state and tribal intergovernmental agreements developed under the
22 Columbia River water supply program. For the purposes of the pilot
23 project:

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

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

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

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

35 (e) The Colville Tribes have agreed to recognize a fishing license
36 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
37 member fishing permit requirements of Colville tribal law on the

1 reservation portion of the waters of Lake Rufus Woods and at designated
2 fishing areas on the north shore of Lake Rufus Woods;

3 (3) Prior to submitting its 2013-2015 biennial operating and
4 capital budget request related to state fish hatcheries to the office
5 of financial management, the department shall contract with the
6 hatchery scientific review group (HSRG) to review this request. This
7 review shall: (a) Determine if the proposed requests are consistent
8 with HSRG recommendations; (b) prioritize the components of the
9 requests based on their contributions to protecting wild salmonid
10 stocks and meeting the recommendations of the HSRG; and (c) evaluate
11 whether the proposed requests are being made in the most cost effective
12 manner. The department shall provide a copy of the HSRG review to the
13 office of financial management with their agency budget proposal.

14 (4) \$400,000 of the general fund--state appropriation for fiscal
15 year 2012 is provided solely for a state match to support the Puget
16 Sound nearshore partnership between the department and the U.S. army
17 corps of engineers.

18 (5) \$50,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$50,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for removal of derelict gear in
21 Washington waters.

22 (6) \$100,000 of the eastern Washington pheasant enhancement
23 account--state appropriation is provided solely for the department to
24 support efforts to enhance permanent and temporary pheasant habitat on
25 public and private lands in Grant, Franklin, and Adams counties. The
26 department may support efforts by entities including conservation
27 districts, nonprofit organizations, and landowners, and must require
28 such entities to provide significant nonstate matching resources, which
29 may be in the form of funds, material, or labor.

30 (7) Within the amounts appropriated in this section, the department
31 shall identify additional opportunities for partnerships in order to
32 keep fish hatcheries operational. Such partnerships shall aim to
33 maintain fish production and salmon recovery with less reliance on
34 state operating funds.

35 (8) By September 1, 2011, the department shall update its
36 interagency agreement dated September 30, 2010, with the department of
37 natural resources concerning land management services on the department

1 of fish and wildlife's wildlife conservation and recreation lands. The
2 update shall include rates and terms for services.

3 (9) Prior to opening game management unit 490 to public hunting,
4 the department shall complete an environmental impact statement that
5 includes an assessment of how public hunting activities will impact the
6 ongoing protection of the public water supply.

7 (10) \$17,535,000 of the state wildlife account--state appropriation
8 is provided solely for the implementation of Substitute House Bill No.
9 1387 (state wildlife account). If the bill is not enacted by June 30,
10 2011, the amount provided in this subsection shall lapse.

11 (11) \$7,114,000 of the state wildlife account--state appropriation
12 is provided solely for the implementation of House Bill No. 1796
13 (Washington's heritage). If the bill is not enacted by June 30, 2011,
14 the amount provided in this subsection shall lapse.

15 (12) \$2,000,000 of the hydraulic project approval account--state
16 appropriation is provided solely for the implementation of House Bill
17 No. 2008 (natural resources programs). If the bill is not enacted by
18 June 30, 2011, the amount provided in this subsection shall lapse.

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

20	General Fund--State Appropriation (FY 2012)	\$34,674,000
21	General Fund--State Appropriation (FY 2013)	\$34,398,000
22	General Fund--Federal Appropriation	\$28,145,000
23	General Fund--Private/Local Appropriation	\$2,381,000
24	Forest Development Account--State Appropriation	\$42,772,000
25	ORV and Nonhighway Vehicle Account--State Appropriation . .	\$4,508,000
26	Surveys and Maps Account--State Appropriation	\$2,399,000
27	Aquatic Lands Enhancement Account--State	
28	Appropriation	\$7,389,000
29	Resources Management Cost Account--State	
30	Appropriation	\$83,835,000
31	Surface Mining Reclamation Account--State	
32	Appropriation	\$3,540,000
33	Disaster Response Account--State Appropriation	\$5,000,000
34	Forest and Fish Support Account--State Appropriation	\$7,939,000
35	Aquatic Land Dredged Material Disposal Site	
36	Account--State Appropriation	\$844,000
37	Natural Resources Conservation Areas Stewardship	

1	Account--State Appropriation	\$34,000
2	State Toxics Control Account--State Appropriation	\$80,000
3	Air Pollution Control Account--State Appropriation	\$1,319,000
4	NOVA Program Account--State Appropriation	\$669,000
5	Derelict Vessel Removal Account--State Appropriation	\$1,765,000
6	Agricultural College Trust Management Account--State	
7	Appropriation	\$1,916,000
8	Forest Practices Application Account--State	
9	Appropriation	\$2,000,000
10	TOTAL APPROPRIATION	\$265,607,000

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

13 (1) \$977,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$915,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for deposit into the agricultural
16 college trust management account and are provided solely to manage
17 approximately 70,700 acres of Washington State University's
18 agricultural college trust lands.

19 (2) \$10,037,000 of the general fund--state appropriation for fiscal
20 year 2012, \$10,037,000 of the general fund--state appropriation for
21 fiscal year 2013, and \$5,000,000 of the disaster response account--
22 state appropriation are provided solely for emergency fire suppression.
23 None of the general fund and disaster response account amounts provided
24 in this subsection may be used to fund agency indirect and
25 administrative expenses. Agency indirect and administrative costs
26 shall be allocated among the agency's remaining accounts and
27 appropriations. The department of natural resources shall submit a
28 quarterly report to the office of financial management and the
29 legislative fiscal committees detailing information on current and
30 planned expenditures from the disaster response account. This work
31 shall be done in coordination with the military department.

32 (3) \$4,000,000 of the forest and fish support account--state
33 appropriation is provided solely for adaptive management, monitoring,
34 and participation grants to tribes. If federal funding for this
35 purpose is reinstated, the amount provided in this subsection shall
36 lapse.

37 (4) \$333,000 of the forest and fish support account--state

1 appropriation is provided solely for adaptive management, monitoring,
2 and participation grants to nongovernmental organizations.

3 (5) \$487,000 of the general fund--state appropriation is provided
4 solely to fund interagency agreements with the department of ecology
5 and the department of fish and wildlife as part of the adaptive
6 management process.

7 (6) \$1,000,000 of the general fund--federal appropriation and
8 \$1,000,000 of the forest and fish support account--state appropriation
9 are provided solely for continuing scientific studies already underway
10 as part of the adaptive management process. Funds may not be used to
11 initiate new studies unless the department secures new federal funding
12 for the adaptive management process.

13 (7) The department is authorized to increase the silviculture
14 burning permit fee in the 2011-2013 biennium as necessary to meet the
15 actual costs of conducting business.

16 (8) \$440,000 of the state general fund--state appropriation for
17 fiscal year 2012 and \$440,000 of the state general fund--state
18 appropriation for fiscal year 2013 are provided solely for forest work
19 crews that support correctional camps and are contingent upon
20 continuing operations of Naselle youth camp.

21 (9) By September 1, 2011, the department shall update its
22 interagency agreement dated September 30, 2010, with the department of
23 fish and wildlife concerning land management services on the department
24 of fish and wildlife's wildlife conservation and recreation lands. The
25 update shall include rates and terms for services.

26 (10) \$2,000,000 of the forest practices application account--state
27 appropriation, \$62,000 of the resources management cost account--state
28 appropriation, and \$62,000 of the forest development account--state
29 appropriation are provided solely for the implementation of House Bill
30 No. 2008 (natural resources programs). If the bill is not enacted by
31 June 30, 2011, the amounts provided in this subsection shall lapse.

32 (11)(a) The department shall convene the marine rents review
33 committee so that the committee can recommend to the legislature
34 alternative methods of calculating rents for marinas occupying
35 state-owned aquatic lands. The committee must explore ways to refine
36 and improve the averaging method for calculating rents for marinas as
37 generally described in Senate Bill No. 5550 (marina annual rent rates);
38 examine current methodologies; address significant fluctuations in

1 assessed value among similarly sized and situated properties; and
 2 explore how marina rents in similar regional marina markets can affect
 3 market conditions for marinas. The department shall also consider
 4 expanding representation and stakeholder outreach on the committee,
 5 based on recommendations of existing committee members. The department
 6 is authorized to use independent facilitators and outside parties to
 7 partner in the committee's efforts. Recommendations provided by the
 8 committee must meet these minimum requirements:

9 (i) Provide more equitable treatment of marina lessees through
 10 similar lease rates for similar uses in similar markets or geographic
 11 locations;

12 (ii) Minimize administrative burdens to the department;

13 (iii) Be designed with strategies to be revenue neutral or positive
 14 to the state over a time frame agreeable to the department.

15 (b) The committee shall strive for unanimous agreement in its
 16 recommendations. In the absence of a unanimous agreement, a vote may
 17 be taken to assess preferences and majority and minority views, and
 18 recommendations must be reported to the legislature by December 1,
 19 2011, consistent with RCW 43.01.036.

20 (12) Within the funds provided in this section, the department of
 21 natural resources must prepare recommendations, delivered to the
 22 legislature by October 31, 2011, consistent with RCW 43.01.036, for
 23 increases in fees under chapter 76.09 RCW with the goal of making the
 24 department's forest practices division completely fee supported. In
 25 developing the recommendations, the department must involve the
 26 participation of a broad range of affected stakeholders and interested
 27 parties.

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

29	General Fund--State Appropriation (FY 2012)	\$13,635,000
30	General Fund--State Appropriation (FY 2013)	\$13,431,000
31	General Fund--Federal Appropriation	\$23,217,000
32	General Fund--Private/Local Appropriation	\$190,000
33	Aquatic Lands Enhancement Account--State	
34	Appropriation	\$2,101,000
35	State Toxics Control Account--State Appropriation	\$5,191,000
36	Water Quality Permit Account--State Appropriation	\$62,000
37	TOTAL APPROPRIATION	\$57,827,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$5,308,445 of the general fund--state
3 appropriation for fiscal year 2012 and \$5,302,905 of the general fund--
4 state appropriation for fiscal year 2013 are provided solely for
5 implementing the food assistance program as defined in RCW 43.23.290.

6 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
7 **INSURANCE PROGRAM**

8 Pollution Liability Insurance Program Trust
9 Account--State Appropriation \$681,000

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

11 General Fund--State Appropriation (FY 2012) \$2,797,000
12 General Fund--State Appropriation (FY 2013) \$2,785,000
13 General Fund--Federal Appropriation \$9,620,000
14 General Fund--Private/Local Appropriation \$25,000
15 Aquatic Lands Enhancement Account--State Appropriation \$499,000
16 State Toxics Control Account--State Appropriation \$735,000
17 TOTAL APPROPRIATION \$16,461,000

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

20 (1) \$706,000 of the state toxics control account--state
21 appropriation is provided solely for activities that contribute to
22 Puget Sound protection and recovery, including provision of independent
23 advice and assessment of the state's oil spill prevention,
24 preparedness, and response programs, including review of existing
25 activities and recommendations for any necessary improvements. The
26 partnership may carry out this function through an existing committee,
27 such as the ecosystem coordination board or the leadership council, or
28 may appoint a special advisory council. Because this is a unique
29 statewide program, the partnership may invite participation from
30 outside the Puget Sound region.

31 (2) Within the amounts appropriated in this section, the Puget
32 Sound partnership shall facilitate an ongoing monitoring consortium to
33 integrate monitoring efforts for storm water, water quality, watershed

1 health, and other indicators to enhance monitoring efforts in Puget
2 Sound.

(End of part)

PART IV
TRANSPORTATION

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

4	General Fund--State Appropriation (FY 2012)	\$1,148,000
5	General Fund--State Appropriation (FY 2013)	\$1,402,000
6	Architects' License Account--State Appropriation	\$1,086,000
7	Professional Engineers' Account--State	
8	Appropriation	\$3,644,000
9	Real Estate Commission Account--State Appropriation	\$10,043,000
10	Uniform Commercial Code Account--State Appropriation	\$3,183,000
11	Real Estate Education Account--State Appropriation	\$276,000
12	Real Estate Appraiser Commission Account--State	
13	Appropriation	\$1,724,000
14	Business and Professions Account--State Appropriation	\$15,996,000
15	Real Estate Research Account--State Appropriation	\$622,000
16	Geologists' Account--State Appropriation	\$49,000
17	Derelict Vessel Removal Account--State Appropriation	\$31,000
18	TOTAL APPROPRIATION	\$39,204,000

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

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

26 (2) \$8,000 of the business and professions account--state
27 appropriation is provided solely to implement House Bill No. 1745
28 (collection agencies). If the bill is not enacted by June 30, 2011,
29 the amount provided in this subsection shall lapse.

30 (3) \$54,000 of the business and professions account--state
31 appropriation is provided solely to implement Substitute House Bill No.
32 1205 (court reporter licensing). If the bill is not enacted by June
33 30, 2011, the amount provided in this subsection shall lapse.

34 (4) \$71,000 of the professional engineers' account--state
35 appropriation is provided solely to implement House Bill No. 1900

1 (continuing ed for engineers). If the bill is not enacted by June 30,
2 2011, the amount provided in this subsection shall lapse.

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

4	General Fund--State Appropriation (FY 2012)	\$40,624,000
5	General Fund--State Appropriation (FY 2013)	\$38,151,000
6	General Fund--Federal Appropriation	\$16,081,000
7	General Fund--Private/Local Appropriation	\$3,021,000
8	Death Investigations Account--State Appropriation	\$5,735,000
9	County Criminal Justice Assistance Account--State	
10	Appropriation	\$3,302,000
11	Municipal Criminal Justice Assistance Account--State	
12	Appropriation	\$1,332,000
13	Fire Service Trust Account--State Appropriation	\$131,000
14	Disaster Response Account--State Appropriation	\$8,002,000
15	Fire Service Training Account--State Appropriation	\$9,087,000
16	Aquatic Invasive Species Enforcement Account--State	
17	Appropriation	\$54,000
18	State Toxics Control Account--State Appropriation	\$508,000
19	Fingerprint Identification Account--State	
20	Appropriation	\$8,970,000
21	Vehicle License Fraud Account--State Appropriation	\$221,000
22	TOTAL APPROPRIATION	\$135,219,000

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

25 (1) \$200,000 of the fire service training account--state
26 appropriation is provided solely for two FTEs in the office of the
27 state director of fire protection to exclusively review K-12
28 construction documents for fire and life safety in accordance with the
29 state building code. It is the intent of this appropriation to provide
30 these services only to those districts that are located in counties
31 without qualified review capabilities.

32 (2) \$8,000,000 of the disaster response account--state
33 appropriation is provided solely for Washington state fire service
34 resource mobilization costs incurred in response to an emergency or
35 disaster authorized under RCW 43.43.960 and 43.43.964. The state
36 patrol shall submit a report quarterly to the office of financial

1 management and the legislative fiscal committees detailing information
2 on current and planned expenditures from this account. This work shall
3 be done in coordination with the military department.

4 (3) \$400,000 of the fire service training account--state
5 appropriation is provided solely for the firefighter apprenticeship
6 training program.

7 (4) In accordance with RCW 43.43.742 the state patrol is authorized
8 to increase the following fees in fiscal year 2012 as necessary to meet
9 the actual costs of conducting business and the appropriation levels in
10 this section: Notary service fee.

11 (5) \$59,000 of the fingerprint identification account--state
12 appropriation is provided solely for implementation of Engrossed Second
13 Substitute House Bill No. 1776 (child care center licensing). If the
14 bill is not enacted by June 30, 2011, the amount provided in this
15 subsection shall lapse.

16 (6) \$6,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Engrossed
18 Substitute House Bill No. 1494 (vulnerable adult referrals). If the
19 bill is not enacted by June 30, 2011, the amount provided in this
20 subsection shall lapse.

(End of part)

PART V
EDUCATION

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

General Fund--State Appropriation (FY 2012)	\$27,774,000
General Fund--State Appropriation (FY 2013)	\$24,058,000
General Fund--Federal Appropriation	\$87,577,000
TOTAL APPROPRIATION	\$139,409,000

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

(1) A maximum of \$18,470,000 of the general fund--state appropriation for fiscal year 2012 and \$14,842,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$12,211,000 of the general fund--state appropriation for fiscal year 2012 and \$9,861,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

(iii) Within the amounts provided, the office of the superintendent of public instruction shall develop a model policy that further defines the recommended roles and responsibilities of graduation coaches and identifies best practices for how graduation coaches work in coordination with school counselors and in the context of a comprehensive school guidance and counseling program.

(iv) Within the amounts provided, \$1,600,000 in fiscal year 2012 is for development of a new electronic certification system for educators,

1 pursuant to Substitute House Bill No. 1449 (educator certificate fee).
2 Beginning in fiscal year 2013, if system development is complete, the
3 e-certification system will be supported by proceeds from the educator
4 certification processing account.

5 (b) \$1,384,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$636,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for activities associated with the
8 implementation of new school finance systems required by chapter 236,
9 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
10 (state's education system), including technical staff, systems
11 reprogramming, and workgroup deliberations, including the quality
12 education council.

13 (c) \$851,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$851,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for the operation and expenses of
16 the state board of education, including basic education assistance
17 activities.

18 (d) \$1,636,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$1,253,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely to the professional educator
21 standards board for the following:

22 (i) \$909,000 in fiscal year 2012 and \$909,000 in fiscal year 2013
23 are for the operation and expenses of the Washington professional
24 educator standards board; and

25 (ii) \$687,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$305,000 of the general fund--state appropriation for
27 fiscal year 2013 are for conditional scholarship loans and mentor
28 stipends provided through the alternative routes to certification
29 program administered by the professional educator standards board,
30 including the pipeline for paraeducators program and the retooling to
31 teach conditional loan programs. Funding within this subsection
32 (1)(d)(ii) is also provided for the recruiting Washington teachers
33 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-
34 2013 fiscal biennium are intended to be one-time.

35 (iii) \$40,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$39,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for the implementation of
38 Engrossed Second Substitute House Bill No. 1593 (principal

1 certification), including the development of a residency provisional
2 principal certification for candidates with demonstrated professional
3 and managerial leadership experiences. If the bill is not enacted by
4 June 30, 2011, the amounts provided in this subsection shall lapse.

5 (e) \$133,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$133,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for the implementation of chapter
8 240, Laws of 2010, including staffing the office of equity and civil
9 rights.

10 (f) \$100,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$100,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for the ongoing work of the
13 achievement gap oversight and accountability committee.

14 (g) \$45,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$45,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the implementation of chapter
17 380, Laws of 2009 (enacting the interstate compact on educational
18 opportunity for military children).

19 (h) \$60,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$15,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for the implementation of Second
22 Substitute House Bill No. 1163 (bullying prevention), which requires
23 the office of the superintendent of public instruction to convene an
24 ongoing workgroup on school bullying and harassment prevention. If the
25 bill is not enacted by June 30, 2011, the amounts provided in this
26 subsection shall lapse.

27 (i) \$100,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$100,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for the implementation of
30 Engrossed Second Substitute House Bill No. 1546 (innovation schools and
31 zones). The funding supports a school innovation program which grants
32 waivers of state statutes or administrative rules to encourage
33 innovation in educational practice. If the bill is not enacted by June
34 30, 2011, the amounts provided in this subsection shall lapse.

35 (j) \$182,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$59,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for the implementation of

1 Engrossed Second Substitute House Bill No. 1443 (education reforms).
2 If the bill is not enacted by June 30, 2011, the amounts provided in
3 this subsection shall lapse.

4 (k) \$209,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$230,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the implementation of
7 Engrossed Substitute House Bill No. 1849 (state education council),
8 including the establishment of a state education council to consider
9 proposals for education governance in Washington. If the bill is not
10 enacted by June 30, 2011, the amounts provided in this subsection shall
11 lapse.

12 (l) \$1,534,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$1,534,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for implementing a comprehensive
15 data system to include financial, student, and educator data, including
16 development and maintenance of the comprehensive education data and
17 research system (CEDARS). The office of the superintendent of public
18 instruction will convene a data governance group to define operating
19 rules and a governance structure for K-12 data collections, and
20 collaborate with the education research and data center to facilitate
21 analysis of data across education sectors.

22 (m) \$25,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$25,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for project citizen, a program
25 sponsored by the national conference of state legislatures and the
26 center for civic education to promote participation in government by
27 middle school students.

28 (2) \$9,320,000 of the general fund--state appropriation for fiscal
29 year 2012, \$9,220,000 of the general fund--state appropriation for
30 fiscal year 2013, and \$55,890,000 of the general fund--federal
31 appropriation are for statewide programs.

32 (a) HEALTH AND SAFETY

33 (i) \$2,541,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$2,541,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for a corps of nurses located at
36 educational service districts, as determined by the superintendent of
37 public instruction, to be dispatched to the most needy schools to

1 provide direct care to students, health education, and training for
2 school staff.

3 (ii) \$96,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$96,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for a school safety training
6 program provided by the criminal justice training commission. The
7 commission, in collaboration with the school safety center advisory
8 committee, shall provide the school safety training for all school
9 administrators and school safety personnel.

10 (iii) \$100,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$100,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for the school safety center in
13 the office of the superintendent of public instruction subject to the
14 following conditions and limitations:

15 (A) The safety center shall: Disseminate successful models of
16 school safety plans and cooperative efforts; provide assistance to
17 schools to establish a comprehensive safe school plan; select models of
18 cooperative efforts that have been proven successful; act as an
19 information dissemination and resource center when an incident occurs
20 in a school district either in Washington or in another state;
21 coordinate activities relating to school safety; review and approve
22 manuals and curricula used for school safety models and training; and
23 develop and maintain a school safety information web site.

24 (B) The school safety center advisory committee shall develop a
25 training program, using the best practices in school safety, for all
26 school safety personnel.

27 (iv) \$50,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$50,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for a nonviolence and leadership
30 training program provided by the institute for community leadership.

31 (b) TECHNOLOGY

32 \$872,000 of the general fund--state appropriation for fiscal year
33 2012 and \$872,000 of the general fund--state appropriation for fiscal
34 year 2013 are provided solely for K-20 telecommunications network
35 technical support in the K-12 sector to prevent system failures and
36 avoid interruptions in school utilization of the data processing and
37 video-conferencing capabilities of the network. These funds may be

1 used to purchase engineering and advanced technical support for the
2 network.

3 (c) GRANTS AND ALLOCATIONS

4 (i) \$675,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$675,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the Washington state achievers
7 scholarship program. The funds shall be used to support community
8 involvement officers that recruit, train, and match community volunteer
9 mentors with students selected as achievers scholars.

10 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$1,000,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for contracting with a college
13 scholarship organization with expertise in conducting outreach to
14 students concerning eligibility for the Washington college bound
15 scholarship consistent with chapter 405, Laws of 2007.

16 (iii) \$2,924,000 of the general fund--state appropriation for
17 fiscal year 2012 and \$2,924,000 of the general fund--state
18 appropriation for fiscal year 2013 are provided solely for the
19 dissemination of the navigation 101 curriculum to all districts. The
20 funding shall support electronic student planning tools and software
21 for analyzing the impact of navigation 101 on student performance, as
22 well as grants to a maximum of one hundred school districts each year,
23 based on progress and need for the implementation of the navigation 101
24 program. The implementation grants shall be awarded to a cross-section
25 of school districts reflecting a balance of geographic and demographic
26 characteristics. Within the amounts provided, the office of the
27 superintendent of public instruction will create a navigation 101
28 accountability model to analyze the impact of the program.

29 (iv) \$337,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$337,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for implementation of the building
32 bridges statewide program for comprehensive dropout prevention,
33 intervention, and reengagement strategies.

34 (v) \$150,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$150,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for dropout prevention programs at
37 the office of the superintendent of public instruction, including the
38 jobs for America's graduates (JAG) program.

1 (vi) \$75,000 of the general fund--state appropriation for fiscal
 2 year 2012 and \$75,000 of the general fund--state appropriation for
 3 fiscal year 2013 are provided solely for a pilot project to encourage
 4 bilingual high school students to pursue public school teaching as a
 5 profession. Using the full amounts of the appropriation under this
 6 subsection, the office of the superintendent of public instruction
 7 shall contract with the Latino/a educational achievement project (LEAP)
 8 to work with school districts to identify and mentor not fewer than
 9 fifty bilingual students in their junior year of high school,
 10 encouraging them to become bilingual instructors in schools with high
 11 English language learner populations. Students shall be mentored by
 12 bilingual teachers and complete a curriculum developed and approved by
 13 the participating districts.

14 (vii) \$500,000 of the general fund--state appropriation for fiscal
 15 year 2012 and \$400,000 of the general fund--state appropriation for
 16 fiscal year 2013 are provided solely for the implementation of
 17 Substitute House Bill No. 1510 (state-funded kindergarten), including
 18 the development and implementation of the Washington kindergarten
 19 inventory of developing skills (WaKIDS). If the bill is not enacted by
 20 June 30, 2011, the amounts provided in this subsection shall lapse.

21 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
 22 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

23	General Fund--State Appropriation (FY 2012)	\$5,506,815,000
24	General Fund--State Appropriation (FY 2013)	\$5,392,527,000
25	TOTAL APPROPRIATION	\$10,899,342,000

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

28 (1)(a) Each general fund fiscal year appropriation includes such
 29 funds as are necessary to complete the school year ending in the fiscal
 30 year and for prior fiscal year adjustments.

31 (b) For the 2011-12 and 2012-13 school years, the superintendent
 32 shall allocate general apportionment funding to school districts as
 33 provided in the funding formulas and salary schedules in sections 502
 34 and 503 of this act, excluding (c) of this subsection.

35 (c) From July 1, 2011 to August 31, 2011, the superintendent shall
 36 allocate general apportionment funding to school districts programs as

1 provided in sections 502 and 504, chapter 564, Laws of 2009, as amended
2 through sections 1402 and 1403 of this act.

3 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

4 Allocations for certificated instructional staff salaries for the
5 2011-12 and 2012-13 school years are determined using formula-generated
6 staff units calculated pursuant to this subsection.

7 (a) Certificated instructional staff units, as defined in RCW
8 28A.150.410, shall be allocated to reflect the minimum class size
9 allocations, requirements, and school prototypes assumptions as
10 provided in RCW 28A.150.260. The superintendent shall adjust
11 allocations to school districts based on the district's annual average
12 full-time equivalent student enrollment in each grade.

13 (b) Additional certificated instructional staff units provided in
14 this subsection (2) that exceed the minimum requirements in RCW
15 28A.150.260 are enhancements outside the program of basic education,
16 except as otherwise provided in this section.

17 (c)(i) The superintendent shall base allocations for each level of
18 prototypical school on the following regular education average class
19 size of full-time equivalent students per teacher, except as provided
20 in (c)(ii) of this subsection:

21	General education class size:	
22	Grade	RCW 28A.150.260
23	Grades K-3 25.23
24	Grade 4 27.00
25	Grades 5-6 27.00
26	Grades 7-8 28.53
27	Grades 9-12 28.74

28 The superintendent shall base allocations for career and technical
29 education (CTE) and skill center programs average class size as
30 provided in RCW 28A.150.260.

31 (ii) For each level of prototypical school at which more than fifty
32 percent of the students were eligible for free and reduced-price meals
33 as determined by a rolling average of enrollment from the three most
34 recently completed school years, the superintendent shall allocate

1 funding based on the following average class size of full-time
2 equivalent students per teacher:

3 General education class size in high poverty
4 school:

5 Grades K-3	24.23
6 Grade 4	27.00
7 Grades 5-6	27.00
8 Grades 7-8	28.53
9 Grades 9-12	28.74

10 (iii) Pursuant to RCW 28A.150.200 to implement RCW
11 28A.150.260(4)(b), class size reductions in grades K-3 that exceed the
12 requirements of RCW 28A.150.260(4)(a) are within the program of basic
13 education.

14 (iv) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
15 planning period, expressed as a percentage of a teacher work day, is
16 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

17 (v) Laboratory science, advanced placement, and international
18 baccalaureate courses are funded at the same class size assumptions as
19 general education schools in the same grade; and

20 (d)(i) Funding for teacher librarians, school nurses, social
21 workers, school psychologists, and guidance counselors is allocated
22 based on the school prototypes as provided in RCW 28A.150.260 and is
23 considered certificated instructional staff, except as provided in
24 (d)(ii) of this subsection.

25 (ii) Students in approved career and technical education and skill
26 center programs generate certificated instructional staff units to
27 provide for the services of teacher librarians, school nurses, social
28 workers, school psychologists, and guidance counselors at the following
29 combined rate per 1000 students:

30 Career and Technical Education

31 students	2.02 per 1000 student FTE's
32 Skill Center students	2.36 per 1000 student FTE's

33 (3) ADMINISTRATIVE STAFF ALLOCATIONS

34 (a) Allocations for school building-level certificated
35 administrative staff salaries for the 2011-12 and 2012-13 school years

1 for general education students are determined using the formula-
2 generated staff units provided in RCW 28A.150.260, and adjusted based
3 on a district's annual average full-time equivalent student enrollment
4 in each grade.

5 (b) Students in approved career and technical education and skill
6 center programs generate certificated school building-level
7 administrator staff units at per student rates that exceed the general
8 education rate in (a) of this subsection by the following percentages:

- 9 Career and Technical Education students 2.5 percent
- 10 Skill Center students 19.75 percent

11 (4) CLASSIFIED STAFF ALLOCATIONS

12 Allocations for classified staff units providing school building-
13 level and district-wide support services for the 2011-12 and 2012-13
14 school years are determined using the formula-generated staff units
15 provided in RCW 28A.150.260, and adjusted based on each district's
16 annual average full-time equivalent student enrollment in each grade.

17 (5) CENTRAL OFFICE ALLOCATIONS

18 In addition to classified and administrative staff units allocated
19 in subsections (3) and (4) of this section, classified and
20 administrative staff units are provided for the 2011-12 and 2012-13
21 school year for the central office administrative costs of operating a
22 school district, at the following rates:

23 (a) The total central office staff units provided in this
24 subsection (5) are calculated by first multiplying the total number of
25 eligible certificated instructional, certificated administrative, and
26 classified staff units providing school-based or district-wide support
27 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

28 (b) Of the central office staff units calculated in (a) of this
29 subsection, 74.53 percent are allocated as classified staff units, as
30 generated in subsection (4) of this section, and 25.47 percent shall be
31 allocated as administrative staff units, as generated in subsection (3)
32 of this section.

33 (c) Staff units generated as enhancements outside the program of
34 basic education to the minimum requirements of RCW 28A.150.260, and
35 staff units generated by skill center and career-technical students,
36 are excluded from the total central office staff units calculation in
37 (a) of this subsection.

1 (d) For students in approved career-technical and skill center
2 programs, central office classified units are allocated at the same
3 staff unit per student rate as those generated for general education
4 students of the same grade in this subsection (5), and central office
5 administrative staff units are allocated at staff unit per student
6 rates that exceed the general education rate established for students
7 in the same grade in this subsection (5) by 3.69 percent for career and
8 technical education students, and 21.92 percent for skill center
9 students.

10 (6) FRINGE BENEFIT ALLOCATIONS

11 Fringe benefit allocations shall be calculated at a rate of 16.30
12 percent in the 2011-12 school year and 16.30 percent in the 2012-13
13 school year for certificated salary allocations provided under
14 subsections (2), (3), and (5) of this section, and a rate of 18.68
15 percent in the 2011-12 school year and 18.68 percent in the 2012-13
16 school year for classified salary allocations provided under
17 subsections (4) and (5) of this section.

18 (7) INSURANCE BENEFIT ALLOCATIONS

19 Insurance benefit allocations shall be calculated at the
20 maintenance rate specified in section 504 of this act, based on the
21 number of benefit units determined as follows:

22 (a) The number of certificated staff units determined in
23 subsections (2), (3), and (5) of this section; and

24 (b) The number of classified staff units determined in subsections
25 (4) and (5) of this section multiplied by 1.152. This factor is
26 intended to adjust allocations so that, for the purposes of
27 distributing insurance benefits, full-time equivalent classified
28 employees may be calculated on the basis of 1440 hours of work per
29 year, with no individual employee counted as more than one full-time
30 equivalent.

31 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

32 Funding is allocated per annual average full-time equivalent
33 student for the materials, supplies, and operating costs (MSOC)
34 incurred by school districts, consistent with the requirements of RCW
35 28A.150.260.

36 (a) MSOC funding for general education students are allocated at
37 the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2011-12 SCHOOL YEAR	2012-13 SCHOOL YEAR
Technology	\$57.02	\$57.99
Utilities and Insurance	\$154.93	\$157.56
Curriculum and Textbooks	\$61.22	\$62.26
Other Supplies and Library Materials	\$129.97	\$132.18
Instructional Professional Development for Certificated and Classified Staff	\$9.47	\$9.63
Facilities Maintenance	\$76.75	\$78.06
Security and Central Office	\$53.17	\$54.08
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$542.53	\$551.76

(b) Students in approved skill center programs generate per student FTE MSOC allocations which equal the rate for general education students calculated in (a) of this subsection, multiplied by a factor of 2.187.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation that is equal to the rate for general education students calculated in (a) of this subsection, multiplied by a factor of 2.459.

(d) Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2011-12 and 2012-13 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(i) Beginning in the 2011-12 school year, general apportionment allocations resulting from this section and compensation factors in sections 503 and 504 of this act shall be multiplied by a factor of

1 .801 for students participating in alternative learning experience
2 (ALE) programs defined in WAC 392-121-182.

3 (ii) School districts providing ALE programs as defined in WAC
4 392-121-182 may not provide any compensation, reimbursement, gift,
5 reward, or gratuity to any parents, guardians, or students for
6 participation in ALE programs. This prohibition includes, but is not
7 limited to, providing funds to parents, guardians, or students for the
8 purchase of educational materials, supplies, experiences, services, or
9 technological equipment. A district may purchase educational
10 materials, equipment, or other nonconsumable supplies for students' use
11 in ALE programs if the purchase is consistent with laws and rules and
12 made in the same manner as such purchases are made for students in the
13 district's non-ALE program. Items so purchased remain the property of
14 the school district upon ALE program completion. These requirements in
15 this subsection extend to private and multidistrict cooperative ALE
16 providers, and each district shall be responsible for monitoring the
17 compliance of its ALE providers with this subsection.

18 (iii) The superintendent of public instruction shall require all
19 districts receiving general apportionment funding for alternative
20 learning experience (ALE) programs as defined in WAC 392-121-182 to
21 provide separate financial accounting of expenditures for the ALE
22 programs offered in district or with a provider, including but not
23 limited to private companies and multidistrict cooperatives, as well as
24 accurate, monthly headcount and FTE enrollment claimed for basic
25 education, including separate counts of resident and nonresident
26 students.

27 (iv) Beginning in the 2011-12 school year, school districts are
28 exempt from the requirements of RCW 28A.150.100(2) for that portion of
29 their annual average full-time equivalent enrollment in ALE programs as
30 defined in WAC 392-121-182.

31 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

32 Funding in this section is sufficient to fund voluntary full day
33 kindergarten programs in qualifying high poverty schools, pursuant to
34 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
35 for the voluntary full-day program in a qualifying school shall count
36 as one-half of one full-time equivalent student for purpose of making
37 allocations under this section. Funding in this section provides full-
38 day kindergarten programs for 21 percent of kindergarten enrollment in

1 the 2011-12 school year, and 22 percent in the 2012-13 school year.
2 Funding priority shall be given to schools with the highest poverty
3 levels, as measured by a three-year rolling average of free and reduced
4 price lunch eligibility rates in each school, based on data from the
5 three most recently completed school years. Funding in this section is
6 sufficient to fund voluntary full day kindergarten programs for July
7 and August of the 2010-11 school year. Pursuant to RCW 28A.150.200 and
8 to implement the phase-in schedule of RCW 28A.150.315, all increases in
9 the percentage of students served in the voluntary full day
10 kindergarten program are within the program of basic education.

11 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
12 NECESSARY PLANTS

13 For small school districts and remote and necessary school plants
14 within any district which have been judged to be remote and necessary
15 by the state board of education, additional staff units are provided to
16 ensure a minimum level of staffing support. Additional administrative
17 and certificated instructional staff units provided to districts in
18 this subsection shall be reduced by the staff units otherwise provided
19 in subsections (2) through (5) of this section on a per district basis.

20 (a) For districts enrolling not more than twenty-five average
21 annual full-time equivalent students in grades K-8, and for small
22 school plants within any school district which have been judged to be
23 remote and necessary by the state board of education and enroll not
24 more than twenty-five average annual full-time equivalent students in
25 grades K-8:

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

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

36 (b) For specified enrollments in districts enrolling more than
37 twenty-five but not more than one hundred average annual full-time
38 equivalent students in grades K-8, and for small school plants within

1 any school district which enroll more than twenty-five average annual
2 full-time equivalent students in grades K-8 and have been judged to be
3 remote and necessary by the state board of education:

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

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

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

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

19 (ii) For all other small high schools under this subsection, nine
20 certificated instructional staff units and one-half of a certificated
21 administrative staff unit for the first sixty average annual full-time
22 equivalent students, and additional staff units based on a ratio of
23 0.8732 certificated instructional staff units and 0.1268 certificated
24 administrative staff units per each additional forty-three and one-half
25 average annual full-time equivalent students;

26 (d) For each nonhigh school district having an enrollment of more
27 than seventy annual average full-time equivalent students and less than
28 one hundred eighty students, operating a grades K-8 program or a grades
29 1-8 program, an additional one-half of a certificated instructional
30 staff unit;

31 (e) For each nonhigh school district having an enrollment of more
32 than fifty annual average full-time equivalent students and less than
33 one hundred eighty students, operating a grades K-6 program or a grades
34 1-6 program, an additional one-half of a certificated instructional
35 staff unit;

36 (f)(i) For enrollments generating certificated staff unit
37 allocations under this subsection, one classified staff unit for each
38 2.94 certificated staff units allocated under such subsections;

1 (ii) For each nonhigh school district with an enrollment of more
2 than fifty annual average full-time equivalent students and less than
3 one hundred eighty students, an additional one-half of a classified
4 staff unit; and

5 (g) School districts receiving additional staff units to support
6 small student enrollments and remote and necessary plants under
7 subsection (12) of this section shall generate additional MSOC
8 allocations consistent with the nonemployee related costs (NERC)
9 allocation formula in place for the 2010-11 school year as provided
10 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental
11 budget), adjusted for annually for inflation.

12 (13) Any school district board of directors may petition the
13 superintendent of public instruction by submission of a resolution
14 adopted in a public meeting to reduce or delay any portion of its basic
15 education allocation for any school year. The superintendent of public
16 instruction shall approve such reduction or delay if it does not impair
17 the district's financial condition. Any delay shall not be for more
18 than two school years. Any reduction or delay shall have no impact on
19 levy authority pursuant to RCW 84.52.0531 and local effort assistance
20 pursuant to chapter 28A.500 RCW.

21 (14) The superintendent may distribute a maximum of \$2,479,000
22 outside the basic education formula during fiscal years 2012 and 2013
23 as follows:

24 (a) \$589,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$599,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for fire protection for school
27 districts located in a fire protection district as now or hereafter
28 established pursuant to chapter 52.04 RCW.

29 (b) \$436,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$436,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for programs providing skills
32 training for secondary students who are enrolled in extended day
33 school-to-work programs, as approved by the superintendent of public
34 instruction. The funds shall be allocated at a rate not to exceed \$500
35 per full-time equivalent student enrolled in those programs.

36 (c) Funding in this section is sufficient to fund adjustments to
37 school districts' allocations resulting from the implementation of the
38 prototypical school funding formula, pursuant to chapter 236, Laws of

1 2010 (K-12 education funding). The funding in this section is intended
2 to hold school districts harmless in total for funding changes
3 resulting from conversion to the prototypical school formula in the
4 general apportionment program, the learning assistance program, the
5 transitional bilingual program, and the highly capable program, after
6 adjustment for changes in enrollment and other caseload adjustments.

7 (15) \$208,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$211,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for school district emergencies as
10 certified by the superintendent of public instruction. At the close of
11 the fiscal year the superintendent of public instruction shall report
12 to the office of financial management and the appropriate fiscal
13 committees of the legislature on the allocations provided to districts
14 and the nature of the emergency.

15 (16) Amounts in this section include adjustments made by the
16 superintendent of public instruction for the repayment of financial
17 contingency funds allocated in fiscal year 2011, as specified in
18 section 501 of the 2011 supplemental budget (chapter 5, Laws of 2011).
19 For any amount allocated to a district in state fiscal year 2011, the
20 superintendent of public instruction shall deduct in state fiscal year
21 2012 from the district's general apportionment the amount of the
22 emergency contingency allocation and any earnings by the school
23 district on the investment of a temporary cash surplus due to the
24 emergency contingency allocation. Repayments or advances will be
25 accomplished by a reduction in the school district's apportionment
26 payments on or before June 30th of the school year following the
27 distribution of the emergency contingency allocation. All
28 disbursements, repayments, and outstanding allocations to be repaid of
29 the emergency contingency pool shall be reported to the office of
30 financial management and the appropriate fiscal committees of the
31 legislature on July 1st and January 1st of each year.

32 (17) Funding in this section is sufficient to fund a maximum of 1.6
33 FTE enrollment for skills center students pursuant to chapter 463, Laws
34 of 2007.

35 (18) Beginning in the 2011-12 school year, students participating
36 in running start programs may be funded up to a combined maximum
37 enrollment of 1.2 FTE including school district and institution of
38 higher education enrollment. Additionally, the office of the

1 state allocations for certificated instructional, certificated
2 administrative, and classified staff units as provided in RCW
3 28A.150.280 and under section 503 of this act:

4 (a) Salary allocations for certificated instructional staff units
5 are determined for each district by multiplying the district's
6 certificated instructional total base salary shown on LEAP Document 2
7 by the district's average staff mix factor for certificated
8 instructional staff in that school year, computed using LEAP document
9 1; and

10 (b) Salary allocations for certificated administrative staff units
11 and classified staff units for each district are determined based on
12 the district's certificated administrative and classified salary
13 allocation amounts shown on LEAP Document 2.

14 (2) For the purposes of this section:

15 (a) "LEAP Document 1" means the staff mix factors for certificated
16 instructional staff according to education and years of experience, as
17 developed by the legislative evaluation and accountability program
18 committee on April 1, 2011, at 6:00 hours; and

19 (b) "LEAP Document 2" means the school year salary allocations for
20 certificated administrative staff and classified staff and derived and
21 total base salaries for certificated instructional staff as developed
22 by the legislative evaluation and accountability program committee on
23 April 1, 2011, at 6:00 hours.

24 (3) Incremental fringe benefit factors are applied to salary
25 adjustments at a rate of 15.66 percent for school year 2011-12 and
26 15.66 percent for school year 2012-13 for certificated instructional
27 and certificated administrative staff and 15.18 percent for school year
28 2011-12 and 15.18 percent for the 2012-13 school year for classified
29 staff.

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

33 Table Of Total Base Salaries For Certificated Instructional Staff
34 For School Year 2011-12
35 *** Education Experience ***

36 Years

MA+90

										OR
1	of									
2	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
3	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
4	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
5	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
6	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
7	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
8	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
9	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
10	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
11	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
12	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
13	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
14	11				46,772	50,121	52,557	50,249	53,599	56,034
15	12				48,249	51,761	54,269	51,835	55,238	57,748
16	13					53,440	56,024	53,476	56,918	59,501
17	14					55,128	57,844	55,165	58,716	61,322
18	15					56,563	59,349	56,599	60,242	62,917
19	16 or					57,693	60,535	57,731	61,447	64,174
20	more									

Table Of Total Base Salaries For Certificated Instructional Staff

For School Year 2012-13

*** Education Experience ***

	Years									MA+90
24	of									
25	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
26	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
27	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
28	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
29	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
30	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
31	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
32	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
33	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
34	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228

1	9	41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
2	10		43,635	45,247	48,524	50,913	48,724	52,003	54,390
3	11			46,772	50,121	52,557	50,249	53,599	56,034
4	12			48,249	51,761	54,269	51,835	55,238	57,748
5	13				53,440	56,024	53,476	56,918	59,501
6	14				55,128	57,844	55,165	58,716	61,322
7	15				56,563	59,349	56,599	60,242	62,917
8	16 or				57,693	60,535	57,731	61,447	64,174
9	more								

10 (b) During the 2011-12 and 2012-13 school years, the salary
11 allocations for certificated instructional staff shall exclude the
12 following:

13 (i) Any years of service earned after August 31, 2010;

14 (ii) Any educational credits earned after October 1, 2010,
15 excluding certificated instructional staff meeting the criteria in
16 (iii) of this subsection;

17 (iii) For certificated instructional staff with zero years of
18 experience, districts shall recognize credits earned as of October 1,
19 2010;

20 (iv) For certificated instructional staff receiving initial
21 certification after October 1, 2010, districts shall recognize credits
22 earned as of the date of approval of their Washington state
23 instructional certificate.

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

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

31 (i) Credits earned since receiving the masters degree; and

32 (ii) Any credits in excess of forty-five credits that were earned
33 after the baccalaureate degree but before the masters degree.

34 (5) For the purposes of this section:

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

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

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

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

3 (e) "Credits" means college quarter hour credits and equivalent
4 in-service credits computed in accordance with RCW 28A.415.020 and
5 28A.415.023.

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

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

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

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

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

18 (1)(a) Additional salary adjustments as necessary to fund the base
19 salaries for certificated instructional staff as listed for each
20 district in LEAP Document 2, defined in section 504(2)(b) of this act.
21 Allocations for these salary adjustments shall be provided to all
22 districts that are not grandfathered to receive salary allocations
23 above the statewide salary allocation schedule, and to certain
24 grandfathered districts to the extent necessary to ensure that salary
25 allocations for districts that are currently grandfathered do not fall
26 below the statewide salary allocation schedule.

27 (b) Additional salary adjustments to certain districts as necessary
28 to fund the per full-time-equivalent salary allocations for
29 certificated administrative staff as listed for each district in LEAP
30 Document 2, defined in section 504(2)(b) of this act.

31 (c) Additional salary adjustments to certain districts as necessary
32 to fund the per full-time-equivalent salary allocations for classified
33 staff as listed for each district in LEAP Document 2, defined in
34 section 504(2)(b) of this act.

35 (d) The appropriations in this subsection (1) include associated
36 incremental fringe benefit allocations at 15.66 percent for the 2011-12
37 school year and 15.66 percent for the 2012-13 school year for

1 certificated instructional and certificated administrative staff and
2 15.18 percent for the 2011-12 school year and 15.18 percent for the
3 2012-13 school year for classified staff.

4 (e) The appropriations in this section include the increased or
5 decreased portion of salaries and incremental fringe benefits for all
6 relevant state-funded school programs in part V of this act. Changes
7 for general apportionment (basic education) are based on the salary
8 allocation schedules and methodology in sections 503 and 504 of this
9 act. Changes for special education result from changes in each
10 district's basic education allocation per student. Changes for
11 educational service districts and institutional education programs are
12 determined by the superintendent of public instruction using the
13 methodology for general apportionment salaries and benefits in sections
14 503 and 504 of this act.

15 (f) The appropriations in this section include no salary
16 adjustments for substitute teachers.

17 (2) The maintenance rate for insurance benefit allocations is
18 \$768.00 per month for the 2011-12 and 2012-13 school years. The
19 appropriations in this section reflect the incremental change in cost
20 of allocating rates of \$768.00 per month for the 2011-12 school year
21 and \$768.00 per month for the 2012-13 school year.

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

24 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
25 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

26	General Fund--State Appropriation (FY 2012)	\$325,183,000
27	General Fund--State Appropriation (FY 2013)	\$328,336,000
28	TOTAL APPROPRIATION	\$653,519,000

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

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

34 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
35 shall allocate funding to school district programs for the
36 transportation of students as provided in RCW 28A.160.192.

1 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
2 allocate funding to school districts programs for the transportation of
3 students as provided in section 505, chapter 564, Laws of 2009, as
4 amended through section 1404 of this act.

5 (3) Any amounts appropriated for maintenance level funding for
6 pupil transportation that exceed actual maintenance level expenditures
7 as calculated under the funding formula that takes effect September 1,
8 2011, shall be distributed to districts according to RCW
9 28A.160.192(2)(b).

10 (4) A maximum of \$878,000 of this fiscal year 2012 appropriation
11 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be
12 expended for regional transportation coordinators and related
13 activities. The transportation coordinators shall ensure that data
14 submitted by school districts for state transportation funding shall,
15 to the greatest extent practical, reflect the actual transportation
16 activity of each district.

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

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

30 (7) Funding levels in this section reflect waivers granted by the
31 state board of education for four-day school weeks as allowed under RCW
32 28A.305.141.

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

35	General Fund--State Appropriation (FY 2012)	\$7,111,000
36	General Fund--State Appropriation (FY 2013)	\$7,111,000
37	General Fund--Federal Appropriation	\$391,988,000

1 TOTAL APPROPRIATION \$406,210,000

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

4 (1) \$7,111,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$7,111,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for state matching money for
7 federal child nutrition programs, and may support the meals for kids
8 program through the following allowable uses:

9 (a) Elimination of breakfast copays for income-eligible children
10 and lunch copays for students in grades kindergarten through third
11 grade who are eligible for reduced price lunch;

12 (b) Assistance to school districts and authorized nonprofit
13 entities for supporting summer food service programs, and initiating
14 new summer food service programs in low-income areas;

15 (c) Reimbursements to school districts for school breakfasts served
16 to students eligible for free and reduced price lunch, pursuant to
17 chapter 287, Laws of 2005; and

18 (d) Assistance to school districts in initiating and expanding
19 school breakfast programs.

20 The office of the superintendent of public instruction shall report
21 annually to the fiscal committees of the legislature on annual
22 expenditures in (a), (b), and (c) of this subsection.

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

25 General Fund--State Appropriation (FY 2012) \$676,516,000

26 General Fund--State Appropriation (FY 2013) \$710,700,000

27 General Fund--Federal Appropriation \$664,564,000

28 Education Legacy Trust Account--State Appropriation \$756,000

29 TOTAL APPROPRIATION \$2,052,536,000

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)(a) The superintendent of public instruction shall ensure that:

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

6 (ii) As a class, special education students are entitled to the
7 full basic education allocation; and

8 (iii) Special education students are basic education students for
9 the entire school day.

10 (b) The superintendent of public instruction shall continue to
11 implement the full cost method of excess cost accounting, as designed
12 by the committee and recommended by the superintendent, pursuant to
13 section 501(1)(k), chapter 372, Laws of 2006.

14 (c) Beginning with the 2010-11 school year award cycle, the office
15 of the superintendent of public instruction shall make award
16 determinations for state safety net funding in August of each school
17 year. Determinations on school district eligibility for state safety
18 net awards shall be based on analysis of actual expenditure data from
19 the current school year.

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

23 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
24 shall allocate funding to school district programs for special
25 education students as provided in RCW 28A.150.390.

26 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
27 allocate funding to school district programs for special education
28 students as provided in section 507, chapter 564, Laws of 2009, as
29 amended through section 1406 of this act.

30 (5) The following applies throughout this section: The definitions
31 for enrollment and enrollment percent are as specified in RCW
32 28A.150.390(3). Each district's general fund--state funded special
33 education enrollment shall be the lesser of the district's actual
34 enrollment percent or 12.7 percent.

35 (6) At the request of any interdistrict cooperative of at least 15
36 districts in which all excess cost services for special education
37 students of the districts are provided by the cooperative, the maximum
38 enrollment percent shall be calculated in accordance with RCW

1 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
2 rather than individual district units. For purposes of this
3 subsection, the average basic education allocation per full-time
4 equivalent student shall be calculated in the aggregate rather than
5 individual district units.

6 (7) \$16,403,927 of the general fund--state appropriation for fiscal
7 year 2012, \$31,355,344 of the general fund--state appropriation for
8 fiscal year 2013, and \$29,574,000 of the general fund--federal
9 appropriation are provided solely for safety net awards for districts
10 with demonstrated needs for special education funding beyond the
11 amounts provided in subsection (4) of this section. If the federal
12 safety net awards based on the federal eligibility threshold exceed the
13 federal appropriation in this subsection (7) in any fiscal year, the
14 superintendent shall expend all available federal discretionary funds
15 necessary to meet this need. At the conclusion of each school year,
16 the superintendent shall recover safety net funds that were distributed
17 prospectively but for which districts were not subsequently eligible.

18 (a) For the 2011-12 and 2012-13 school years, safety net funds
19 shall be awarded by the state safety net oversight committee as
20 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

21 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
22 operate the safety net oversight committee and shall award safety net
23 funds as provided in section 507, chapter 564, Laws of 2009, as amended
24 through section 1406 of this act.

25 (8) A maximum of \$678,000 may be expended from the general fund--
26 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
27 full-time equivalent aides at children's orthopedic hospital and
28 medical center. This amount is in lieu of money provided through the
29 home and hospital allocation and the special education program.

30 (9) The superintendent shall maintain the percentage of federal
31 flow-through to school districts at 85 percent. In addition to other
32 purposes, school districts may use increased federal funds for high-
33 cost students, for purchasing regional special education services from
34 educational service districts, and for staff development activities
35 particularly relating to inclusion issues.

36 (10) A school district may carry over from one year to the next
37 year up to 10 percent of the general fund--state funds allocated under

1 this program; however, carryover funds shall be expended in the special
2 education program.

3 (11) \$251,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$251,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for two additional full-time
6 equivalent staff to support the work of the safety net committee and to
7 provide training and support to districts applying for safety net
8 awards.

9 (12) \$50,000 of the general fund--state appropriation for fiscal
10 year 2012, \$50,000 of the general fund--state appropriation for fiscal
11 year 2013, and \$100,000 of the general fund--federal appropriation
12 shall be expended to support a special education ombudsman program
13 within the office of superintendent of public instruction.

14 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

16	General Fund--State Appropriation (FY 2012)	\$9,063,000
17	General Fund--State Appropriation (FY 2013)	\$8,922,000
18	TOTAL APPROPRIATION	\$17,985,000

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

21 (1) The educational service districts shall continue to furnish
22 financial services required by the superintendent of public instruction
23 and RCW 28A.310.190 (3) and (4).

24 (2) \$4,219,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$4,219,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for regional professional
27 development related to mathematics and science curriculum and
28 instructional strategies. Funding shall be distributed among the
29 educational service districts in the same proportion as distributions
30 in the 2007-2009 biennium. Each educational service district shall use
31 this funding solely for salary and benefits for a certificated
32 instructional staff with expertise in the appropriate subject matter
33 and in professional development delivery, and for travel, materials,
34 and other expenditures related to providing regional professional
35 development support.

36 (3) The educational service districts, at the request of the state
37 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may

1 receive and screen applications for school accreditation, conduct
2 school accreditation site visits pursuant to state board of education
3 rules, and submit to the state board of education post-site visit
4 recommendations for school accreditation. The educational service
5 districts may assess a cooperative service fee to recover actual plus
6 reasonable indirect costs for the purposes of this subsection.

7 (4) \$166,000 of the general fund--state appropriation for fiscal
8 year 2012 is provided solely for the implementation of Substitute House
9 Bill No. 1431 (school district insolvency). Funding is provided to
10 develop a clear legal framework and process for dissolution of a school
11 district. If the bill is not enacted by June 30, 2011, the amount
12 provided in this subsection shall lapse.

13 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

15	General Fund--State Appropriation (FY 2012)	\$303,337,000
16	General Fund--State Appropriation (FY 2013)	\$308,445,000
17	TOTAL APPROPRIATION	\$611,782,000

18 The appropriations in this section are subject to the following
19 conditions and limitations: For purposes of RCW 84.52.0531, the
20 increase per full-time equivalent student is 3 percent from the 2010-11
21 school year to the 2011-12 school year and 5 percent from the 2011-12
22 school year to the 2012-13 school year.

23 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
24 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

25	General Fund--State Appropriation (FY 2012)	\$16,650,000
26	General Fund--State Appropriation (FY 2013)	\$16,297,000
27	TOTAL APPROPRIATION	\$32,947,000

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

30 (1) Each general fund--state fiscal year appropriation includes
31 such funds as are necessary to complete the school year ending in the
32 fiscal year and for prior fiscal year adjustments.

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

1 a full-time summer program. During the 2011-12 and 2012-13 school
2 years, the salary allocations and subsequent compensation allocations
3 for certificated instructional staff shall exclude the following:

4 (a) Any years of service earned after August 31, 2010;

5 (b) Any educational credits earned after October 1, 2010, excluding
6 certificated instructional staff meeting the criteria in (c) of this
7 subsection;

8 (c) For certificated instructional staff with zero years of
9 experience, districts shall recognize credits earned as of October 1,
10 2010; and

11 (d) For certificated instructional staff receiving initial
12 certification after October 1, 2010, districts shall recognize credits
13 earned as of the date of approval of their Washington state
14 instructional certificate.

15 (3) State funding for each institutional education program shall be
16 based on the institution's annual average full-time equivalent student
17 enrollment. Staffing ratios for each category of institution shall
18 remain the same as those funded in the 1995-97 biennium.

19 (4) The funded staffing ratios for education programs for juveniles
20 age 18 or less in department of corrections facilities shall be the
21 same as those provided in the 1997-99 biennium.

22 (5) \$509,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$509,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely to maintain at least one
25 certificated instructional staff and related support services at an
26 institution whenever the K-12 enrollment is not sufficient to support
27 one full-time equivalent certificated instructional staff to furnish
28 the educational program. The following types of institutions are
29 included: Residential programs under the department of social and
30 health services for developmentally disabled juveniles, programs for
31 juveniles under the department of corrections, programs for juveniles
32 under the juvenile rehabilitation administration, and programs for
33 juveniles operated by city and county jails.

34 (6) Ten percent of the funds allocated for each institution may be
35 carried over from one year to the next.

36 NEW SECTION. **Sec. 511. FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**
37 General Fund--State Appropriation (FY 2012) \$8,965,000

1 General Fund--State Appropriation (FY 2013) \$9,081,000
 2 TOTAL APPROPRIATION \$18,046,000

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

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

8 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
 9 shall allocate funding to school district programs for highly capable
 10 students as provided in RCW 28A.150.260(10)(c). In calculating the
 11 allocations, the superintendent shall assume the following: (i)
 12 Additional instruction of 2.1590 hours per week per funded highly
 13 capable program student; (ii) fifteen highly capable program students
 14 per teacher; (iii) 36 instructional weeks per year; (iv) 900
 15 instructional hours per teacher; and (v) the district's average staff
 16 mix and compensation rates as provided in sections 503 and 504 of this
 17 act.

18 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
 19 allocate funding to school districts programs for highly capable
 20 students as provided in section 511, chapter 564, Laws of 2009, as
 21 amended through section 1409 of this act.

22 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
 23 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

24 General Fund--Federal Appropriation \$7,352,000

25 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
 26 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

27 General Fund--State Appropriation (FY 2012) \$61,715,000
 28 General Fund--State Appropriation (FY 2013) \$101,217,000
 29 General Fund--Federal Appropriation \$152,655,000
 30 Education Legacy Trust Account--State Appropriation \$1,633,000
 31 TOTAL APPROPRIATION \$317,220,000

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

34 (1) \$41,315,000 of the general fund--state appropriation for fiscal
 35 year 2012, \$43,232,000 of the general fund--state appropriation for
 36 fiscal year 2013, \$1,350,000 of the education legacy trust

1 account--state appropriation, and \$15,868,000 of the general fund--
2 federal appropriation are provided solely for development and
3 implementation of the Washington state assessment system, including:
4 (a) Development and implementation of retake assessments for high
5 school students who are not successful in one or more content areas and
6 (b) development and implementation of alternative assessments or
7 appeals procedures to implement the certificate of academic
8 achievement. The superintendent of public instruction shall report
9 quarterly on the progress on development and implementation of
10 alternative assessments or appeals procedures. Within these amounts,
11 the superintendent of public instruction shall contract for the early
12 return of 10th grade student assessment results, on or around June 10th
13 of each year.

14 (2) \$395,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$395,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the Washington state
17 leadership and assistance for science education reform (LASER) regional
18 partnership activities coordinated at the Pacific science center,
19 including instructional material purchases, teacher and principal
20 professional development, and school and community engagement events.

21 (3) \$105,754,000 of the general fund--federal appropriation is for
22 preparing, training, and recruiting high quality teachers and
23 principals under Title II of the no child left behind act.

24 (4) \$980,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$980,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for improving technology
27 infrastructure, monitoring and reporting on school district technology
28 development, promoting standards for school district technology,
29 promoting statewide coordination and planning for technology
30 development, and providing regional educational technology support
31 centers, including state support activities, under chapter 28A.650 RCW.

32 (5) \$3,852,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$2,624,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for continued implementation of
35 chapter 235, Laws of 2010 (education reform) including development of
36 new performance-based evaluation systems for certificated educators.

37 (6)(a) \$40,792,000 of the general fund--state appropriation for
38 fiscal year 2013 is provided solely for the following bonuses for

1 teachers who hold valid, unexpired certification from the national
2 board for professional teaching standards and who are teaching in a
3 Washington public school, subject to the following conditions and
4 limitations:

5 (i) For national board certified teachers, a bonus of \$5,090 per
6 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation
7 in each school year in which Initiative 732 cost of living adjustments
8 are provided;

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;

17 (iii) The superintendent of public instruction shall adopt rules to
18 ensure that national board certified teachers meet the qualifications
19 for bonuses under (a)(ii) of this subsection for less than one full
20 school year receive bonuses in a pro-rated manner. Beginning in the
21 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection
22 will be paid in July of each school year. Bonuses in (a)(i) and (ii)
23 of this subsection shall be reduced by a factor of 40 percent for first
24 year NBPTS certified teachers, to reflect the portion of the
25 instructional school year they are certified; and

26 (iv) During the 2011-12 and 2012-13 school years, and within
27 available funds, certificated instructional staff who have met the
28 eligibility requirements and have applied for certification from the
29 national board for professional teaching standards may receive a
30 conditional loan of two thousand dollars or the amount set by the
31 office of the superintendent of public instruction to contribute toward
32 the current assessment fee, not including the initial up-front
33 candidacy payment. The fee shall be an advance on the first annual
34 bonus under RCW 28A.405.415. The conditional loan is provided in
35 addition to compensation received under a district's salary schedule
36 and shall not be included in calculations of a district's average
37 salary and associated salary limitation under RCW 28A.400.200.
38 Recipients who fail to receive certification after three years are

1 required to repay the conditional loan, not including the initial up-
2 front candidacy payment, as set by the national board for professional
3 teaching standards and administered by the office of the superintendent
4 of public instruction. The office of the superintendent of public
5 instruction shall adopt rules to define the terms for initial grant of
6 the assessment fee and repayment, including applicable fees.

7 (7)(a) \$2,500,000 of the general fund--state appropriation for
8 fiscal year 2012 and \$2,500,000 of the general fund--state
9 appropriation for fiscal year 2013 are provided solely for phase I
10 development grants and phase II implementation grants for school
11 districts to adopt revised evaluation systems for teachers and
12 principals that use the criteria and four-level rating systems
13 specified under RCW 28A.405.100 and are based on the models developed
14 by the pilot school districts under RCW 28A.405.100(7).

15 (b) In phase I, a school district is eligible to receive a
16 development grant if the district submits to the office of the
17 superintendent of public instruction by December 1, 2011, a resolution
18 adopted by the school district board of directors and a memorandum of
19 understanding signed by the local associations representing teachers
20 and principals that the district will adopt revised evaluation systems
21 by the end of the 2011-12 school year, in consultation and negotiation
22 with the teachers and principals of the district.

23 (c) In phase II, a school district is eligible to receive an
24 implementation grant if the district has executed agreements with the
25 local associations representing teachers and principals to implement
26 revised evaluation systems no later than the beginning of the 2012-13
27 school year. A school district may qualify for a grant under this
28 subsection (11)(c) if the revised evaluation systems are implemented
29 for some but not all staff, but implementation must be district-wide
30 and not occur only in certain schools.

31 (d) School districts that adopted or implemented revised evaluation
32 systems before the dates specified under this subsection are eligible
33 to receive grants.

34 (e) The office of the superintendent of public instruction shall
35 allocate development and implementation grants to school districts not
36 to exceed the amounts provided under this subsection, with allocation
37 to eligible districts on a first-come, first-served basis. Grant

1 amounts shall be based on \$10 per full-time equivalent student, except
2 that no district shall receive less than \$10,000 per grant or more than
3 \$150,000 per grant.

4 (8) \$530,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$530,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the leadership internship
7 program for superintendents, principals, and program administrators.

8 (9) \$1,056,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$1,056,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for the Washington reading corps.
11 The superintendent shall allocate reading corps members to low-
12 performing schools and school districts that are implementing
13 comprehensive, proven, research-based reading programs. Two or more
14 schools may combine their Washington reading corps programs. Grants
15 provided under this section may be used by school districts for
16 expenditures from September 2011 through August 31, 2013.

17 (10) \$900,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$900,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for the development of a
20 leadership academy for school principals and administrators. The
21 superintendent of public instruction shall contract with an independent
22 organization to design, field test, and implement a state-of-the-art
23 education leadership academy that will be accessible throughout the
24 state. Initial development of the content of the academy activities
25 shall be supported by private funds. Semiannually the independent
26 organization shall report on amounts committed by foundations and
27 others to support the development and implementation of this program.
28 Leadership academy partners shall include the state level organizations
29 for school administrators and principals, the superintendent of public
30 instruction, the professional educator standards board, and others as
31 the independent organization shall identify.

32 (11) \$3,594,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$3,594,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for grants to school districts to
35 provide a continuum of care for children and families to help children
36 become ready to learn. Grant proposals from school districts shall
37 contain local plans designed collaboratively with community service
38 providers. If a continuum of care program exists in the area in which

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

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

6 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
7 shall allocate funding to school districts for transitional bilingual
8 programs as provided in RCW 28A.150.260(10)(b). In calculating the
9 allocations, the superintendent shall assume the following averages:

10 (i) Additional instruction of 4.7780 hours per week per transitional
11 bilingual program student; (ii) fifteen transitional bilingual program
12 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
13 instructional hours per teacher; and (v) the district's average staff
14 mix and compensation rates as provided in sections 503 and 504 of this
15 act.

16 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
17 allocate funding to school districts for transitional bilingual
18 instruction programs as provided in section 514, chapter 564, Laws of
19 2009, as amended through section 1411 of this act.

20 (c) The allocations in this section reflect the implementation of
21 a new funding formula for the transitional bilingual instructional
22 program, effective September 1, 2011, as specified in RCW
23 28A.150.260(10)(b).

24 (3) The superintendent may withhold up to 1.5 percent of the school
25 year allocations to school districts in subsection (2) of this section
26 solely for the central provision of assessments as provided in RCW
27 28A.180.090 (1) and (2).

28 (4) \$35,000 of the amounts appropriated in this section are
29 provided solely to track current and former transitional bilingual
30 program students. Beginning in the 2012-13 school year, student
31 tracking shall be integrated into the CEDARS data system.

32 (5) The general fund--federal appropriation in this section is for
33 migrant education under Title I Part C and English language
34 acquisition, and language enhancement grants under Title III of the
35 elementary and secondary education act.

36 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**

1 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

2	General Fund--State Appropriation (FY 2012)	\$106,295,000
3	General Fund--State Appropriation (FY 2013)	\$107,254,000
4	General Fund--Federal Appropriation	\$553,925,000
5	Education Legacy Trust Account--State Appropriation	\$47,980,000
6	TOTAL APPROPRIATION	\$815,454,000

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

9 (1) The general fund--state appropriations in this section are
10 subject to the following conditions and limitations:

11 (a) The appropriations include such funds as are necessary to
12 complete the school year ending in the fiscal year and for prior fiscal
13 year adjustments.

14 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent
15 shall allocate funding to school districts for learning assistance
16 programs as provided in RCW 28A.150.260(10)(a). In calculating the
17 allocations, the superintendent shall assume the following averages:

18 (A) Additional instruction of 1.51560 hours per week per funded
19 learning assistance program student; (B) fifteen learning assistance
20 program students per teacher; (C) 36 instructional weeks per year; (D)
21 900 instructional hours per teacher; and (E) the district's average
22 staff mix and compensation rates as provided in sections 503 and 504 of
23 this act.

24 (ii) From July 1, 2011, to August 31, 2011, the superintendent
25 shall allocate funding to school districts for learning assistance
26 programs as provided in section 515, chapter 564, Laws of 2009, as
27 amended through section 1412 of this act.

28 (c) A school district's funded students for the learning assistance
29 program shall be the sum of the district's full-time equivalent
30 enrollment in grades K-12 for the prior school year multiplied by the
31 district's percentage of October headcount enrollment in grades K-12
32 eligible for free or reduced price lunch in the prior school year.

33 (2) Allocations made pursuant to subsection (1) of this section
34 shall be adjusted to reflect ineligible applications identified through
35 the annual income verification process required by the national school
36 lunch program, as recommended in the report of the state auditor on the
37 learning assistance program dated February, 2010.

1 (3) The general fund--federal appropriation in this section is
2 provided for Title I Part A allocations of the no child left behind act
3 of 2001.

4 (4) A school district may carry over from one year to the next up
5 to 10 percent of the general fund-state or education legacy trust funds
6 allocated under this program; however, carryover funds shall be
7 expended for the learning assistance program.

8 (5) The office of the superintendent of public instruction shall
9 research and recommend options for an adjustment factor for middle
10 school and high school free and reduced price lunch eligibility
11 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
12 to the fiscal committees of the legislature by June 1, 2012. For the
13 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

14 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION**

16 (1) Amounts distributed to districts by the superintendent through
17 part V of this act are for allocations purposes only and do not entitle
18 a particular district, district employee, or student to a specific
19 service, beyond what has been expressly provided in statute. Part V of
20 this act restates the requirements of various sections of Title 28A
21 RCW. If any conflict exists, the provisions of Title 28A RCW control
22 unless this act explicitly states that it is providing an enhancement.
23 Any amounts provided in part V of this act in excess of the amounts
24 required by Title 28A RCW provided in statute, are not within the
25 program of basic education.

26 (2) To the maximum extent practicable, when adopting new or revised
27 rules or policies relating to the administration of allocations in part
28 V of this act that result in fiscal impact, the office of the
29 superintendent of public instruction shall attempt to seek legislative
30 approval through the budget request process.

31 (3) Appropriations made in this act to the office of the
32 superintendent of public instruction shall initially be allotted as
33 required by this act. Subsequent allotment modifications shall not
34 include transfers of moneys between sections of this act.

(End of part)

1 for community and technical colleges may use salary and benefit savings
2 from faculty turnover to provide salary increments and associated
3 benefits for faculty who qualify through professional development and
4 training.

5 (b) For employees under the jurisdiction of chapter 41.56 RCW,
6 salary increases will be in accordance with the applicable collective
7 bargaining agreement. However, an increase shall not be provided to
8 any classified employee whose salary is above the approved salary range
9 maximum for the class to which the employee's position is allocated.

10 (c) For each institution of higher education receiving
11 appropriations under sections 606 through 611 of this act:

12 (i) The only allowable salary increases are those associated with
13 normally occurring promotions and increases related to faculty and
14 staff retention, to the extent permitted by sections 925 through 935 of
15 this act; and

16 (ii) Institutions may provide salary increases from other sources
17 to instructional and research faculty, exempt professional staff,
18 teaching and research assistants, as classified by the office of
19 financial management, and all other nonclassified staff, but not
20 including employees under RCW 28B.16.015, to the extent permitted by
21 sections 925 through 935 of this act. Any salary increase granted
22 under the authority of this subsection (6)(c)(ii) shall not be included
23 in an institution's salary base for future state funding. It is the
24 intent of the legislature that state general fund support for an
25 institution shall not increase during the current or any future
26 biennium as a result of any salary increases authorized under this
27 subsection (6)(c)(ii).

28 NEW SECTION. **Sec. 602. PUBLIC BACCALAUREATE INSTITUTIONS**

29 In order to operate within the state funds appropriated in this
30 act, the governing boards of the state research universities, the state
31 regional universities, and The Evergreen State College are authorized
32 to adopt and adjust tuition and fees for the 2011-12 and 2012-13
33 academic years as provided in this section:

34 (1) The governing boards of the University of Washington,
35 Washington State University, and Western Washington University may
36 increase the tuition fees, as defined in RCW 28B.15.020, charged to

1 resident undergraduate students by no more than thirteen percent over
2 the amounts charged to resident undergraduate students for the prior
3 academic year.

4 (2) The governing boards of Central Washington University, Eastern
5 Washington University, and The Evergreen State College may increase the
6 tuition fees, as defined in RCW 28B.15.020, charged to resident
7 undergraduate students by no more than 11.5 percent over the amounts
8 charged to resident undergraduate students for the prior academic year.

9 (3) Each governing board is authorized to increase tuition charges
10 to graduate and professional students, and to nonresident undergraduate
11 students, by amounts judged reasonable and necessary by the governing
12 board.

13 (4) Each governing board is authorized to increase summer quarter
14 or semester tuition fees for resident and nonresident undergraduate,
15 graduate, and professional students pursuant to RCW 28B.15.067.

16 (5) Each governing board is authorized to adopt or increase charges
17 for fee-based, self-sustaining degree programs, credit courses,
18 noncredit workshops and courses, and special contract courses by
19 amounts judged reasonable and necessary by the governing board.

20 (6) Each governing board is authorized to adopt or increase
21 services and activities fees for all categories of students as provided
22 in RCW 28B.15.069.

23 (7) Each governing board is authorized to adopt or increase
24 technology fees as provided in RCW 28B.15.069.

25 (8) Each governing board is authorized to adopt or increase special
26 course and lab fees, and health and counseling fees, to the extent
27 necessary to cover the reasonable and necessary exceptional cost of the
28 course or service.

29 (9) Each governing board is authorized to adopt or increase
30 administrative fees such as, but not limited to, those charged for
31 application, matriculation, special testing, and transcripts by amounts
32 judged reasonable and necessary by the governing board.

33 NEW SECTION. **Sec. 603.** (1) Within the funds appropriated in this
34 act, each baccalaureate institution is expected to produce at least the
35 following numbers of bachelors degrees per academic year:

	2010-11	2012-13
	Annual	Annual
	Average	Average
University of Washington	8,657	8,657
Washington State University	4,687	4,687
Central Washington University	2,324	2,324
Eastern Washington University	1,881	1,881
The Evergreen State College	1,157	1,157
Western Washington University	3,068	3,068

(2) Within the funds appropriated in section 605 of this act, the community and technical colleges are expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

	2010-11	2012-13
	Annual	Annual
	Average	average
State Board for Community and Technical Colleges		
Adult Students	139,262	139,262
Running Start Students	11,558	11,558

(3) In achieving or exceeding these enrollment targets, each institution shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is

1 limited student or employer demand, or that are not areas of core
2 academic strength for the institution, particularly when such programs
3 duplicate offerings by other in-state institutions.

4 (4) For purposes of monitoring and reporting statewide enrollment,
5 the University of Washington and Washington State University shall
6 notify the office of financial management of the number of full-time
7 student equivalent enrollments budgeted for each of their campuses.

8 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
9 **COLLEGES**

10 In order to operate within the state funds appropriated in this
11 act, the state board for community and technical colleges and the
12 trustees of the state's community and technical colleges are authorized
13 to adopt and adjust tuition and fees for the 2011-12 and 2012-13
14 academic years as provided in this section:

15 (1) The state board may increase the tuition fees charged to
16 resident undergraduate students by no more than eleven percent over the
17 amounts charged to resident undergraduates during the prior academic
18 year. The board may increase tuition fees under this subsection
19 differentially based on student credit hour load, provided that the
20 overall increase in average tuition revenue per student does not exceed
21 eleven percent each year.

22 (2) The state board may increase the tuition fees charged to
23 resident undergraduates enrolled in upper division applied
24 baccalaureate programs by no more than eleven percent over the amounts
25 charged during the prior academic year.

26 (3) The state board may increase the tuition fees charged to
27 nonresident students by amounts judged reasonable and necessary by the
28 board.

29 (4) The trustees of the technical colleges are authorized to either
30 (a) increase operating fees by no more than the percentage increases
31 authorized for community colleges by the state board; or (b) fully
32 adopt the tuition fee charge schedule adopted by the state board for
33 community colleges.

34 (5) For academic years 2011-2012 and 2012-2013, the trustees of the
35 technical colleges are authorized to increase building fees by an
36 amount judged reasonable in order to progress toward parity with the
37 building fees charged students attending the community colleges.

1 (6) The state board is authorized to increase the maximum allowable
2 services and activities fee as provided in RCW 28B.15.069. The
3 trustees of the community and technical colleges are authorized to
4 increase services and activities fees up to the maximum level
5 authorized by the state board.

6 (7) The trustees of the community and technical colleges are
7 authorized to adopt or increase charges for fee-based, self-sustaining
8 programs such as summer session, international student contracts, and
9 special contract courses by amounts judged reasonable and necessary by
10 the trustees.

11 (8) The trustees of the community and technical colleges are
12 authorized to adopt or increase special course and lab fees to the
13 extent necessary to cover the reasonable and necessary exceptional cost
14 of the course or service.

15 (9) The trustees of the community and technical colleges are
16 authorized to adopt or increase administrative fees such as but not
17 limited to those charged for application, matriculation, special
18 testing, and transcripts by amounts judged reasonable and necessary by
19 the trustees.

20 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
21 **TECHNICAL COLLEGES**

22	General Fund--State Appropriation (FY 2012)	\$570,739,000
23	General Fund--State Appropriation (FY 2013)	\$537,508,000
24	Community and Technical College Capital Project	
25	Account--State Appropriation	\$8,037,000
26	Education Legacy Trust Account--State Appropriation	\$95,285,000
27	TOTAL APPROPRIATION	\$1,211,569,000

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

30 (1) \$2,725,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$2,725,000 of the general fund--state appropriation for
32 fiscal year 2013 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 (2) Of the amounts appropriated in this section, \$10,000,000 is
5 provided solely for the student achievement initiative.

6 (3) When implementing the appropriations in this section, the state
7 board and the trustees of the individual community and technical
8 colleges shall minimize impact on academic programs, maximize
9 reductions in administration, and shall at least maintain, and endeavor
10 to increase, enrollment opportunities and degree and certificate
11 production in high employer-demand fields of study at their academic
12 year 2008-09 levels.

13 (4) \$2,250,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$2,250,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for the hospital employee
16 education and training program under which labor, management, and
17 college partnerships develop or expand and evaluate training programs
18 for incumbent hospital workers that lead to careers in nursing and
19 other high-demand health care occupations. The board shall report
20 student progress, outcomes, and costs to the relevant fiscal and policy
21 committees of the legislature by November 2012 and November 2013.

22 (5) Community and technical colleges are not required to send mass
23 mailings of course catalogs to residents of their districts. Community
24 and technical colleges shall consider lower cost alternatives, such as
25 mailing postcards or brochures that direct individuals to online
26 information and other ways of acquiring print catalogs.

27 (6) \$1,112,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$1,113,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely for the state board to enhance
30 online distance learning and open courseware technology. Funds shall
31 be used to support open courseware, open textbooks, open licenses to
32 increase access, affordability and quality of courses in higher
33 education. The state board for community and technical colleges shall
34 select the most appropriate courses to support open courseware based
35 solely upon criteria of maximizing the value of instruction and
36 reducing costs of textbooks and other instructional materials for the
37 greatest number of students in higher education, regardless of the type
38 of institution those students attend.

1 (7) \$1,750,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$1,750,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the state board for community
4 and technical colleges to contract with the aerospace training and
5 research center on Paine field in Everett, Washington to support
6 industry-identified training in the aerospace sector.

7 (8) Bellevue college is authorized to offer bachelor degrees in
8 information technology, health care services and management,
9 biotechnology, and preprofessional preparation for medical fields.
10 These degrees shall be directed at high school graduates and transfer-
11 oriented degree and professional and technical degree holders. In
12 fiscal year 2012, Bellevue college will develop a two-year plan for
13 offering these new degrees. The plan will assume funding for these new
14 degrees shall come through redistribution of its current per full-time
15 enrollment funding. The plan shall be delivered to the legislature by
16 June 30, 2012.

17 (9) Within existing funds, the state board shall, by December 15,
18 2011, submit a comprehensive plan to the relevant committees of the
19 legislature to reform the delivery of remedial education in order to
20 increase student retention and completion rates, and increase transfer
21 rates to college-level programs. To the maximum extent possible, the
22 information shall distinguish varied student populations, including but
23 not limited to, working adults accessing education and training
24 services and recent high school graduates. The comprehensive plan
25 shall include:

26 (a) The total number and percentage of students over the past five
27 academic years that tested below college level, both system-wide and by
28 institution;

29 (b) The total number and percentage of students enrolled in
30 remedial courses over the past five academic years, both system-wide
31 and by institution;

32 (c) The total number and percentage of students during the
33 2005-2007 academic years who completed their required remedial
34 coursework within a three-year period, both system-wide and by
35 institution;

36 (d) The total number and percentage of the students during the
37 2005-07 academic years who obtained a certificate or degree within a
38 three-year period, both system-wide and by institution;

1 (e) A review of national and local best practices and methods and
2 opportunities to better leverage partnerships with nonprofit and
3 community-based organizations; and

4 (f) Information on barriers to student persistence and completion,
5 including but not limited to student financial aid and transfer and
6 articulation policies.

7 (10) \$28,761,000 of the general fund--state appropriation for
8 fiscal year 2012 and \$28,761,000 of the general fund--state
9 appropriation for fiscal year 2013 are provided solely for training and
10 related support services, including financial aid, as specified in RCW
11 28C.04.390. Funding is provided to support at least 6,200 full-time
12 equivalent students in fiscal year 2012 and at least 6,200 full-time
13 equivalent students in fiscal year 2013.

14 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

15	General Fund--State Appropriation (FY 2012)	\$239,935,000
16	General Fund--State Appropriation (FY 2013)	\$195,543,000
17	University of Washington Building Account--State	
18	Appropriation	\$239,000
19	Education Legacy Trust Account--State Appropriation	\$19,079,000
20	Accident Account--State Appropriation	\$6,735,000
21	Medical Aid Account--State Appropriation	\$6,521,000
22	Biotoxin Account--State Appropriation	\$450,000
23	TOTAL APPROPRIATION	\$468,502,000

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

26 (1) In implementing the appropriations in this section, the
27 president and regents shall seek to minimize impacts on student
28 services and instructional programs by maximizing reductions in
29 administration and other non-instructional activities.

30 (2) \$54,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$54,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the University of Washington
33 geriatric education center to provide a voluntary adult family home
34 certification program. In addition to the minimum qualifications
35 required under RCW 70.128.120, individuals participating in the
36 voluntary adult family home certification program shall complete fifty-
37 two hours of class requirements as established by the University of

1 Washington geriatric education center. Individuals completing the
2 requirements of RCW 70.128.120 and the voluntary adult family home
3 certification program shall be issued a certified adult family home
4 license by the department of social and health services. The
5 department of social and health services shall adopt rules implementing
6 the provisions of this subsection.

7 (3) \$50,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$52,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for the center for international
10 trade in forest products in the college of forest resources.

11 (4) \$3,178,000 of the general fund--state appropriation for fiscal
12 year 2012 shall be placed in reserve status. The office of financial
13 management may release these amounts from reserve status and authorize
14 the amounts to be expended only after the University of Washington has
15 demonstrated improvement in metrics which measure academic progress and
16 completion rates, as determined by the governor. In making this
17 determination, the governor shall choose one or more metrics from among
18 the compete to complete common college completion metrics as published
19 by the national governor's association in June of 2010. The governor
20 shall, in making the determination as to whether improvement has been
21 demonstrated, make all best efforts to recognize the unique role,
22 missions, types of communities and student populations of each
23 institution of higher education. If by June 30, 2012, the governor
24 determines that the university has made improvement in the chosen
25 metrics, the governor shall authorize the office of financial
26 management to release all or a part of these amounts from reserve
27 status. If the governor has determined that the university has not
28 demonstrated improvement in the chosen metrics in fiscal year 2012, any
29 portion of the amount remaining in reserve status shall be transferred
30 to the financial aid account for the state need grant.

31 (5) \$87,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$217,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for increased enrollments in
34 science, technology, engineering, and math (STEM). These funds may not
35 be used in the college of arts and sciences except to the extent
36 students utilizing the STEM enrollments have required courses in
37 college of arts and sciences program. The university will report to

1 the legislature at the end of each academic year how these funds have
2 affected STEM graduation rates.

3 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

4	General Fund--State Appropriation (FY 2012)	\$154,064,000
5	General Fund--State Appropriation (FY 2013)	\$129,400,000
6	Washington State University Building Account--	
7	State Appropriation	\$5,364,000
8	Education Legacy Trust Account--State Appropriation	\$33,563,000
9	TOTAL APPROPRIATION	\$322,391,000

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) \$4,063,000 of the general fund--state appropriation for fiscal
17 year 2012 shall be placed in reserve status. The office of financial
18 management may release these amounts from reserve status and authorize
19 the amounts to be expended only after the Washington State University
20 has demonstrated improvement in metrics which measure academic progress
21 and completion rates, as determined by the governor. In making this
22 determination, the governor shall choose one or more metrics from among
23 the compete to complete common college completion metrics as published
24 by the national governor's association in June of 2010. The governor
25 shall, in making the determination as to whether improvement has been
26 demonstrated, make all best efforts to recognize the unique role,
27 missions, types of communities and student populations of each
28 institution of higher education. If by June 30, 2012, the governor
29 determines that the university has made improvement in the chosen
30 metrics, the governor shall authorize the office of financial
31 management to release all or a part of these amounts from reserve
32 status. If the governor has determined that the university has not
33 demonstrated improvement in the chosen metrics in fiscal year 2012, any
34 portion of the amount remaining in reserve status shall be transferred
35 to the financial aid account for the state need grant.

36 (3) \$78,000 of the general fund--state appropriation for fiscal

1 year 2012 and \$226,000 of the general fund--state appropriation for
2 fiscal year 2013 are provided solely for increased enrollments in
3 science, technology, engineering, and math (STEM).

4 (4) As described in Engrossed Second Substitute House Bill No. 1792
5 (university center of north Puget Sound), \$109,000 of the general
6 fund--state appropriation for fiscal year 2013 is provided solely for
7 full-time enrollments in engineering at the university center of north
8 Puget Sound.

9 NEW SECTION. **Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

10	General Fund--State Appropriation (FY 2012)	\$30,623,000
11	General Fund--State Appropriation (FY 2013)	\$24,580,000
12	Education Legacy Trust Account--State Appropriation	\$16,087,000
13	TOTAL APPROPRIATION	\$71,290,000

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

16 (1) In implementing the appropriations in this section, the
17 president and governing board shall seek to minimize impacts on student
18 services and instructional programs by maximizing reductions in
19 administration and other non-instructional activities.

20 (2) At least \$200,000 of the general fund--state appropriation for
21 fiscal year 2012 and at least \$200,000 of the general fund--state
22 appropriation for fiscal year 2013 shall be expended on the northwest
23 autism center.

24 (3) \$53,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$129,000 of the general fund--state appropriation for
26 fiscal year 2013 is provided solely for increased enrollments in
27 science, technology, engineering, and math (STEM). The university will
28 report to the legislature at the end of each academic year how these
29 funds have affected STEM graduation rates.

30 (4) \$1,880,000 of the general fund--state appropriation for fiscal
31 year 2012 shall be placed in reserve status. The office of financial
32 management may release these amounts from reserve status and authorize
33 the amounts to be expended only after Eastern Washington University has
34 demonstrated improvement in metrics which measure academic progress and
35 completion rates, as determined by the governor. In making this
36 determination, the governor shall choose one or more metrics from among
37 the compete to complete common college completion metrics as published

1 by the national governor's association in June of 2010. The governor
2 shall, in making the determination as to whether improvement has been
3 demonstrated, make all best efforts to recognize the unique role,
4 missions, types of communities and student populations of each
5 institution of higher education. If by June 30, 2012, the governor
6 determines that the university has made improvement in the chosen
7 metrics, the governor shall authorize the office of financial
8 management to release all or a part of these amounts from reserve
9 status. If the governor has determined that the university has not
10 demonstrated improvement in the chosen metrics in fiscal year 2012, any
11 portion of the amount remaining in reserve status shall be transferred
12 to the financial aid account for the state need grant.

13 NEW SECTION. **Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

14	General Fund--State Appropriation (FY 2012)	\$28,773,000
15	General Fund--State Appropriation (FY 2013)	\$22,314,000
16	Education Legacy Trust Account--State Appropriation	\$19,076,000
17	TOTAL APPROPRIATION	\$70,163,000

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

20 (1) In implementing the appropriations in this section, the
21 president and governing board shall seek to minimize impacts on student
22 services and instructional programs by maximizing reductions in
23 administration and other non-instructional activities.

24 (2) \$1,821,000 of the general fund--state appropriation for fiscal
25 year 2012 shall be placed in reserve status. The office of financial
26 management may release these amounts from reserve status and authorize
27 the amounts to be expended only after Central Washington University has
28 demonstrated improvement in metrics which measure academic progress and
29 completion rates, as determined by the governor. In making this
30 determination, the governor shall choose one or more metrics from among
31 the compete to complete common college completion metrics as published
32 by the national governor's association in June of 2010. The governor
33 shall, in making the determination as to whether improvement has been
34 demonstrated, make all best efforts to recognize the unique role,
35 missions, types of communities and student populations of each
36 institution of higher education. If by June 30, 2012, the governor
37 determines that the university has made improvement in the chosen

1 metrics, the governor shall authorize the office of financial
2 management to release all or a part of these amounts from reserve
3 status. If the governor has determined that the university has not
4 demonstrated improvement in the chosen metrics in fiscal year 2012, any
5 portion of the amount remaining in reserve status shall be transferred
6 to the financial aid account for the state need grant.

7 (3) \$49,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$130,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for increased enrollments in
10 science, technology, engineering, and math (STEM). The university will
11 report to the legislature at the end of each academic year how these
12 funds have affected STEM graduation rates.

13 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

14	General Fund--State Appropriation (FY 2012)	\$18,196,000
15	General Fund--State Appropriation (FY 2013)	\$14,073,000
16	Education Legacy Trust Account--State Appropriation	\$5,450,000
17	TOTAL APPROPRIATION	\$37,719,000

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

20 (1) In implementing the appropriations in this section, the
21 president and governing board shall seek to minimize impacts on student
22 services and instructional programs by maximizing reductions in
23 administration and other non-instructional activities.

24 (2) To the extent federal or private funding is available for this
25 purpose, the Washington state institute for public policy and the
26 center for reinventing public education at the University of Washington
27 shall examine the relationship between participation in pension systems
28 and teacher quality and mobility patterns in the state. The department
29 of retirement systems shall facilitate researchers' access to necessary
30 individual-level data necessary to effectively conduct the study. The
31 researchers shall ensure that no individually identifiable information
32 will be disclosed at any time. An interim report on project findings
33 shall be completed by November 15, 2010, and a final report shall be
34 submitted to the governor and to the relevant committees of the
35 legislature by October 15, 2011.

36 (3) To the extent funds are available, the Washington state
37 institute for public policy is encouraged to continue the longitudinal

1 analysis of long-term mental health outcomes directed in chapter 334,
2 Laws of 2001 (mental health performance audit), to build upon the
3 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill
4 offenders); and to assess program outcomes and cost effectiveness of
5 the children's mental health pilot projects as required by chapter 372,
6 Laws of 2006.

7 (4) \$50,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided solely for the institute for public policy to
9 provide research support to the council on quality education.

10 (5) Funding provided in this section is sufficient for The
11 Evergreen State College to continue operations of the Longhouse Center
12 and the Northwest Indian applied research institute.

13 (6)(a) \$50,000 of the general fund--state appropriation for fiscal
14 year 2012 is provided solely for the Washington state institute for
15 public policy (WSIPP) to convene a legislative workgroup that will
16 review the increasing demand for long-term care services. The
17 institute shall assist the legislative workgroup in developing a
18 financial model and long-term financing options to address the state's
19 projected growth in demand for publicly funded long-term care services.
20 The workgroup shall be composed of the following members:

21 (i) The speaker of the house of representatives shall appoint two
22 members from each of the two largest caucuses of the house of
23 representatives.

24 (ii) The president of the senate shall appoint two members from
25 each of the two largest caucuses of the senate.

26 (iii) The governor shall appoint one representative from the office
27 of financial management and one representative from the governor's
28 policy office.

29 (iv) The office of the insurance commissioner shall appoint one
30 representative from its office.

31 (v) The director of the Washington caseload forecast council shall
32 appoint one representative from its office.

33 (b) Additional staff support for the workgroup must be provided by
34 the senate committee services and the house of representatives office
35 of program research.

36 (c) Legislative members of the workgroup are entitled to be
37 reimbursed for travel expenses in accordance with RCW 44.04.120.

1 Nonlegislative members, except those representing an employer or
2 organization, are entitled to be reimbursed for travel expenses in
3 accordance with RCW 43.03.050 and 43.03.060.

4 The workgroup shall develop recommendations for sustainable long-term
5 care financing options and provide its recommendations to the
6 appropriate legislative committees by December 1, 2011.

7 (7) If, and to the extent that private funding is available for
8 this purpose, the Washington state institute for public policy shall
9 study and report on the child welfare and educational characteristics
10 and outcomes for foster youth who are served by educational advocates.
11 The department of social and health services and the office of the
12 superintendent of public instruction shall facilitate researchers'
13 access to data necessary to effectively complete the study. The
14 institute shall submit an interim report with baseline characteristics
15 of youth served by educational advocates by December 2011 and a final
16 report by October 31, 2012, to the governor and to the appropriate
17 committees of the legislature.

18 (8) \$75,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$75,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided to the Washington state institute for
21 public policy (WSIPP) to conduct a review of state investments in the
22 family caregiver and support program. Funding for this program is
23 provided by assumed savings from diverting seniors from entering into
24 long-term care medicaid placements by supporting informal caregivers.
25 WSIPP shall work with the department of social and health services to
26 establish and review outcome data for this investment. A preliminary
27 report on the outcomes of the investment into this program is due to
28 the appropriate legislative committees by December 15, 2011, and a
29 final report is due to the appropriate legislative committees by August
30 30, 2012.

31 (9) \$25,000 of the general fund--state appropriation is provided
32 solely for the Washington state institute for public policy to
33 investigate the fiscal and other costs and benefits to state and local
34 governments, and to the people of Washington, arising from the
35 implementation of current state controlled substance policies in
36 Washington, excluding alcohol, tobacco, and pharmaceuticals. A report
37 is due to the legislature by December 1, 2012. The institute may

1 receive funds from outside sources for the purpose of conducting this
2 study. If these funds are not obtained, then the study shall not be
3 undertaken.

4 (10) \$748,000 of the general fund--state appropriation for fiscal
5 year 2012 shall be placed in reserve status. The office of financial
6 management may release these amounts from reserve status and authorize
7 the amounts to be expended only after The Evergreen State College has
8 demonstrated improvement in metrics which measure academic progress and
9 completion rates, as determined by the governor. In making this
10 determination, the governor shall choose one or more metrics from among
11 the compete to complete common college completion metrics as published
12 by the national governor's association in June of 2010. The governor
13 shall, in making the determination as to whether improvement has been
14 demonstrated, make all best efforts to recognize the unique role,
15 missions, types of communities and student populations of each
16 institution of higher education. If by June 30, 2012, the governor
17 determines that the university has made improvement in the chosen
18 metrics, the governor shall authorize the office of financial
19 management to release all or a part of these amounts from reserve
20 status. If the governor has determined that the university has not
21 demonstrated improvement in the chosen metrics in fiscal year 2012, any
22 portion of the amount remaining in reserve status shall be transferred
23 to the financial aid account for the state need grant.

24 (11) \$73,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$177,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for increased enrollments in
27 science, technology, engineering, and math (STEM). The university will
28 report to the legislature at the end of each academic year how these
29 funds have affected STEM graduation rates.

30 NEW SECTION. **Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

31	General Fund--State Appropriation (FY 2012)	\$41,312,000
32	General Fund--State Appropriation (FY 2013)	\$31,357,000
33	Education Legacy Trust Account--State Appropriation	\$13,266,000
34	TOTAL APPROPRIATION	\$85,935,000

35 The appropriations in this section are subject to the following
36 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) \$579,000 of the general fund--state appropriation for fiscal
6 year 2012 shall be placed in reserve status. The office of financial
7 management may release these amounts from reserve status and authorize
8 the amounts to be expended only after the Western Washington University
9 has demonstrated improvement in metrics which measure academic progress
10 and completion rates, as determined by the governor. In making this
11 determination, the governor shall choose one or more metrics from among
12 the compete to complete common college completion metrics as published
13 by the national governor's association in June of 2010. The governor
14 shall, in making the determination as to whether improvement has been
15 demonstrated, make all best efforts to recognize the unique role,
16 missions, types of communities and student populations of each
17 institution of higher education. If by June 30, 2012, the governor
18 determines that the university has made improvement in the chosen
19 metrics, the governor shall authorize the office of financial
20 management to release all or a part of these amounts from reserve
21 status. If the governor has determined that the university has not
22 demonstrated improvement in the chosen metrics in fiscal year 2012, any
23 portion of the amount remaining in reserve status shall be transferred
24 to the financial aid account for the state need grant.

25 (3) \$57,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$138,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for increased enrollments in
28 science, technology, engineering, and math (STEM). The university will
29 report to the legislature at the end of each academic year how these
30 funds have affected STEM graduation rates.

31 NEW SECTION. **Sec. 612. FOR THE HIGHER EDUCATION COORDINATING**
32 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

33	General Fund--State Appropriation (FY 2012)	\$4,838,000
34	General Fund--State Appropriation (FY 2013)	\$4,735,000
35	General Fund--Federal Appropriation	\$4,373,000
36	TOTAL APPROPRIATION	\$13,946,000

1 NEW SECTION. **Sec. 613. FOR THE HIGHER EDUCATION COORDINATING**
2 **BOARD--FINANCIAL AID AND GRANT PROGRAMS**

3	General Fund--State Appropriation (FY 2012)	\$190,875,000
4	General Fund--State Appropriation (FY 2013)	\$225,008,000
5	General Fund--Federal Appropriation	\$13,165,000
6	Opportunity Pathways Account--State Appropriation	\$147,000,000
7	TOTAL APPROPRIATION	\$576,048,000

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

10 (1) \$42,346,000 of the general fund--state appropriation for fiscal
11 year 2012, \$91,631,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$73,500,000 of the opportunity pathways
13 appropriation are provided solely for student financial aid payments
14 under the state need grant. The state need grant shall be adjusted to
15 offset the cost of the resident undergraduate tuition increases,
16 limited to those tuition increases authorized under this act.

17 (2)(a) Within the funds appropriated in this section, eligibility
18 for the state need grant shall include students with family incomes at
19 or below 70 percent of the state median family income (MFI), adjusted
20 for family size. Awards for all students shall be adjusted by the
21 estimated amount by which Pell grant increases exceed projected
22 increases in the noninstructional costs of attendance. Awards for
23 students with incomes between 51 and 70 percent of the state median
24 shall be prorated at the following percentages of the award amount
25 granted to those with incomes below 51 percent of the MFI: 70 percent
26 for students with family incomes between 51 and 55 percent MFI; 65
27 percent for students with family incomes between 56 and 60 percent MFI;
28 60 percent for students with family incomes between 61 and 65 percent
29 MFI; and 50 percent for students with family incomes between 66 and 70
30 percent MFI.

31 (b) Grant awards for students at private four-year colleges shall
32 be set at the same level as the student would receive if attending one
33 of the public regional universities.

34 (3) For fiscal year 2010 and fiscal year 2011, the board shall
35 defer loan or conditional scholarship repayments to the future teachers
36 conditional scholarship and loan repayment program for up to one year
37 for each participant if the participant has shown evidence of efforts

1 to find a teaching job but has been unable to secure a teaching job per
2 the requirements of the program.

3 (4) \$2,500,000 of the education legacy trust account--state
4 appropriation is provided solely for the gaining early awareness and
5 readiness for undergraduate programs project.

6 (5) \$500,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$500,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for the leadership 1000 program.

9 (6) \$2,236,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$2,236,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for the passport to college
12 program. The maximum scholarship award shall be \$5,000. The board
13 shall contract with a nonprofit organization to provide support
14 services to increase student completion in their postsecondary program
15 and provide a minimum of \$500,000 in fiscal year 2012 and \$500,000 in
16 fiscal year 2013 for this purpose.

17 NEW SECTION. **Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**
18 **COORDINATING BOARD**

19	General Fund--State Appropriation (FY 2012)	\$1,416,000
20	General Fund--State Appropriation (FY 2013)	\$1,428,000
21	General Fund--Federal Appropriation	\$62,794,000
22	TOTAL APPROPRIATION	\$65,638,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: The board shall include in its
25 comprehensive plan specific strategies to reach the goal of increasing
26 the percentage of Washington households living in the middle-income
27 bracket or higher.

28 NEW SECTION. **Sec. 615. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH**
29 **AND TECHNOLOGY INSTITUTE**

30	General Fund--State Appropriation (FY 2012)	\$500,000
31	General Fund--State Appropriation (FY 2013)	\$500,000
32	TOTAL APPROPRIATION	\$1,000,000

33 NEW SECTION. **Sec. 616. FOR THE DEPARTMENT OF EARLY LEARNING**

34	General Fund--State Appropriation (FY 2012)	\$25,595,000
35	General Fund--State Appropriation (FY 2013)	\$25,646,000

1	General Fund--Federal Appropriation	\$249,247,000
2	Home Visiting Services--State Appropriation	\$1,868,000
3	Opportunity Pathways Account--State Appropriation	\$80,000,000
4	TOTAL APPROPRIATION	\$382,356,000

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

7 (1) \$14,887,000 of the general fund--state appropriation for fiscal
8 year 2012, \$14,685,000 of the general fund--state appropriation for
9 fiscal year 2013, and \$80,000,000 of the opportunity pathways account
10 appropriation are provided solely for early childhood education and
11 assistance program services. Of these amounts, \$10,284,000 is a
12 portion of the biennial amount of state matching dollars required to
13 receive federal child care and development fund grant dollars.

14 (2) \$638,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$638,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for child care resource and
17 referral network services.

18 (3) \$200,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$200,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely to develop and provide culturally
21 relevant supports for parents, family, and other caregivers.

22 (4) The department is the lead agency for and recipient of the
23 federal child care and development fund grant. Amounts within this
24 grant shall be used to fund child care licensing, quality initiatives,
25 agency administration, and other costs associated with child care
26 subsidies. The department shall transfer a portion of this grant to
27 the department of social and health services to partially fund the
28 child care subsidies paid by the department of social and health
29 services on behalf of the department of early learning.

30 (5) The department shall use child care development fund money to
31 satisfy the federal audit requirement of the improper payments act
32 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent
33 on the audits will not count against the five percent state limit on
34 administrative expenditures.

35 (6) Within available amounts, the department in consultation with
36 the office of financial management and the department of social and
37 health services shall report quarterly enrollments and active caseload
38 for the working connections child care program to the legislative

1 fiscal committees. The report shall also identify the number of cases
2 participating in both temporary assistance for needy families and
3 working connections child care.

4 (7) The appropriations in this section reflect reductions in the
5 appropriations for the department's administrative expenses. It is the
6 intent of the legislature that these reductions shall be achieved, to
7 the greatest extent possible, by reducing those administrative costs
8 that do not affect direct client services or direct service delivery or
9 program.

10 (8) In addition to groups that were given prioritized access to the
11 working connections child care program effective March 1, 2011, the
12 department shall also give prioritized access into the program to
13 families in which a parent of a child in care is a minor and full-time
14 student in a high school that has a school-sponsored on-site child care
15 center.

16 (9) The department may not adopt, enforce, or implement any rules
17 or policies restricting the eligibility of consumers for the child care
18 subsidy benefits to a countable income below one hundred seventy-five
19 percent of the federal poverty guidelines.

20 (10) \$45,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$76,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for implementation of Engrossed
23 Second Substitute House Bill No. 1776 (child care center licensing).
24 If this bill is not enacted by June 30, 2011, the amount provided in
25 this subsection shall lapse.

26 (11) \$2,522,000 of the general fund--state appropriation for fiscal
27 year 2012, \$2,522,000 of the general fund--state appropriation for
28 fiscal year 2013, and \$4,304,000 of the general fund--federal
29 appropriation are provided solely for the medicaid treatment child care
30 (MTCC) program. The department shall contract for MTCC services to
31 provide therapeutic child care and other specialized treatment services
32 to abused, neglected, at-risk, and/or drug-affected children. Priority
33 for services shall be given to children referred from the department of
34 social and health services children's administration. In addition to
35 referrals made by children's administration, the department shall
36 authorize services for children referred to the MTCC program, as long
37 as the children meet the eligibility requirements as outlined in the

1 Washington state plan for the MTCC program. Of the amounts
2 appropriated in this subsection, \$60,000 per fiscal year may be used by
3 the department for administering the MTCC program, if needed.

4 (12) Amounts appropriated in section 722 of this act for the home
5 visiting services account are provided solely for contracts for home
6 visiting with the private-public partnership in accordance with
7 requirements of the federal maternal, infant, and early childhood home
8 visiting grant program. This funding is intended to meet federal
9 maintenance of effort requirements for this program.

10 NEW SECTION. **Sec. 617. FOR THE STATE SCHOOL FOR THE BLIND**

11	General Fund--State Appropriation (FY 2012)	\$5,751,000
12	General Fund--State Appropriation (FY 2013)	\$5,754,000
13	General Fund--Private/Local Appropriation	\$2,012,000
14	TOTAL APPROPRIATION	\$13,517,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: \$271,000 of the general fund--
17 private/local appropriation is provided solely for the school for the
18 blind to offer short course programs, allowing students the opportunity
19 to leave their home schools for short periods and receive intensive
20 training. The school for the blind shall provide this service to the
21 extent that it is funded by contracts with school districts and
22 educational services districts.

23 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE CENTER FOR**
24 **CHILDHOOD DEAFNESS AND HEARING LOSS**

25	General Fund--State Appropriation (FY 2012)	\$8,384,000
26	General Fund--State Appropriation (FY 2013)	\$8,425,000
27	General Fund--Private/Local Appropriation	\$526,000
28	TOTAL APPROPRIATION	\$17,335,000

(End of part)

1 PART VII

2 SPECIAL APPROPRIATIONS

3 NEW SECTION. Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT
4 AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
5 DEBT SUBJECT TO THE DEBT LIMIT

6	General Fund--State Appropriation (FY 2012)	\$924,047,000
7	General Fund--State Appropriation (FY 2013)	\$981,486,000
8	State Building Construction Account--State	
9	Appropriation	\$1,589,000
10	Columbia River Basin Water Supply Development	
11	Account--State Appropriation	\$73,000
12	Hood Canal Aquatic Rehabilitation Bond Account--State	
13	Appropriation	\$6,000
14	State Taxable Building Construction Account--State	
15	Appropriation	\$345,000
16	Gardner-Evans Higher Education Construction	
17	Account--State Appropriation	\$1,000
18	Debt-Limit Reimbursable Bond Retire Account--State	
19	Appropriation	\$2,300,000
20	TOTAL APPROPRIATION	\$1,909,847,000

21 The appropriations in this section are subject to the following
22 conditions and limitations: The general fund appropriations are for
23 expenditure into the debt-limit general fund bond retirement account.
24 The entire general fund--state appropriation for fiscal year 2012 shall
25 be expended into the debt-limit general fund bond retirement account by
26 June 30, 2012.

27 NEW SECTION. Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT
28 AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
29 GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES

30	Accident Account--State Appropriation	\$4,110,000
31	Medical Aid Account--State Appropriation	\$4,110,000
32	TOTAL APPROPRIATION	\$8,220,000

33 NEW SECTION. Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT

1 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
2 **GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

3	General Fund--State Appropriation (FY 2012)	\$27,516,000
4	General Fund--State Appropriation (FY 2013)	\$30,758,000
5	Nondebt-Limit Reimbursable Bond Retirement	
6	Account--State Appropriation	\$140,417,000
7	TOTAL APPROPRIATION	\$198,691,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: The general fund appropriation is for
10 expenditure into the nondebt-limit general fund bond retirement
11 account. The entire general fund--state appropriation for fiscal year
12 2012 shall be expended into the nondebt-limit general fund bond
13 retirement account by June 30, 2012.

14 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
15 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
16 **BOND SALE EXPENSES**

17	General Fund--State Appropriation (FY 2012)	\$1,357,000
18	General Fund--State Appropriation (FY 2013)	\$1,357,000
19	State Building Construction Account--State	
20	Appropriation	\$1,273,000
21	Columbia River Basin Water Supply Development	
22	Account--State Appropriation	\$12,000
23	Hood Canal Aquatic Rehabilitation Bond Account--State	
24	Appropriation	\$1,000
25	State Taxable Building Construction Account--State	
26	Appropriation	\$55,000
27	Gardner-Evans Higher Education Construction	
28	Account--State Appropriation	\$1,000
29	TOTAL APPROPRIATION	\$4,056,000

30 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
31 **FIRE CONTINGENCY**

32	General Fund--State Appropriation (FY 2012)	\$4,000,000
33	General Fund--State Appropriation (FY 2013)	\$4,000,000
34	TOTAL APPROPRIATION	\$8,000,000

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

1 expenditure into the disaster response account to be used for any
2 Washington state fire service resource mobilization costs incurred by
3 the Washington state patrol in response to an emergency or disaster
4 authorized under RCW 43.43.960 and 43.43.964.

5 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
6 **DISASTER RESPONSE ACCOUNT**

7	General Fund--State Appropriation (FY 2012)	\$14,575,000
8	General Fund--State Appropriation (FY 2013)	\$75,000
9	TOTAL APPROPRIATION	\$14,650,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: The appropriations are provided solely for
12 expenditure into the disaster response account. \$5,000,000 of the
13 appropriation is provided for emergency fire suppression by the
14 department of natural resources.

15 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
16 **EMERGENCY FUND**

17	General Fund--State Appropriation (FY 2012)	\$850,000
18	General Fund--State Appropriation (FY 2013)	\$850,000
19	TOTAL APPROPRIATION	\$1,700,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: The appropriations in this section are for
22 the governor's emergency fund for the critically necessary work of any
23 agency.

24 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
25 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

26	General Fund--State Appropriation (FY 2012)	\$8,000,000
27	General Fund--State Appropriation (FY 2013)	\$8,000,000
28	TOTAL APPROPRIATION	\$16,000,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: The appropriations in this section are
31 provided solely for expenditure into the education technology revolving
32 account for the purpose of covering ongoing operational and equipment
33 replacement costs incurred by the K-20 educational network program in
34 providing telecommunication services to network participants.

1 NEW SECTION. **Sec. 709. SALARY ADJUSTMENT**

2 General Fund--State Appropriation (FY 2012) (\$87,774,000)
3 General Fund--State Appropriation (FY 2013) (\$88,071,000)
4 General Fund--Federal Appropriation (\$27,464,000)
5 General Fund--Private/Local Appropriation (\$2,658,000)
6 Various Other Accounts Appropriation (\$47,421,000)
7 TOTAL APPROPRIATION (\$253,388,000)

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

11 (1) Appropriations in this section are provided solely for a 3.0
12 percent salary reduction effective July 1, 2011, through June 30, 2013,
13 for all employees of the executive, legislative, and judicial branches,
14 including those employees in the Washington management service, and
15 including employees exempt from merit system rules, except for:

16 (a) Elected officials whose salaries are set by the commission on
17 salaries for elected officials;

18 (b) Student employees at state institutions of higher education;

19 (c) Employees at state institutions of higher education, provided,
20 however, that appropriations to higher education institutions are
21 reduced in an amount reflecting a 3.0 percent reduction in salary
22 expenditures; however, no reduction is made for salary expenditures
23 presumed to be paid from higher education nonappropriated funds;

24 (d) Certificated employees of the state school for the blind and
25 the center for childhood deafness and hearing loss;

26 (e) Commissioned officers of the Washington state patrol
27 represented by the state patrol troopers' association and the
28 Washington state patrol lieutenants' association;

29 (f) Represented ferry workers of the Washington state department of
30 transportation, provided, however, that other reductions are included
31 in section 504 of the 2011-2013 transportation appropriations act;

32 (g) Employees whose salary is less than \$2,500 per month; and

33 (h) Employees as specified in subsection (2) of this section.

34 (2) For employees subject to the 3.0 percent reduction in salary
35 under subsection (1) of this section employees will receive temporary
36 salary reduction leave of up to 5.2 hours per month. The director of
37 personnel shall adopt rules governing the accrual and use of temporary
38 salary reduction leave.

1 (3) Appropriations also reflect a 3.0 percent cost saving in
2 expenditures as specified in section 925 of this act.

3 (4) The department of retirement systems shall include any forgone
4 salary under subsections (1) and (3) of this section in the final
5 average compensation of employees affected for purposes of calculating
6 retirement benefits, as specified in House Bill No.

7 (5) The appropriation from dedicated funds and accounts shall be
8 made in the amounts specified and from the dedicated funds and accounts
9 specified in LEAP Omnibus Document H-Sal 01 dated April 6, 2011, which
10 is hereby incorporated by reference. The office of financial
11 management shall allocate the moneys appropriated in this section in
12 the amounts specified and to the state agencies specified in OFM
13 document 2011-01 and adjust appropriation schedules accordingly. The
14 office of financial management shall make any further allotment
15 adjustments necessary to reflect agency mergers or consolidations
16 assumed in this act.

17 **NEW SECTION. Sec. 710. INCENTIVE SAVINGS--FY 2012**

18 The sum of one hundred twenty-five million dollars or so much
19 thereof as may be available on June 30, 2012, from the total amount of
20 unspent fiscal year 2012 state general fund appropriations, exclusive
21 of amounts expressly placed into unallotted status by this act, is
22 appropriated for the purposes of RCW 43.79.460 in the manner provided
23 in this section.

24 (1) Of the total appropriated amount, one-half of that portion that
25 is attributable to incentive savings, not to exceed twenty-five million
26 dollars, is appropriated to the savings incentive account for the
27 purpose of improving the quality, efficiency, and effectiveness of
28 agency services, and credited to the agency that generated the savings.

29 (2) The remainder of the total amount, not to exceed one hundred
30 million dollars, is appropriated to the education savings account.

31 **NEW SECTION. Sec. 711. INCENTIVE SAVINGS--FY 2013**

32 The sum of one hundred twenty-five million dollars or so much
33 thereof as may be available on June 30, 2013, from the total amount of
34 unspent fiscal year 2013 state general fund appropriations, exclusive
35 of amounts expressly placed into unallotted status by this act, is

1 appropriated for the purposes of RCW 43.79.460 in the manner provided
2 in this section.

3 (1) Of the total appropriated amount, one-half of that portion that
4 is attributable to incentive savings, not to exceed twenty-five million
5 dollars, is appropriated to the savings incentive account for the
6 purpose of improving the quality, efficiency, and effectiveness of
7 agency services, and credited to the agency that generated the savings.

8 (2) The remainder of the total amount, not to exceed one hundred
9 million dollars, is appropriated to the education savings account.

10 NEW SECTION. **Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
11 **O'BRIEN BUILDING IMPROVEMENT**

12	General Fund--State Appropriation (FY 2012)	\$2,846,000
13	General Fund--State Appropriation (FY 2013)	\$2,950,000
14	TOTAL APPROPRIATION	\$5,796,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: The appropriations are provided solely for
17 expenditure into the general administration services account for
18 payment of principal, interest, and financing expenses associated with
19 the certificate of participation for the O'Brien building improvement,
20 project number 20081007.

21 NEW SECTION. **Sec. 713. FOR THE DEPARTMENT OF HEALTH--COUNTY**
22 **PUBLIC HEALTH ASSISTANCE**

23 The appropriations in this section are subject to the following
24 conditions and limitations: The director of the department of health
25 shall distribute the appropriations to the following counties and
26 health districts in the amounts designated to support public health
27 services, including public health nursing:

29	Health District	FY 2012	FY 2013	FY 2011-13
30				Biennium
31	Adams County Health District	\$30,951	\$30,951	\$61,902
32	Asotin County Health District	\$67,714	\$67,714	\$135,428
33	Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
34	Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522

1	Clallam County Health and Human Services	\$141,752	\$141,752	\$283,504
2	Department			
3	Clark County Health District	\$1,057,792	\$1,057,792	\$2,115,594
4	Skamania County Health Department	\$26,681	\$26,681	\$53,362
5	Columbia County Health District	\$40,529	\$40,529	\$81,058
6	Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
7	Garfield County Health District	\$15,028	\$15,028	\$30,056
8	Grant County Health District	\$118,595	\$118,596	\$237,191
9	Grays Harbor Health Department	\$183,870	\$183,870	\$367,740
10	Island County Health Department	\$91,892	\$91,892	\$183,784
11	Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
12	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
13	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
14	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
15	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
16	Lewis County Health Department	\$105,801	\$105,801	\$211,602
17	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
18	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
19	Okanogan County Health District	\$63,458	\$63,458	\$126,916
20	Pacific County Health Department	\$77,427	\$77,427	\$154,854
21	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
22	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
23	Skagit County Health Department	\$223,927	\$223,927	\$447,854
24	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
25	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
26	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
27	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
28	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
29	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
30	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
31	Whitman County Health Department	\$78,733	\$78,733	\$157,466
32	Yakima Health District	\$623,797	\$623,797	\$1,247,594
33	TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000

34 NEW SECTION. **Sec. 714. FOR THE DEPARTMENT OF RETIREMENT**
35 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

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

1 officers' and firefighters' retirement system shall be made on a
2 monthly basis beginning July 1, 2011, consistent with chapter 41.45
3 RCW, and the appropriations for the judges and judicial retirement
4 systems shall be made on a quarterly basis consistent with chapters
5 2.10 and 2.12 RCW.

6 (1) There is appropriated for state contributions to the law
7 enforcement officers' and firefighters' retirement system:

8	General Fund--State Appropriation (FY 2012)	\$51,200,000
9	General Fund--State Appropriation (FY 2013)	\$54,700,000
10	TOTAL APPROPRIATION	\$105,900,000

11 (2) There is appropriated for contributions to the judicial
12 retirement system:

13	General Fund--State Appropriation (FY 2012)	\$11,600,000
14	General Fund--State Appropriation (FY 2013)	\$13,100,000
15	TOTAL APPROPRIATION	\$24,700,000

16 NEW SECTION. **Sec. 715. BELATED CLAIMS**

17 The agencies and institutions of the state may expend moneys
18 appropriated in this act, upon approval of the office of financial
19 management, for the payment of supplies and services furnished to the
20 agency or institution in prior fiscal biennia.

21 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
22 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

23	General Fund--State Appropriation (FY 2012)	(\$900,000)
24	General Fund--State Appropriation (FY 2013)	(\$1,000,000)
25	Special Account Retirement System Contribution	
26	Increase Revolving Account Appropriation	(\$500,000)
27	TOTAL APPROPRIATION	(\$2,400,000)

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

30 (1) The appropriations in this section are provided solely to
31 adjust agency and institution appropriations and public school funding
32 allocations to reflect reduced employer contribution rates in the
33 public employees' retirement system and the school employees'
34 retirement system as a result of the provisions of House Bill No. 1981
35 (higher education retirement plan and postretirement employment). If

1 the bill is not enacted by June 30, 2011, the amounts provided in this
2 section shall lapse.

3 (2) To facilitate the transfer of moneys to dedicated funds and
4 accounts, the state treasurer shall transfer sufficient moneys to each
5 dedicated fund or account from the special account retirement system
6 contribution increase revolving account in accordance with schedules
7 provided by the office of financial management.

8 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
9 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

10	General Fund--State Appropriation (FY 2012)	(\$148,832,000)
11	General Fund--State Appropriation (FY 2013)	(\$212,838,000)
12	Special Account Retirement System Contribution	
13	Increase Revolving Account Appropriation	(\$43,932,000)
14	TOTAL APPROPRIATION	(\$405,602,000)

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

17 (1) The appropriations in this section are provided solely to
18 adjust agency and institution appropriations and public school funding
19 allocations to reflect reduced employer contribution rates in the
20 public employees' retirement system, teachers' retirement system,
21 public safety employees' retirement system, and the school employees'
22 retirement system as a result of the provisions of House Bill No. 2021
23 (limiting annual increase amounts) and increase the alternative minimum
24 benefit to \$1,500 per month. If the bill is not enacted by June 30,
25 2011, the amounts provided in this section shall lapse.

26 (2) To facilitate the transfer of moneys to dedicated funds and
27 accounts, the state treasurer shall transfer sufficient moneys to each
28 dedicated fund or account from the special account retirement
29 contribution increase revolving account in accordance with schedules
30 provided by the office of financial management.

31 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
32 **STATE DATA CENTER RATE INCREASES**

33	General Fund--State Appropriation (FY 2012)	\$3,411,000
34	General Fund--State Appropriation (FY 2013)	\$2,036,000
35	General Fund--Federal Appropriation	\$3,000
36	General Fund--Private/Local Appropriation	\$103,000

1 Special Account Revolving Appropriation \$4,263,000
2 TOTAL APPROPRIATION \$9,816,000

3 The appropriations in this section are subject to the following
4 conditions and limitations: The appropriations in this section reflect
5 increases in agency appropriations related to the state data center.
6 The office of financial management shall increase allotments in the
7 amounts specified, and to the state agencies specified in LEAP omnibus
8 document GLX-2011, dated March 25, 2011, and adjust appropriation
9 schedules accordingly. The office of financial management shall make
10 any further allotment adjustments necessary to reflect agency mergers
11 or consolidations assumed in this act.

12 NEW SECTION. **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
13 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

14 General Fund--State Appropriation (FY 2012) \$591,000

15 The appropriation in this section is subject to the following
16 conditions and limitations: The director of financial management shall
17 distribute \$338,000 to Franklin county, \$128,000 to Jefferson county,
18 and \$125,000 to Okanogan county for extraordinary criminal justice
19 costs.

20 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
21 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

22 General Fund--State Appropriation (FY 2012) \$5,487,000
23 General Fund--State Appropriation (FY 2013) \$5,487,000
24 TOTAL APPROPRIATION \$10,974,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: The appropriations in this section are
27 provided solely for expenditure into the cleanup settlement account on
28 July 1, 2011, and July 1, 2012, as repayment of moneys that were
29 transferred to the state efficiency and restructuring account.

30 NEW SECTION. **Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
31 **VEHICLE LICENSE FRAUD ACCOUNT**

32 General Fund--State Appropriation (FY 2012) \$100,000
33 General Fund--State Appropriation (FY 2013) \$100,000
34 TOTAL APPROPRIATION \$200,000

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 vehicle license fraud account.

4 NEW SECTION. **Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
5 **HOME VISITING SERVICES ACCOUNT**

6	General Fund--State Appropriation (FY 2012)	\$934,000
7	General Fund--State Appropriation (FY 2013)	\$934,000
8	TOTAL APPROPRIATION	\$1,868,000

9 The appropriation in this section is subject to the following
10 conditions and limitations: The appropriations in this section are
11 provided solely for expenditure into home visiting services account.

(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 premium distributions (\$8,368,000), General Fund Appropriation for public utility district excise tax distributions (\$49,418,000), General Fund Appropriation for prosecuting attorney distributions (\$6,281,000), General Fund Appropriation for boating safety and education distributions (\$4,000,000), General Fund Appropriation for other tax distributions (\$58,000), General Fund Appropriation for habitat conservation program distributions (\$3,000,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$2,960,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$160,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$40,421,000), County Criminal Justice Assistance Appropriation (\$69,801,000), Municipal Criminal Justice Assistance Appropriation (\$26,950,000), City-County Assistance Account Appropriation for local government financial assistance distribution (\$16,589,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$52,152,000), Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes (\$49,635,000), Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation (\$7,441,000), Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians (\$4,748,000).

1 Liquor Revolving Account Appropriation for liquor
2 profits distribution \$69,318,000
3 TOTAL APPROPRIATION \$411,301,000

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

7 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
8 **CRIMINAL JUSTICE ASSISTANT ACCOUNT**

9 Impaired Driver Safety Account Appropriation \$2,501,000

10 The appropriation in this section is subject to the following
11 conditions and limitations: The amount appropriated in this section
12 shall be distributed quarterly during the 2011-13 biennium in
13 accordance with RCW 82.14.310. This funding is provided to counties
14 for the costs of implementing criminal justice legislation including,
15 but not limited to: Chapter 206, Laws of 1998 (drunk driving
16 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
17 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
18 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
19 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
20 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
21 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
22 215, Laws of 1998 (DUI provisions).

23 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**
24 **CRIMINAL JUSTICE ASSISTANT ACCOUNT**

25 Impaired Driver Safety Account Appropriation \$1,666,000

26 The appropriation in this section is subject to the following
27 conditions and limitations: The amount appropriated in this section
28 shall be distributed quarterly during the 2011-2013 biennium to all
29 cities ratably based on population as last determined by the office of
30 financial management. The distributions to any city that substantially
31 decriminalizes or repeals its criminal code after July 1, 1990, and
32 that does not reimburse the county for costs associated with criminal
33 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
34 which the city is located. This funding is provided to cities for the
35 costs of implementing criminal justice legislation including, but not

1 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
2 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
3 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
4 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
5 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
6 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
7 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
8 Laws of 1998 (DUI provisions).

9 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
10 **FOR DISTRIBUTION**

11	General Fund Appropriation for federal flood control	
12	funds distribution	\$74,000
13	General Fund Appropriation for federal grazing fees	
14	distribution	\$2,430,000
15	Forest Reserve Fund Appropriation for federal forest	
16	reserve fund distribution	\$29,175,000
17	TOTAL APPROPRIATION	\$31,679,000

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

21 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

22	State Treasurer's Service Account: For transfer to	
23	the state general fund, \$10,000,000 for fiscal	
24	year 2012 and \$15,000,000 for fiscal year 2013	\$25,000,000
25	Waste Reduction, Recycling, and Litter Control	
26	Account: For transfer to the state general	
27	fund, \$3,500,000 for fiscal year 2012 and	
28	\$3,500,000 for fiscal year 2013	\$7,000,000
29	Aquatics Lands Enhancement Account: For transfer to	
30	the state general fund, \$3,500,000 for fiscal	
31	year 2012 and \$3,500,000 for fiscal year 2013	\$7,000,000
32	Drinking Water Assistance Account: For transfer to	
33	the drinking water assistance repayment account	\$38,000,000
34	Economic Development Strategic Reserve Account: For	
35	transfer to the state general fund, \$2,100,000	
36	for fiscal year 2012 and \$2,100,000 for fiscal	

1 year 2013 \$4,200,000
2 General Fund: For transfer to the streamlined sales
3 and use tax account, \$24,846,000 for fiscal year
4 2012 and \$24,789,000 for fiscal year 2013 \$49,635,000
5 Public Works Assistance Account: For transfer to the
6 water pollution control revolving account,
7 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
8 fiscal year 2013 \$15,500,000
9 The Charitable, Educational, Penal, and Reformatory
10 Institutions Account: For transfer to the state
11 general fund, \$4,500,000 for fiscal year 2012 and
12 \$4,500,000 for fiscal year 2013 \$9,000,000
13 Thurston County Capital Facilities Account: For
14 transfer to the state general fund, \$4,000,000
15 for fiscal year 2012 and \$4,000,000 for fiscal
16 year 2013 \$8,000,000
17 Liquor Revolving Account: For transfer to the state
18 general fund, \$42,500,000 for fiscal year 2012 and
19 \$42,500,000 for fiscal year 2013 \$85,000,000
20 Public Works Assistance Account: For transfer to the
21 drinking water assistance account, \$8,000,000 for
22 fiscal year 2012 and \$8,000,000 for fiscal year
23 2013 \$16,000,000
24 Liquor Control Board Construction and Maintenance
25 Account: For transfer to the state general fund,
26 \$500,000 for fiscal year 2012 and \$500,000 for
27 fiscal year 2013 \$1,000,000
28 Education Savings Account: For transfer to the state
29 general fund, \$22,500,000 for fiscal year 2012
30 and \$22,500,000 for fiscal year 2013 \$45,000,000
31 Department of Retirement Systems Expense Account:
32 For transfer to the state general fund, \$250,000
33 for fiscal year 2012 and \$250,000 for fiscal year
34 2013 \$500,000
35 Home Security Fund Account: For transfer to the
36 transitional housing operating and rent account,
37 \$3,750,000 for fiscal year 2012 and \$3,750,000 for
38 fiscal year 2013 \$7,500,000

1 Washington State Heritage Center Account (Heritage,
2 Arts, and Culture Account, RCW 43.07.129): For transfer to
3 the state general fund, \$6,500,000 for fiscal
4 2012 and \$6,500,000 for fiscal year 2013 \$13,000,000
5 Education Construction Account: For transfer to the
6 state general fund, \$102,000,000 for fiscal year
7 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000

(End of part)

1 (e) Progress toward enabling electronic access to public
2 information.

3 (3) Each project will be planned and designed to take optimal
4 advantage of internet technologies and protocols. Agencies shall
5 ensure that the project is in compliance with the architecture,
6 infrastructure, principles, policies, and standards of digital
7 government as maintained by the office of the chief information
8 officer.

9 (4) The agency shall produce a feasibility study for information
10 technology projects at the direction of the office of the chief
11 information officer and in accordance with published office of the
12 chief information officer policies and guidelines. At a minimum, such
13 studies shall include a statement of: (a) The purpose or impetus for
14 change; (b) the business value to the agency, including an examination
15 and evaluation of benefits, advantages, and cost; (c) a comprehensive
16 risk assessment based on the proposed project's impact on both citizens
17 and state operations, its visibility, and the consequences of doing
18 nothing; (d) the impact on agency and statewide information
19 infrastructure; and (e) the impact of the proposed enhancements to an
20 agency's information technology capabilities on meeting service
21 delivery demands.

22 (5) The agency shall produce a comprehensive management plan for
23 each project. The plan or plans shall address all factors critical to
24 successful completion of each project. The plan(s) shall include, but
25 is not limited to, the following elements: A description of the
26 problem or opportunity that the information technology project is
27 intended to address; a statement of project objectives and assumptions;
28 a definition and schedule of phases, tasks, and activities to be
29 accomplished; and the estimated cost of each phase. The planning for
30 the phased approach shall be such that the business case justification
31 for a project needs to demonstrate how the project recovers cost or
32 adds measurable value or positive cost benefit to the agency's business
33 functions within each development cycle.

34 (6) The agency shall produce quality assurance plans for
35 information technology projects. Consistent with the direction of the
36 office of the chief information officer and the published policies and
37 guidelines of the office of the chief information officer, the quality
38 assurance plan shall address all factors critical to successful

1 completion of the project and successful integration with the agency
2 and state information technology infrastructure. At a minimum, quality
3 assurance plans shall provide time and budget benchmarks against which
4 project progress can be measured, a specification of quality assurance
5 responsibilities, and a statement of reporting requirements. The
6 quality assurance plans shall set out the functionality requirements
7 for each phase of a project.

8 (7) A copy of each feasibility study, project management plan, and
9 quality assurance plan shall be provided to the office of the chief
10 information officer, the office of financial management, and
11 legislative fiscal committees. The plans and studies shall demonstrate
12 a sound business case that justifies the investment of taxpayer funds
13 on any new project, an assessment of the impact of the proposed system
14 on the existing information technology infrastructure, the disciplined
15 use of preventative measures to mitigate risk, and the leveraging of
16 private-sector expertise as needed. Authority to expend any funds for
17 individual information systems projects is conditioned on the approval
18 of the relevant feasibility study, project management plan, and quality
19 assurance plan by the office of the chief information officer and the
20 office of financial management.

21 (8) Quality assurance status reports shall be submitted to the
22 office of the chief information officer, the office of financial
23 management, and legislative fiscal committees at intervals specified in
24 the project's quality assurance plan.

25 NEW SECTION. **Sec. 903.** **INFORMATION TECHNOLOGY ENTERPRISE**
26 **SERVICES**

27 Agencies may make use of the consolidated technology services
28 agency when acquiring information technology services, products, and
29 assets.

30 "Information technology services" means the acquisition,
31 provisioning, or approval of hardware, software, and purchased or
32 personal services provided by the consolidated technology services
33 agency.

34 If an information technology enterprise service is provided by the
35 consolidated technology services agency, or an agency has a specific
36 requirement to acquire hardware, software, or purchased or personal

1 services directly, the agency shall consult with the consolidated
2 technology services agency.

3 NEW SECTION. **Sec. 904. VIDEO TELECOMMUNICATIONS**

4 The consolidated technology services agency shall act as lead
5 agency in coordinating video telecommunications services for state
6 agencies. As lead agency, the consolidated technology services agency
7 shall develop standards and common specifications for leased and
8 purchased telecommunications equipment and assist state agencies in
9 developing a video telecommunications expenditure plan. No agency may
10 spend any portion of any appropriation in this act for new video
11 telecommunication equipment, new video telecommunication transmission,
12 or new video telecommunication programming, or for expanding current
13 video telecommunication systems without first complying with chapter
14 43.105 RCW, including but not limited to, RCW 43.105.041(2), and
15 without first submitting a video telecommunications expenditure plan,
16 in accordance with the policies of the consolidated technology services
17 agency, for review and assessment by the consolidated technology
18 services agency under RCW 43.105.052. Prior to any such expenditure by
19 a public school, a video telecommunications expenditure plan shall be
20 approved by the superintendent of public instruction. The office of
21 the superintendent of public instruction shall submit the plans to the
22 consolidated technology services agency in a form prescribed by the
23 consolidated technology services agency. The office of the
24 superintendent of public instruction shall coordinate the use of video
25 telecommunications in public schools by providing educational
26 information to local school districts and shall assist local school
27 districts and educational service districts in telecommunications
28 planning and curriculum development. Prior to any such expenditure by
29 a public institution of postsecondary education, a telecommunications
30 expenditure plan shall be approved by the higher education coordinating
31 board. The higher education coordinating board shall coordinate the
32 use of video telecommunications for instruction and instructional
33 support in postsecondary education, including the review and approval
34 of instructional telecommunications course offerings.

35 NEW SECTION. **Sec. 905. EMERGENCY FUND ALLOCATIONS**

1 Whenever allocations are made from the governor's emergency fund
2 appropriation to an agency that is financed in whole or in part by
3 other than general fund moneys, the director of financial management
4 may direct the repayment of such allocated amount to the general fund
5 from any balance in the fund or funds which finance the agency. An
6 appropriation is not necessary to effect such repayment.

7 NEW SECTION. **Sec. 906. STATUTORY APPROPRIATIONS**

8 In addition to the amounts appropriated in this act for revenues
9 for distribution, state contributions to the law enforcement officers'
10 and fire fighters' retirement system plan 2, and bond retirement and
11 interest including ongoing bond registration and transfer charges,
12 transfers, interest on registered warrants, and certificates of
13 indebtedness, there is also appropriated such further amounts as may be
14 required or available for these purposes under any statutory formula or
15 under chapters 39.94 and 39.96 RCW or any proper bond covenant made
16 under law.

17 NEW SECTION. **Sec. 907. BOND EXPENSES**

18 In addition to such other appropriations as are made by this act,
19 there is hereby appropriated to the state finance committee from
20 legally available bond proceeds in the applicable construction or
21 building funds and accounts such amounts as are necessary to pay the
22 expenses incurred in the issuance and sale of the subject bonds.

23 NEW SECTION. **Sec. 908. VOLUNTARY RETIREMENT, SEPARATION, AND**
24 **DOWNSHIFTING INCENTIVES**

25 As a management tool to reduce costs and make more effective use of
26 resources, while improving employee productivity and morale, agencies
27 may implement a voluntary retirement, separation, and/or downshifting
28 incentive program that is cost neutral or results in cost savings over
29 a two-year period following the commencement of the program, provided
30 that such a program is approved by the director of financial
31 management. Agencies participating in this authorization may offer
32 voluntary retirement, separation, and/or downshifting incentives and
33 options according to procedures and guidelines established by the
34 office of financial management, in consultation with the department of
35 personnel and the department of retirement systems. The options may

1 include, but are not limited to, financial incentives for: Voluntary
2 separation or retirement, voluntary leave without pay, voluntary work
3 week or work hour reduction, voluntary downward movement, or temporary
4 separation for development purposes. An employee does not have a
5 contractual right to a financial incentive offered pursuant to this
6 section. Offers shall be reviewed and monitored jointly by the
7 department of personnel and the department of retirement systems.
8 Agencies are required to submit a report by June 30, 2013, to the
9 legislature and the office of financial management on the outcome of
10 their approved incentive program. The report should include
11 information on the details of the program including the cost of the
12 incentive per participant, the total cost to the state, and the
13 projected or actual net dollar savings over the 2011-2013 biennium.

14 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENTS NOT**
15 **IMPAIRED**

16 Nothing in this act prohibits the expenditure of any funds by an
17 agency or institution of the state for benefits guaranteed by any
18 collective bargaining agreement in effect on the effective date of this
19 section.

20 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENTS**

21 The following sections represent the results of the 2011-2013
22 collective bargaining process required under the provisions of chapters
23 41.80 and 41.56 RCW. Provisions of the collective bargaining
24 agreements contained in this act are described in general terms. Only
25 major economic terms are included in the descriptions. These
26 descriptions do not contain the complete contents of the agreements.
27 The collective bargaining agreements or the continuation of terms and
28 conditions of the 2009-2011 agreements contained in Part IX of this act
29 may also be funded by expenditures from nonappropriated accounts. If
30 positions are funded with lidded grants or dedicated fund sources with
31 insufficient revenue, additional funding from other sources is not
32 provided.

33 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENTS--WFSE,**
34 **TEAMSTERS, UFCW, WAFWP, IFPTE 17, COALITION OF UNIONS**

1 Agreements have been reached between the governor and the following
2 unions: Washington federation of state employees, teamsters local
3 union 117, united food and commercial workers, Washington association
4 of fish and wildlife professionals, international federation of
5 professional and technical engineers local 17, and the coalition of
6 unions, under the provisions of chapter 41.80 RCW for the 2011-2013
7 biennium subject to union internal processes/procedures. Funding is
8 reduced to reflect a 3.0 percent temporary salary reduction for all
9 employees making \$2,500 or more per month covered under the agreements
10 for fiscal years 2012 and 2013 through June 29, 2013. Effective June
11 30, 2013, the salary schedules effective July 1, 2009, through June 30,
12 2011 will be reinstated. Temporary salary reduction leave is granted
13 for the term of the 2011-2013 agreement.

14 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--SEIU**
15 **HEALTHCARE 1199NW**

16 An agreement has been reached between the governor and the service
17 employees international union healthcare 1199nw under the provisions of
18 chapter 41.80 RCW for the 2011-2013 biennium subject to union internal
19 processes/procedures. Funding is reduced to reflect 8 days of leave
20 without pay per year for fiscal years 2012 and 2013.

21 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT--TERMS**
22 **AND CONDITIONS**

23 No agreements have been reached between the governor and the
24 following unions: Washington public employees association, Washington
25 public employees association higher education community college
26 coalition, Washington federation of state employees higher education
27 community college coalition, Washington federation of state employees
28 Central Washington University, Washington federation of state employees
29 Western Washington University, Washington federation of state employees
30 The Evergreen State College, and public school employees Western
31 Washington University, under the provisions of chapter 41.80 RCW for
32 the 2011-2013 biennium. Appropriations in this act provide funding to
33 continue the terms and conditions of the 2009-2011 general government
34 and higher education agreements negotiated by the office of financial
35 management's labor relations office under the provisions of chapter
36 41.80 RCW. For fiscal year 2012, appropriations have been reduced in

1 an amount equal to a 3 percent salary reduction for all represented
2 employees making \$2,500 or more per month. This reduction will be
3 implemented according to the terms and conditions of the 2009-2011
4 agreements. For fiscal year 2013, funding is reduced to reflect a 3.0
5 percent temporary salary reduction for all employees making \$2,500 or
6 more per month through June 29, 2013. Effective June 30, 2013, the
7 salary schedules effective July 1, 2009, through June 30, 2011, will be
8 reinstated. Temporary salary reduction leave is granted for fiscal
9 year 2013. These changes will be implemented according to law.

10 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT--WSP**
11 **TROOPERS ASSOCIATION**

12 No agreement has been reached between the governor and the
13 Washington state patrol trooper's association under the provisions of
14 chapter 41.56 RCW for the 2011-2013 biennium. Appropriations in this
15 act for the Washington state patrol provide funding to continue the
16 provisions of the 2009-2011 agreement.

17 NEW SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT--WSP**
18 **LIEUTENANTS ASSOCIATION**

19 No agreement has been reached between the governor and the
20 Washington state patrol lieutenant's association under the provisions
21 of chapter 41.56 RCW for the 2011-2013 biennium. Appropriations in
22 this act for the Washington state patrol provide funding to continue
23 the provisions of the 2009-2011 agreement.

24 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT FOR**
25 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

26 An agreement has been reached between the governor and the service
27 employees international union local 925 under the provisions of chapter
28 41.56 RCW for the 2011-2013 biennium, subject to union internal
29 processes/procedures. Funding for an increase in the state's health
30 care contribution for childcare workers is included in the budget.

31 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT FOR**
32 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

33 Appropriations in this act reflect the collective bargaining
34 agreement reached between the governor and the Washington state

1 residential care council under the provisions of chapter 41.56 RCW for
2 the 2011-2013 biennium. For those covered under this agreement,
3 economic provisions are the same as the terms and conditions in the
4 2009-2011 agreement.

5 NEW SECTION. **Sec. 918. AGREEMENTS AND TERMS AND CONDITIONS NOT**
6 **NEGOTIATED BY THE OFFICE OF FINANCIAL MANAGEMENT'S LABOR RELATIONS**
7 **OFFICE**

8 No agreements under chapter 41.80 RCW have been reached between the
9 University of Washington, Washington State University, except as
10 specifically set forth in this act, Eastern Washington University, and
11 the Yakima Valley community college with their respective exclusive
12 bargaining representatives under the provisions of chapter 41.80 RCW
13 for the 2011-2013 biennium. Appropriations in this act provide funding
14 to continue the terms and conditions of the 2009-2011 agreements. For
15 fiscal years 2012, appropriations have been reduced in an amount equal
16 to a 3 percent salary reduction for all represented employees making
17 \$2,500 or more per month. This reduction will be implemented according
18 to the terms and conditions of the 2009-2011 agreements. For fiscal
19 year 2013, funding is reduced in an amount equal to a 3 percent salary
20 reduction for all represented employees making \$2,500 or more per
21 month. This reduction will be implemented according to law.

22 NEW SECTION. **Sec. 919. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
23 **WASHINGTON UNIVERSITY PUBLIC SCHOOL EMPLOYEES OF WASHINGTON**

24 An agreement has been reached between Central Washington University
25 and the public school employees of Washington under the provisions of
26 chapter 41.80 RCW for the 2011-2013 biennium subject to union internal
27 processes/procedures. Funding is reduced to reflect a 3.0 percent
28 temporary salary reduction for all employees making \$2,500 or more per
29 month for fiscal years 2012 and 2013 through June 29, 2013. Effective
30 June 30, 2013, the salary schedules effective July 1, 2009 through June
31 30, 2011 will be reinstated. Temporary salary reduction leave is
32 granted for the term of the 2011-2013 agreement.

33 NEW SECTION. **Sec. 920. COLLECTIVE BARGAINING AGREEMENT--**
34 **WASHINGTON STATE UNIVERSITY POLICE GUILD**

1 An agreement has been reached between Washington State University
2 and the Washington State University police guild. The financial
3 provisions of the 2009-2011 remain in place for the 2011-2013 biennium.

4 NEW SECTION. **Sec. 921. COMPENSATION--NONREPRESENTED EMPLOYEES--**
5 **INSURANCE BENEFITS**

6 Appropriations for state agencies in this act are sufficient for
7 nonrepresented state employee health benefits for state agencies,
8 including institutions of higher education, and are subject to the
9 following conditions and limitations:

10 (1)(a) The monthly employer funding rate for insurance benefit
11 premiums, public employees' benefits board administration, and the
12 uniform medical plan, shall not exceed \$850 per eligible employee for
13 fiscal year 2012. For fiscal year 2013 the monthly employer funding
14 rate shall not exceed \$850 per eligible employee.

15 (b) In order to achieve the level of funding provided for health
16 benefits, the public employees' benefits board shall require any or all
17 of the following: Employee premium copayments, increases in point-of-
18 service cost sharing, the implementation of managed competition, or
19 make other changes to benefits consistent with RCW 41.05.065.

20 (c) The health care authority shall deposit any moneys received on
21 behalf of the uniform medical plan as a result of rebates on
22 prescription drugs, audits of hospitals, subrogation payments, or any
23 other moneys recovered as a result of prior uniform medical plan claims
24 payments, into the public employees' and retirees' insurance account to
25 be used for insurance benefits. Such receipts shall not be used for
26 administrative expenditures.

27 (2) The health care authority, subject to the approval of the
28 public employees' benefits board, shall provide subsidies for health
29 benefit premiums to eligible retired or disabled public employees and
30 school district employees who are eligible for medicare, pursuant to
31 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
32 \$150.00 per month.

33 (3) Technical colleges, school districts, and educational service
34 districts shall remit to the health care authority for deposit into the
35 public employees' and retirees' insurance account established in RCW
36 41.05.120 the following amounts:

1 (a) For each full-time employee, \$67.42 per month beginning
2 September 1, 2011, and \$68.94 beginning September 1, 2012;

3 (b) For each part-time employee, who at the time of the remittance
4 is employed in an eligible position as defined in RCW 41.32.010 or
5 41.40.010 and is eligible for employer fringe benefit contributions for
6 basic benefits, \$67.42 each month beginning September 1, 2011, and
7 \$68.94 beginning September 1, 2012, prorated by the proportion of
8 employer fringe benefit contributions for a full-time employee that the
9 part-time employee receives. The remittance requirements specified in
10 this subsection shall not apply to employees of a technical college,
11 school district, or educational service district who purchase insurance
12 benefits through contracts with the health care authority.

13 NEW SECTION. **Sec. 922. COMPENSATION--REPRESENTED EMPLOYEES**
14 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

15 Appropriations for state agencies in this act are sufficient for
16 represented employees outside the super coalition for health benefits,
17 and are subject to the following conditions and limitations:

18 (1)(a) The monthly employer funding rate for insurance benefit
19 premiums, public employees' benefits board administration, and the
20 uniform medical plan, shall not exceed \$850 per eligible employee for
21 fiscal year 2012. For fiscal year 2013 the monthly employer funding
22 rate shall not exceed \$850 per eligible employee.

23 (b) In order to achieve the level of funding provided for health
24 benefits, the public employees' benefits board shall require any or all
25 of the following: Employee premium copayments, increases in point-of-
26 service cost sharing, the implementation of managed competition, or
27 make other changes to benefits consistent with RCW 41.05.065.

28 (c) The health care authority shall deposit any moneys received on
29 behalf of the uniform medical plan as a result of rebates on
30 prescription drugs, audits of hospitals, subrogation payments, or any
31 other moneys recovered as a result of prior uniform medical plan claims
32 payments, into the public employees' and retirees' insurance account to
33 be used for insurance benefits. Such receipts shall not be used for
34 administrative expenditures.

35 (2) The health care authority, subject to the approval of the
36 public employees' benefits board, shall provide subsidies for health
37 benefit premiums to eligible retired or disabled public employees and

1 school district employees who are eligible for medicare, pursuant to
2 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
3 \$150.00 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, \$67.42 per month beginning
9 September 1, 2011, and \$68.94 beginning September 1, 2012;

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, \$67.42 each month beginning September 1, 2011, and
14 \$68.94 beginning September 1, 2012, 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. 923. COMPENSATION--REPRESENTED EMPLOYEES--**
21 **SUPER COALITION--INSURANCE BENEFITS**

22 The collective bargaining agreement negotiated with the super
23 coalition under chapter 41.80 RCW includes employer premiums at 85
24 percent of the total weighted average of the projected health care
25 premiums across all plans and tiers. Appropriations in this act for
26 state agencies, including institutions of higher education are
27 sufficient to fund state employees health benefits for employees
28 represented by the super coalition on health benefits, and are subject
29 to the following conditions and limitations:

30 (1)(a) The monthly employer funding rate for insurance benefit
31 premiums, public employees' benefits board administration, and the
32 uniform medical plan, shall not exceed \$850 per eligible employee for
33 fiscal year 2012. For fiscal year 2013 the monthly employer funding
34 rate shall not exceed \$850 per eligible employee.

35 (b) In order to achieve the level of funding provided for health
36 benefits, the public employees' benefits board shall require any or all

1 of the following: Employee premium copayments, increases in point-of-
2 service cost sharing, the implementation of managed competition, or
3 make other changes to benefits consistent with RCW 41.05.065.

4 (c) The health care authority shall deposit any moneys received on
5 behalf of the uniform medical plan as a result of rebates on
6 prescription drugs, audits of hospitals, subrogation payments, or any
7 other moneys recovered as a result of prior uniform medical plan claims
8 payments, into the public employees' and retirees' insurance account to
9 be used for insurance benefits. Such receipts shall not be used for
10 administrative expenditures.

11 (2) The health care authority, subject to the approval of the
12 public employees' benefits board, shall provide subsidies for health
13 benefit premiums to eligible retired or disabled public employees and
14 school district employees who are eligible for medicare, pursuant to
15 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
16 \$150.00 per month.

17 NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENTS**

18 For the collective bargaining agreements negotiated with the state
19 for the 2011-2013 fiscal biennium under chapters 41.56, 41.80, or
20 74.39A RCW, the governor may request funds necessary to implement the
21 terms and conditions of an agreement submitted to the office of
22 financial management after October 1st if that agreement is determined
23 to be feasible financially to the state by the director of financial
24 management.

25 NEW SECTION. **Sec. 925.** A new section is added to chapter 41.06
26 RCW to read as follows:

27 (1) Except as provided in this section, from July 1, 2011, through
28 June 29, 2013, base salaries are reduced three percent for all state
29 employees of the executive, legislative, and judicial branches,
30 including those employees in the Washington management service, and
31 including exempt employees under this chapter.

32 (2) The following employees of the executive, legislative, and
33 judicial branches are not subject to subsection (1) of this section:

34 (a) Elected officials whose salaries are set by the commission on
35 salaries for elected officials;

36 (b) Employees at state institutions of higher education;

1 (c) Certificated employees of the state school for the blind and
2 the center for childhood deafness and hearing loss;

3 (d) Commissioned officers of the Washington state patrol
4 represented by the state patrol troopers association and the Washington
5 state patrol lieutenants association;

6 (e) Represented ferry workers of the Washington state department of
7 transportation; and

8 (f) Employees whose monthly full-time equivalent salary is less
9 than two thousand five hundred dollars per month.

10 (3) Except as provided in subsection (4) of this section, if an
11 employee subject to the three percent salary reduction under subsection
12 (1) of this section is entitled to leave, the employee will receive
13 temporary salary reduction leave of up to five and two-tenths hours per
14 month. The director of the department of personnel shall adopt rules
15 governing the accrual and use of temporary salary reduction leave for
16 nonrepresented employees. For represented employees, the accrual and
17 use of temporary salary reduction leave shall be in accordance with the
18 provisions of the collective bargaining agreements.

19 (4) If provisions of collective bargaining agreements prevent the
20 implementation of subsection (1) of this section, agencies of the
21 executive, legislative, and judicial branches shall achieve a three
22 percent salary reduction for each employee through employee leave
23 without pay, mandatory and voluntary temporary layoffs, reduced work
24 hours, or other actions consistent with collective bargaining
25 agreements. This subsection does not prohibit an agency from granting
26 temporary salary reduction leave for employees entitled to leave in
27 accordance with subsection (3) of this section.

28 (5) Subsection (2) of this section does not prohibit employers of
29 the executive, legislative, and judicial branches from implementing a
30 salary reduction for employees exempted under subsection (2) of this
31 section. Employers of the executive, legislative, and judicial
32 branches are encouraged to implement a salary reduction for employees
33 exempted under subsection (2) of this section, except for those
34 employees whose monthly full-time equivalent salary is less than two
35 thousand five hundred dollars per month.

36 (6) Subsection (2) of this section does not prohibit elected
37 officials whose salaries are set by the commission on salaries for

1 elected officials to voluntarily agree to a reduction in salary and
2 elected officials are encouraged to take such action.

3 (7) This section does not prohibit a state agency or institution
4 during the 2011-2013 fiscal biennium from instituting reduced work
5 hours, mandatory or voluntary leave without pay, reductions in
6 salaries, or temporary layoffs as an integral part of the employer's
7 expenditure reduction efforts, as certified by the employer. This
8 subsection must be implemented consistent with collective bargaining
9 agreements.

10 NEW SECTION. **Sec. 926.** A new section is added to chapter 43.03
11 RCW to read as follows:

12 (1) From July 1, 2011, through June 29, 2013, any state elected
13 official of the executive branch may voluntarily reduce his or her
14 salary from that established pursuant to Article XXVIII, section 1 of
15 the state Constitution by three percent.

16 (2) The department of personnel and office of financial management
17 shall develop a form to be used by any state elected official of the
18 executive branch to execute the salary reduction under subsection (1)
19 of this section through the state's central personnel payroll system.

20 (3) A voluntary reduction in salary shall be effective and continue
21 through June 29, 2013, unless the state elected official of the
22 executive branch directs in writing that the department of personnel
23 discontinue the reduction.

24 NEW SECTION. **Sec. 927.** (1) Except as provided in this section,
25 institutions of higher education are to achieve compensation reductions
26 as specifically set forth in the 2011-2013 fiscal biennium omnibus
27 appropriations act. For classified employees, the three percent salary
28 reduction shall be implemented through a temporary salary reduction,
29 voluntary or mandatory leave without pay, temporary layoffs or
30 reduction in work hours, or a reduction in the percentage of an
31 employee's position.

32 (2) Student employees and employees whose monthly full-time
33 equivalent salary is less than two thousand five hundred dollars per
34 month are not subject to subsection (1) of this section.

35 (3) This section does not prohibit institutions of higher education

1 from implementing temporary salary reduction leave for employees who
2 are entitled to leave.

3 **Sec. 928.** RCW 41.06.070 and 2010 c 271 s 801, 2010 c 2 s 2, and
4 2010 c 1 s 1 are each reenacted and amended to read as follows:

5 (1) The provisions of this chapter do not apply to:

6 (a) The members of the legislature or to any employee of, or
7 position in, the legislative branch of the state government including
8 members, officers, and employees of the legislative council, joint
9 legislative audit and review committee, statute law committee, and any
10 interim committee of the legislature;

11 (b) The justices of the supreme court, judges of the court of
12 appeals, judges of the superior courts or of the inferior courts, or to
13 any employee of, or position in the judicial branch of state
14 government;

15 (c) Officers, academic personnel, and employees of technical
16 colleges;

17 (d) The officers of the Washington state patrol;

18 (e) Elective officers of the state;

19 (f) The chief executive officer of each agency;

20 (g) In the departments of employment security and social and health
21 services, the director and the director's confidential secretary; in
22 all other departments, the executive head of which is an individual
23 appointed by the governor, the director, his or her confidential
24 secretary, and his or her statutory assistant directors;

25 (h) In the case of a multimember board, commission, or committee,
26 whether the members thereof are elected, appointed by the governor or
27 other authority, serve ex officio, or are otherwise chosen:

28 (i) All members of such boards, commissions, or committees;

29 (ii) If the members of the board, commission, or committee serve on
30 a part-time basis and there is a statutory executive officer: The
31 secretary of the board, commission, or committee; the chief executive
32 officer of the board, commission, or committee; and the confidential
33 secretary of the chief executive officer of the board, commission, or
34 committee;

35 (iii) If the members of the board, commission, or committee serve
36 on a full-time basis: The chief executive officer or administrative

1 officer as designated by the board, commission, or committee; and a
2 confidential secretary to the chair of the board, commission, or
3 committee;

4 (iv) If all members of the board, commission, or committee serve ex
5 officio: The chief executive officer; and the confidential secretary
6 of such chief executive officer;

7 (i) The confidential secretaries and administrative assistants in
8 the immediate offices of the elective officers of the state;

9 (j) Assistant attorneys general;

10 (k) Commissioned and enlisted personnel in the military service of
11 the state;

12 (l) Inmate, student, part-time, or temporary employees, and part-
13 time professional consultants, as defined by the Washington personnel
14 resources board;

15 (m) The public printer or to any employees of or positions in the
16 state printing plant;

17 (n) Officers and employees of the Washington state fruit
18 commission;

19 (o) Officers and employees of the Washington apple commission;

20 (p) Officers and employees of the Washington state dairy products
21 commission;

22 (q) Officers and employees of the Washington tree fruit research
23 commission;

24 (r) Officers and employees of the Washington state beef commission;

25 (s) Officers and employees of the Washington grain commission;

26 (t) Officers and employees of any commission formed under chapter
27 15.66 RCW;

28 (u) Officers and employees of agricultural commissions formed under
29 chapter 15.65 RCW;

30 ~~(v) ((Officers and employees of the nonprofit corporation formed
31 under chapter 67.40 RCW;~~

32 ~~(w))~~ Executive assistants for personnel administration and labor
33 relations in all state agencies employing such executive assistants
34 including but not limited to all departments, offices, commissions,
35 committees, boards, or other bodies subject to the provisions of this
36 chapter and this subsection shall prevail over any provision of law
37 inconsistent herewith unless specific exception is made in such law;

1 ~~((x))~~ (w) In each agency with fifty or more employees: Deputy
2 agency heads, assistant directors or division directors, and not more
3 than three principal policy assistants who report directly to the
4 agency head or deputy agency heads;

5 ~~((y))~~ (x) All employees of the marine employees' commission;

6 ~~((z))~~ (y) Staff employed by the department of commerce to
7 administer energy policy functions;

8 ~~((aa))~~ (z) The manager of the energy facility site evaluation
9 council;

10 ~~((bb))~~ (aa) A maximum of ten staff employed by the department of
11 commerce to administer innovation and policy functions, including the
12 three principal policy assistants exempted under ~~((x))~~ (w) of this
13 subsection;

14 ~~((cc))~~ (bb) Staff employed by Washington State University to
15 administer energy education, applied research, and technology transfer
16 programs under RCW 43.21F.045 as provided in RCW 28B.30.900(5).

17 (2) The following classifications, positions, and employees of
18 institutions of higher education and related boards are hereby exempted
19 from coverage of this chapter:

20 (a) Members of the governing board of each institution of higher
21 education and related boards, all presidents, vice presidents, and
22 their confidential secretaries, administrative, and personal
23 assistants; deans, directors, and chairs; academic personnel; and
24 executive heads of major administrative or academic divisions employed
25 by institutions of higher education; principal assistants to executive
26 heads of major administrative or academic divisions; other managerial
27 or professional employees in an institution or related board having
28 substantial responsibility for directing or controlling program
29 operations and accountable for allocation of resources and program
30 results, or for the formulation of institutional policy, or for
31 carrying out personnel administration or labor relations functions,
32 legislative relations, public information, development, senior computer
33 systems and network programming, or internal audits and investigations;
34 and any employee of a community college district whose place of work is
35 one which is physically located outside the state of Washington and who
36 is employed pursuant to RCW 28B.50.092 and assigned to an educational
37 program operating outside of the state of Washington;

1 (b) The governing board of each institution, and related boards,
2 may also exempt from this chapter classifications involving research
3 activities, counseling of students, extension or continuing education
4 activities, graphic arts or publications activities requiring
5 prescribed academic preparation or special training as determined by
6 the board: PROVIDED, That no nonacademic employee engaged in office,
7 clerical, maintenance, or food and trade services may be exempted by
8 the board under this provision;

9 (c) Printing craft employees in the department of printing at the
10 University of Washington.

11 (3) In addition to the exemptions specifically provided by this
12 chapter, the director of personnel may provide for further exemptions
13 pursuant to the following procedures. The governor or other
14 appropriate elected official may submit requests for exemption to the
15 director of personnel stating the reasons for requesting such
16 exemptions. The director of personnel shall hold a public hearing,
17 after proper notice, on requests submitted pursuant to this subsection.
18 If the director determines that the position for which exemption is
19 requested is one involving substantial responsibility for the
20 formulation of basic agency or executive policy or one involving
21 directing and controlling program operations of an agency or a major
22 administrative division thereof, the director of personnel shall grant
23 the request and such determination shall be final as to any decision
24 made before July 1, 1993. The total number of additional exemptions
25 permitted under this subsection shall not exceed one percent of the
26 number of employees in the classified service not including employees
27 of institutions of higher education and related boards for those
28 agencies not directly under the authority of any elected public
29 official other than the governor, and shall not exceed a total of
30 twenty-five for all agencies under the authority of elected public
31 officials other than the governor.

32 The salary and fringe benefits of all positions presently or
33 hereafter exempted except for the chief executive officer of each
34 agency, full-time members of boards and commissions, administrative
35 assistants and confidential secretaries in the immediate office of an
36 elected state official, and the personnel listed in subsections (1)(j)
37 through ~~((v))~~ (u) and ~~((y))~~ (x) and (2) of this section, shall be
38 determined by the director of personnel. Changes to the classification

1 plan affecting exempt salaries must meet the same provisions for
2 classified salary increases resulting from adjustments to the
3 classification plan as outlined in RCW 41.06.152.

4 From February 18, 2009, through June 30, (~~(2011)~~) 2013, a salary or
5 wage increase shall not be granted to any position exempt from
6 classification under this chapter, except that a salary or wage
7 increase may be granted to employees pursuant to collective bargaining
8 agreements negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW,
9 (~~(or negotiated by the nonprofit corporation formed under chapter 67.40~~
10 ~~RCW,~~) and except that increases may be granted for positions for which
11 the employer has demonstrated difficulty retaining qualified employees
12 if the following conditions are met:

13 (a) The salary increase can be paid within existing resources; and

14 (b) The salary increase will not adversely impact the provision of
15 client services.

16 Any agency granting a salary increase from February 15, 2010,
17 through June 30, 2011, to a position exempt from classification under
18 this chapter shall submit a report to the fiscal committees of the
19 legislature no later than July 31, 2011, detailing the positions for
20 which salary increases were granted, the size of the increases, and the
21 reasons for giving the increases.

22 Any agency granting a salary increase from July 1, 2011, through
23 June 30, 2013, to a position exempt from classification under this
24 chapter shall submit a report to the fiscal committees of the
25 legislature by July 31, 2012, and July 31, 2013, detailing the
26 positions for which salary increases were granted during the preceding
27 fiscal year, the size of the increases, and the reasons for giving the
28 increases.

29 Any person holding a classified position subject to the provisions
30 of this chapter shall, when and if such position is subsequently
31 exempted from the application of this chapter, be afforded the
32 following rights: If such person previously held permanent status in
33 another classified position, such person shall have a right of
34 reversion to the highest class of position previously held, or to a
35 position of similar nature and salary.

36 Any classified employee having civil service status in a classified
37 position who accepts an appointment in an exempt position shall have

1 the right of reversion to the highest class of position previously
2 held, or to a position of similar nature and salary.

3 A person occupying an exempt position who is terminated from the
4 position for gross misconduct or malfeasance does not have the right of
5 reversion to a classified position as provided for in this section.

6 From February 15, 2010, until June 30, (~~2011~~) 2013, no monetary
7 performance-based awards or incentives may be granted by the director
8 or employers to employees covered by rules adopted under this section.
9 This subsection does not prohibit the payment of awards provided for in
10 chapter 41.60 RCW.

11 From July 1, 2011, until June 30, 2013, no performance-based awards
12 or incentives may be granted by the director or employers to employees
13 pursuant to a performance management confirmation granted by the
14 department of personnel under WAC 357-37-055.

15 **Sec. 929.** RCW 41.06.133 and 2010 c 2 s 3 and 2010 c 1 s 2 are each
16 reenacted and amended to read as follows:

17 (1) The director shall adopt rules, consistent with the purposes
18 and provisions of this chapter and with the best standards of personnel
19 administration, regarding the basis and procedures to be followed for:

20 (a) The reduction, dismissal, suspension, or demotion of an
21 employee;

22 (b) Training and career development;

23 (c) Probationary periods of six to twelve months and rejections of
24 probationary employees, depending on the job requirements of the class,
25 except that entry level state park rangers shall serve a probationary
26 period of twelve months;

27 (d) Transfers;

28 (e) Promotional preferences;

29 (f) Sick leaves and vacations;

30 (g) Hours of work;

31 (h) Layoffs when necessary and subsequent reemployment, except for
32 the financial basis for layoffs;

33 (i) The number of names to be certified for vacancies;

34 (j) Adoption and revision of a state salary schedule to reflect the
35 prevailing rates in Washington state private industries and other
36 governmental units. The rates in the salary schedules or plans shall
37 be increased if necessary to attain comparable worth under an

1 implementation plan under RCW 41.06.155 and, for institutions of higher
2 education and related boards, shall be competitive for positions of a
3 similar nature in the state or the locality in which an institution of
4 higher education or related board is located. Such adoption and
5 revision is subject to approval by the director of financial management
6 in accordance with chapter 43.88 RCW;

7 (k) Increment increases within the series of steps for each pay
8 grade based on length of service for all employees whose standards of
9 performance are such as to permit them to retain job status in the
10 classified service. From February 18, 2009, through June 30, ((2011))
11 2013, a salary or wage increase shall not be granted to any exempt
12 position under this chapter, except that a salary or wage increase may
13 be granted to employees pursuant to collective bargaining agreements
14 negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW, ((~~or~~
15 ~~negotiated by the nonprofit corporation formed under chapter 67.40~~
16 ~~RCW~~)) and except that increases may be granted for positions for which
17 the employer has demonstrated difficulty retaining qualified employees
18 if the following conditions are met:

- 19 (i) The salary increase can be paid within existing resources; and
20 (ii) The salary increase will not adversely impact the provision of
21 client services;

22 Any agency granting a salary increase from February 15, 2010,
23 through June 30, 2011, to a position exempt under this chapter shall
24 submit a report to the fiscal committees of the legislature no later
25 than July 31, 2011, detailing the positions for which salary increases
26 were granted, the size of the increases, and the reasons for giving the
27 increases;

28 Any agency granting a salary increase from July 1, 2011, through
29 June 30, 2013, to a position exempt under this chapter shall submit a
30 report to the fiscal committees of the legislature by July 31, 2012,
31 and July 31, 2013, detailing the positions for which salary increases
32 were granted during the preceding fiscal year, the size of the
33 increases, and the reasons for giving the increases;

34 (l) Optional lump sum relocation compensation approved by the
35 agency director, whenever it is reasonably necessary that a person make
36 a domiciliary move in accepting a transfer or other employment with the
37 state. An agency must provide lump sum compensation within existing
38 resources. If the person receiving the relocation payment terminates

1 or causes termination with the state, for reasons other than layoff,
2 disability separation, or other good cause as determined by an agency
3 director, within one year of the date of the employment, the state is
4 entitled to reimbursement of the lump sum compensation from the person;

5 (m) Providing for veteran's preference as required by existing
6 statutes, with recognition of preference in regard to layoffs and
7 subsequent reemployment for veterans and their surviving spouses by
8 giving such eligible veterans and their surviving spouses additional
9 credit in computing their seniority by adding to their unbroken state
10 service, as defined by the director, the veteran's service in the
11 military not to exceed five years. For the purposes of this section,
12 "veteran" means any person who has one or more years of active military
13 service in any branch of the armed forces of the United States or who
14 has less than one year's service and is discharged with a disability
15 incurred in the line of duty or is discharged at the convenience of the
16 government and who, upon termination of such service, has received an
17 honorable discharge, a discharge for physical reasons with an honorable
18 record, or a release from active military service with evidence of
19 service other than that for which an undesirable, bad conduct, or
20 dishonorable discharge shall be given. However, the surviving spouse
21 of a veteran is entitled to the benefits of this section regardless of
22 the veteran's length of active military service. For the purposes of
23 this section, "veteran" does not include any person who has voluntarily
24 retired with twenty or more years of active military service and whose
25 military retirement pay is in excess of five hundred dollars per month.

26 (2) Rules adopted under this section by the director shall provide
27 for local administration and management by the institutions of higher
28 education and related boards, subject to periodic audit and review by
29 the director.

30 (3) Rules adopted by the director under this section may be
31 superseded by the provisions of a collective bargaining agreement
32 negotiated under RCW 41.80.001 and 41.80.010 through 41.80.130. The
33 supersession of such rules shall only affect employees in the
34 respective collective bargaining units.

35 (4)(a) The director shall require that each state agency report
36 annually the following data:

37 (i) The number of classified, Washington management service, and

1 exempt employees in the agency and the change compared to the previous
2 report;

3 (ii) The number of bonuses and performance-based incentives awarded
4 to agency staff and the base wages of such employees; and

5 (iii) The cost of each bonus or incentive awarded.

6 (b) A report that compiles the data in (a) of this subsection for
7 all agencies will be provided annually to the governor and the
8 appropriate committees of the legislature and must be posted for the
9 public on the department of personnel's agency web site.

10 (5) From February 15, 2010, until June 30, (~~2011~~) 2013, no
11 monetary performance-based awards or incentives may be granted by the
12 director or employers to employees covered by rules adopted under this
13 section. This subsection does not prohibit the payment of awards
14 provided for in chapter 41.60 RCW.

15 From July 1, 2011, until June 30, 2013, no performance-based awards
16 or incentives may be granted by the director or employers to employees
17 pursuant to a performance management confirmation granted by the
18 department of personnel under WAC 357-37-055.

19 **Sec. 930.** RCW 41.06.500 and 2010 c 2 s 4 and 2010 c 1 s 3 are each
20 reenacted and amended to read as follows:

21 (1) Except as provided in RCW 41.06.070, notwithstanding any other
22 provisions of this chapter, the director is authorized to adopt, after
23 consultation with state agencies and employee organizations, rules for
24 managers as defined in RCW 41.06.022. These rules shall not apply to
25 managers employed by institutions of higher education or related boards
26 or whose positions are exempt. The rules shall govern recruitment,
27 appointment, classification and allocation of positions, examination,
28 training and career development, hours of work, probation,
29 certification, compensation, transfer, affirmative action, promotion,
30 layoff, reemployment, performance appraisals, discipline, and any and
31 all other personnel practices for managers. These rules shall be
32 separate from rules adopted for other employees, and to the extent that
33 the rules adopted under this section apply only to managers shall take
34 precedence over rules adopted for other employees, and are not subject
35 to review by the board.

36 (2) In establishing rules for managers, the director shall adhere
37 to the following goals:

1 (a) Development of a simplified classification system that
2 facilitates movement of managers between agencies and promotes upward
3 mobility;

4 (b) Creation of a compensation system that provides flexibility in
5 setting and changing salaries, and shall require review and approval by
6 the director in the case of any salary changes greater than five
7 percent proposed for any group of employees;

8 (c) Establishment of a performance appraisal system that emphasizes
9 individual accountability for program results and efficient management
10 of resources; effective planning, organization, and communication
11 skills; valuing and managing workplace diversity; development of
12 leadership and interpersonal abilities; and employee development;

13 (d) Strengthening management training and career development
14 programs that build critical management knowledge, skills, and
15 abilities; focusing on managing and valuing workplace diversity;
16 empowering employees by enabling them to share in workplace decision
17 making and to be innovative, willing to take risks, and able to accept
18 and deal with change; promoting a workplace where the overall focus is
19 on the recipient of the government services and how these services can
20 be improved; and enhancing mobility and career advancement
21 opportunities;

22 (e) Permitting flexible recruitment and hiring procedures that
23 enable agencies to compete effectively with other employers, both
24 public and private, for managers with appropriate skills and training;
25 allowing consideration of all qualified candidates for positions as
26 managers; and achieving affirmative action goals and diversity in the
27 workplace;

28 (f) Providing that managers may only be reduced, dismissed,
29 suspended, or demoted for cause; and

30 (g) Facilitating decentralized and regional administration.

31 (3) From February 18, 2009, through June 30, (~~2011~~) 2013, a
32 salary or wage increase shall not be granted to any position under this
33 section, except that increases may be granted for positions for which
34 the employer has demonstrated difficulty retaining qualified employees
35 if the following conditions are met:

36 (a) The salary increase can be paid within existing resources; and

37 (b) The salary increase will not adversely impact the provision of
38 client services.

1 Any agency granting a salary increase from February 15, 2010,
2 through June 30, 2011, to a position under this section shall submit a
3 report to the fiscal committees of the legislature no later than July
4 31, 2011, detailing the positions for which salary increases were
5 granted, the size of the increases, and the reasons for giving the
6 increases.

7 Any agency granting a salary increase from July 1, 2011, through
8 June 30, 2013, to a position under this section shall submit a report
9 to the fiscal committees of the legislature by July 31, 2012, and July
10 31, 2013, detailing the positions for which salary increases were
11 granted during the preceding fiscal year, the size of the increases,
12 and the reasons for giving the increases.

13 (4) From February 15, 2010, until June 30, ((2011)) 2013, no
14 monetary performance-based awards or growth and development progression
15 adjustments may be granted by the director or employers to the
16 Washington management service employees covered by the rules adopted
17 under this section. This subsection does not prohibit the payment of
18 awards provided for in chapter 41.60 RCW.

19 From July 1, 2011, until June 30, 2013, no performance-based awards
20 or incentives may be granted by the director or employers to employees
21 pursuant to a performance management confirmation granted by the
22 department of personnel under WAC 357-37-055.

23 **Sec. 931.** RCW 43.03.030 and 2010 c 1 s 4 are each amended to read
24 as follows:

25 (1) Wherever the compensation of any appointive state officer or
26 employee is fixed by statute, it may be hereafter increased or
27 decreased in the manner provided by law for the fixing of compensation
28 of other appointive state officers or employees; but this subsection
29 shall not apply to the heads of state departments.

30 (2) Wherever the compensation of any state officer appointed by the
31 governor, or of any employee in any office or department under the
32 control of any such officer, is fixed by statute, such compensation may
33 hereafter, from time to time, be changed by the governor, and he or she
34 shall have power to fix such compensation at any amount not to exceed
35 the amount fixed by statute.

36 (3) From February 18, 2009, through June 30, ((2011)) 2013, a
37 salary or wage increase shall not be granted to any position under this

1 section, except that increases may be granted for positions for which
2 the employer has demonstrated difficulty retaining qualified employees
3 if the following conditions are met:

4 (a) The salary increase can be paid within existing resources; and

5 (b) The salary increase will not adversely impact the provision of
6 client services.

7 Any agency granting a salary increase from February 15, 2010,
8 through June 30, 2011, to a position exempt under this section shall
9 submit a report to the fiscal committees of the legislature no later
10 than July 31, 2011, detailing the positions for which salary increases
11 were granted, the size of the increases, and the reasons for giving the
12 increases.

13 Any agency granting a salary increase from July 1, 2011, through
14 June 30, 2013, to a position exempt under this section shall submit a
15 report to the fiscal committees of the legislature by July 31, 2012,
16 and July 31, 2013, detailing the positions for which salary increases
17 were granted during the preceding fiscal year, the size of the
18 increases, and the reasons for giving the increases.

19 **Sec. 932.** RCW 43.03.040 and 2010 1st sp.s. c 7 s 5 and 2010 c 1 s
20 5 are each reenacted and amended to read as follows:

21 The directors of the several departments and members of the several
22 boards and commissions, whose salaries are fixed by the governor and
23 the chief executive officers of the agencies named in RCW 43.03.028(1)
24 as now or hereafter amended shall each severally receive such salaries,
25 payable in monthly installments, as shall be fixed by the governor or
26 the appropriate salary fixing authority, in an amount not to exceed the
27 recommendations of the department of personnel. From February 18,
28 2009, through June 30, (~~2011~~) 2013, a salary or wage increase shall
29 not be granted to any position under this section, except that
30 increases may be granted for positions for which the employer has
31 demonstrated difficulty retaining qualified employees if the following
32 conditions are met:

33 (1) The salary increase can be paid within existing resources; and

34 (2) The salary increase will not adversely impact the provision
35 (~~of~~) of client services.

36 Any agency granting a salary increase from February 15, 2010,
37 through June 30, 2011, to a position under this section shall submit a

1 report to the fiscal committees of the legislature no later than July
2 31, 2011, detailing the positions for which salary increases were
3 granted, the size of the increases, and the reasons for giving the
4 increases.

5 Any agency granting a salary increase from July 1, 2011, through
6 June 30, 2013, to a position under this section shall submit a report
7 to the fiscal committees of the legislature by July 31, 2012, and July
8 31, 2013, detailing the positions for which salary increases were
9 granted during the preceding fiscal year, the size of the increases,
10 and the reasons for giving the increases.

11 **Sec. 933.** RCW 41.60.150 and 2010 c 1 s 6 are each amended to read
12 as follows:

13 Other than suggestion awards and incentive pay unit awards,
14 agencies shall have the authority to recognize employees, either
15 individually or as a class, for accomplishments including outstanding
16 achievements, safety performance, longevity, outstanding public
17 service, or service as employee suggestion evaluators and implementors.
18 Recognition awards may not exceed two hundred dollars in value per
19 award. Such awards may include, but not be limited to, cash or such
20 items as pen and desk sets, plaques, pins, framed certificates, clocks,
21 and calculators. Award costs shall be paid by the agency giving the
22 award. From February 15, 2010, through June 30, (~~2011~~) 2013,
23 recognition awards may not be given in the form of cash or cash
24 equivalents such as gift certificates or gift cards.

25 NEW SECTION. **Sec. 934.** (1) Notwithstanding sections 928 through
26 932 of this act, during the 2011-2013 fiscal biennium institutions of
27 higher education may grant a wage or salary increase for additional
28 academic responsibilities during the summer quarter if the following
29 conditions are met:

- 30 (a) The salary increase can be paid within existing resources; and
- 31 (b) The salary increase will not adversely impact the provision of
32 client services.

33 (2) Any institution granting a wage or salary increase under this
34 section from July 1, 2011, through June 30, 2013, shall submit a report
35 to the fiscal committees of the legislature by July 31, 2012, and July

1 31, 2013, detailing the positions for which salary increases were
2 granted, the size of the increases, and the reasons for giving the
3 increases.

4 **Sec. 935.** RCW 41.06.560 and 2010 c 2 s 6 are each amended to read
5 as follows:

6 From February 15, 2010, until June 30, (~~2011~~) 2013, no monetary
7 performance-based awards or incentives may be granted by the director
8 or employers to employees covered by rules adopted under this section.
9 This section does not prohibit the payment of awards provided for in
10 chapter 41.60 RCW.

11 From July 1, 2011, until June 30, 2013, no performance-based awards
12 or incentives may be granted by the director or employers to employees
13 pursuant to a performance management confirmation granted by the
14 department of personnel under WAC 357-37-055.

15 **Sec. 936.** RCW 41.50.110 and 2009 c 564 s 924 are each amended to
16 read as follows:

17 (1) Except as provided by RCW 41.50.255 and subsection (6) of this
18 section, all expenses of the administration of the department, the
19 expenses of administration of the retirement systems, and the expenses
20 of the administration of the office of the state actuary created in
21 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43,
22 and 44.44 RCW shall be paid from the department of retirement systems
23 expense fund.

24 (2) In order to reimburse the department of retirement systems
25 expense fund on an equitable basis the department shall ascertain and
26 report to each employer, as defined in RCW 41.26.030, 41.32.010,
27 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its
28 proportional share of the entire expense of the administration of the
29 retirement system that the employer participates in during the ensuing
30 biennium or fiscal year whichever may be required. Such sum is to be
31 computed in an amount directly proportional to the estimated entire
32 expense of the administration as the ratio of monthly salaries of the
33 employer's members bears to the total salaries of all members in the
34 entire system. It shall then be the duty of all such employers to
35 include in their budgets or otherwise provide the amounts so required.

1 (3) The department shall compute and bill each employer, as defined
2 in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the
3 end of each month for the amount due for that month to the department
4 of retirement systems expense fund and the same shall be paid as are
5 its other obligations. Such computation as to each employer shall be
6 made on a percentage rate of salary established by the department.
7 However, the department may at its discretion establish a system of
8 billing based upon calendar year quarters in which event the said
9 billing shall be at the end of each such quarter.

10 (4) The director may adjust the expense fund contribution rate for
11 each system at any time when necessary to reflect unanticipated costs
12 or savings in administering the department.

13 (5) An employer who fails to submit timely and accurate reports to
14 the department may be assessed an additional fee related to the
15 increased costs incurred by the department in processing the deficient
16 reports. Fees paid under this subsection shall be deposited in the
17 retirement system expense fund.

18 (a) Every six months the department shall determine the amount of
19 an employer's fee by reviewing the timeliness and accuracy of the
20 reports submitted by the employer in the preceding six months. If
21 those reports were not both timely and accurate the department may
22 prospectively assess an additional fee under this subsection.

23 (b) An additional fee assessed by the department under this
24 subsection shall not exceed fifty percent of the standard fee.

25 (c) The department shall adopt rules implementing this section.

26 (6) Expenses other than those under RCW 41.34.060(3) shall be paid
27 pursuant to subsection (1) of this section.

28 (7) During the (~~2007-2009 and~~) 2009-2011 and 2011-2013 fiscal
29 biennia, the legislature may transfer from the department of retirement
30 systems' expense fund to the state general fund such amounts as reflect
31 the excess fund balance of the fund.

32 **Sec. 937.** RCW 41.80.010 and 2010 c 104 s 1 are each amended to
33 read as follows:

34 (1) For the purpose of negotiating collective bargaining agreements
35 under this chapter, the employer shall be represented by the governor
36 or governor's designee, except as provided for institutions of higher
37 education in subsection (4) of this section.

1 (2)(a) If an exclusive bargaining representative represents more
2 than one bargaining unit, the exclusive bargaining representative shall
3 negotiate with each employer representative as designated in subsection
4 (1) of this section one master collective bargaining agreement on
5 behalf of all the employees in bargaining units that the exclusive
6 bargaining representative represents. For those exclusive bargaining
7 representatives who represent fewer than a total of five hundred
8 employees each, negotiation shall be by a coalition of all those
9 exclusive bargaining representatives. The coalition shall bargain for
10 a master collective bargaining agreement covering all of the employees
11 represented by the coalition. The governor's designee and the
12 exclusive bargaining representative or representatives are authorized
13 to enter into supplemental bargaining of agency-specific issues for
14 inclusion in or as an addendum to the master collective bargaining
15 agreement, subject to the parties' agreement regarding the issues and
16 procedures for supplemental bargaining. This section does not prohibit
17 cooperation and coordination of bargaining between two or more
18 exclusive bargaining representatives.

19 (b) This subsection (2) does not apply to exclusive bargaining
20 representatives who represent employees of institutions of higher
21 education, except when the institution of higher education has elected
22 to exercise its option under subsection (4) of this section to have its
23 negotiations conducted by the governor or governor's designee under the
24 procedures provided for general government agencies in subsections (1)
25 through (3) of this section.

26 (c) If five hundred or more employees of an independent state
27 elected official listed in RCW 43.01.010 are organized in a bargaining
28 unit or bargaining units under RCW 41.80.070, the official shall be
29 consulted by the governor or the governor's designee before any
30 agreement is reached under (a) of this subsection concerning
31 supplemental bargaining of agency specific issues affecting the
32 employees in such bargaining unit.

33 (3) The governor shall submit a request for funds necessary to
34 implement the compensation and fringe benefit provisions in the master
35 collective bargaining agreement or for legislation necessary to
36 implement the agreement. Requests for funds necessary to implement the
37 provisions of bargaining agreements shall not be submitted to the
38 legislature by the governor unless such requests:

1 (a) Have been submitted to the director of the office of financial
2 management by October 1 prior to the legislative session at which the
3 requests are to be considered; and

4 (b) Have been certified by the director of the office of financial
5 management as being feasible financially for the state.

6 The legislature shall approve or reject the submission of the
7 request for funds as a whole. The legislature shall not consider a
8 request for funds to implement a collective bargaining agreement unless
9 the request is transmitted to the legislature as part of the governor's
10 budget document submitted under RCW 43.88.030 and 43.88.060. If the
11 legislature rejects or fails to act on the submission, either party may
12 reopen all or part of the agreement or the exclusive bargaining
13 representative may seek to implement the procedures provided for in RCW
14 41.80.090.

15 (4)(a)(i) For the purpose of negotiating agreements for
16 institutions of higher education, the employer shall be the respective
17 governing board of each of the universities, colleges, or community
18 colleges or a designee chosen by the board to negotiate on its behalf.

19 (ii) A governing board of a university or college may elect to have
20 its negotiations conducted by the governor or governor's designee under
21 the procedures provided for general government agencies in subsections
22 (1) through (3) of this section, except that:

23 (A) The governor or the governor's designee and an exclusive
24 bargaining representative shall negotiate one master collective
25 bargaining agreement for all of the bargaining units of employees of a
26 university or college that the representative represents; or

27 (B) If the parties mutually agree, the governor or the governor's
28 designee and an exclusive bargaining representative shall negotiate one
29 master collective bargaining agreement for all of the bargaining units
30 of employees of more than one university or college that the
31 representative represents.

32 (iii) A governing board of a community college may elect to have
33 its negotiations conducted by the governor or governor's designee under
34 the procedures provided for general government agencies in subsections
35 (1) through (3) of this section.

36 (b) Prior to entering into negotiations under this chapter, the
37 institutions of higher education or their designees shall consult with

1 the director of the office of financial management regarding financial
2 and budgetary issues that are likely to arise in the impending
3 negotiations.

4 (c)(i) If appropriations are necessary to implement the
5 compensation and fringe benefit provisions of the bargaining agreements
6 reached between institutions of higher education and exclusive
7 bargaining representatives agreed to under the provisions of this
8 chapter, the governor shall submit a request for such funds to the
9 legislature according to the provisions of subsection (3) of this
10 section, except as provided in (c)(ii) of this subsection.

11 (ii) In the case of a bargaining unit of employees of institutions
12 of higher education in which the exclusive bargaining representative is
13 certified during or after the conclusion of a legislative session, the
14 legislature may act upon the compensation and fringe benefit provisions
15 of the unit's initial collective bargaining agreement if those
16 provisions are agreed upon and submitted to the office of financial
17 management and legislative budget committees before final legislative
18 action on the biennial or supplemental operating budget by the sitting
19 legislature.

20 (5) There is hereby created a joint committee on employment
21 relations, which consists of two members with leadership positions in
22 the house of representatives, representing each of the two largest
23 caucuses; the chair and ranking minority member of the house
24 appropriations committee, or its successor, representing each of the
25 two largest caucuses; two members with leadership positions in the
26 senate, representing each of the two largest caucuses; and the chair
27 and ranking minority member of the senate ways and means committee, or
28 its successor, representing each of the two largest caucuses. The
29 governor shall periodically consult with the committee regarding
30 appropriations necessary to implement the compensation and fringe
31 benefit provisions in the master collective bargaining agreements, and
32 upon completion of negotiations, advise the committee on the elements
33 of the agreements and on any legislation necessary to implement the
34 agreements.

35 (6) If, after the compensation and fringe benefit provisions of an
36 agreement are approved by the legislature, a significant revenue
37 shortfall occurs resulting in reduced appropriations, as declared by

1 proclamation of the governor or by resolution of the legislature, both
2 parties shall immediately enter into collective bargaining for a
3 mutually agreed upon modification of the agreement.

4 (7) After the expiration date of a collective bargaining agreement
5 negotiated under this chapter, all of the terms and conditions
6 specified in the collective bargaining agreement remain in effect until
7 the effective date of a subsequently negotiated agreement, not to
8 exceed one year from the expiration date stated in the agreement.
9 Thereafter, the employer may unilaterally implement according to law.

10 (8) For the 2011-2013 fiscal biennium, a collective bargaining
11 agreement related to employee health care benefits negotiated between
12 the employer and coalition pursuant to RCW 41.80.020(3) regarding the
13 dollar amount expended on behalf of each employee shall be a separate
14 agreement for which the governor may request funds necessary to
15 implement the agreement. If such an agreement is negotiated and funded
16 by the legislature, this agreement will supersede any terms and
17 conditions of an expired 2009-2011 biennial master collective
18 bargaining agreement under this chapter regarding health care benefits.

19 **Sec. 938.** RCW 41.80.020 and 2010 c 283 s 16 are each amended to
20 read as follows:

21 (1) Except as otherwise provided in this chapter, the matters
22 subject to bargaining include wages, hours, and other terms and
23 conditions of employment, and the negotiation of any question arising
24 under a collective bargaining agreement.

25 (2) The employer is not required to bargain over matters pertaining
26 to:

27 (a) Health care benefits or other employee insurance benefits,
28 except as required in subsection (3) of this section;

29 (b) Any retirement system or retirement benefit; or

30 (c) Rules of the director of personnel or the Washington personnel
31 resources board adopted under section 203, chapter 354, Laws of 2002.

32 (3) Matters subject to bargaining include the number of names to be
33 certified for vacancies, promotional preferences, and the dollar amount
34 expended on behalf of each employee for health care benefits. However,
35 except as provided otherwise in this subsection for institutions of
36 higher education, negotiations regarding the number of names to be
37 certified for vacancies, promotional preferences, and the dollar amount

1 expended on behalf of each employee for health care benefits shall be
2 conducted between the employer and one coalition of all the exclusive
3 bargaining representatives subject to this chapter. The exclusive
4 bargaining representatives for employees that are subject to chapter
5 47.64 RCW shall bargain the dollar amount expended on behalf of each
6 employee for health care benefits with the employer as part of the
7 coalition under this subsection. Any such provision agreed to by the
8 employer and the coalition shall be included in all master collective
9 bargaining agreements negotiated by the parties. For institutions of
10 higher education, promotional preferences and the number of names to be
11 certified for vacancies shall be bargained under the provisions of RCW
12 41.80.010(4). For agreements covering the 2011-2013 fiscal biennium,
13 any agreement between the employer and the coalition regarding the
14 dollar amount expended on behalf of each employee for health care
15 benefits is a separate agreement and shall not be included in the
16 master collective bargaining agreements negotiated by the parties.

17 (4) The employer and the exclusive bargaining representative shall
18 not agree to any proposal that would prevent the implementation of
19 approved affirmative action plans or that would be inconsistent with
20 the comparable worth agreement that provided the basis for the salary
21 changes implemented beginning with the 1983-1985 biennium to achieve
22 comparable worth.

23 (5) The employer and the exclusive bargaining representative shall
24 not bargain over matters pertaining to management rights established in
25 RCW 41.80.040.

26 (6) Except as otherwise provided in this chapter, if a conflict
27 exists between an executive order, administrative rule, or agency
28 policy relating to wages, hours, and terms and conditions of employment
29 and a collective bargaining agreement negotiated under this chapter,
30 the collective bargaining agreement shall prevail. A provision of a
31 collective bargaining agreement that conflicts with the terms of a
32 statute is invalid and unenforceable.

33 (7) This section does not prohibit bargaining that affects
34 contracts authorized by RCW 41.06.142.

35 **Sec. 939.** RCW 43.07.129 and 2007 c 523 s 4 are each amended to
36 read as follows:

37 The Washington state heritage center account is created in the

1 custody of the state treasurer. All moneys received under RCW
2 36.18.010(11) and 43.07.128 must be deposited in the account.
3 Expenditures from the account may be made only for the following
4 purposes:

5 (1) Payment of the certificate of participation issued for the
6 Washington state heritage center;

7 (2) Capital maintenance of the Washington state heritage center;
8 and

9 (3) Program operations that serve the public, relate to the
10 collections and exhibits housed in the Washington state heritage
11 center, or fulfill the missions of the state archives, state library,
12 and capital museum.

13 Only the secretary of state or the secretary of state's designee
14 may authorize expenditures from the account. An appropriation is not
15 required for expenditures, but the account is subject to allotment
16 procedures under chapter 43.88 RCW. During the 2011-2013 fiscal
17 biennium, the legislature may transfer from the Washington state
18 heritage center account to the state general fund such amounts as
19 reflect the excess fund balance of the account.

20 **Sec. 940.** RCW 43.08.190 and 2010 c 222 s 3 are each amended to
21 read as follows:

22 There is hereby created a fund within the state treasury to be
23 known as the "state treasurer's service fund." Such fund shall be used
24 solely for the payment of costs and expenses incurred in the operation
25 and administration of the state treasurer's office.

26 Moneys shall be allocated monthly and placed in the state
27 treasurer's service fund equivalent to a maximum of one percent of the
28 trust and treasury average daily cash balances from the earnings
29 generated under the authority of RCW 43.79A.040 and 43.84.080 other
30 than earnings generated from investment of balances in funds and
31 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
32 precede the distribution of the remaining earnings as prescribed under
33 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
34 uniform allocation rate for all funds and accounts; except that the
35 state treasurer may negotiate a different allocation rate with any
36 state agency that has independent authority over funds not statutorily
37 required to be held in the state treasury or in the custody of the

1 state treasurer. In no event shall the rate be less than the actual
2 costs incurred by the state treasurer's office. If no rate is
3 separately negotiated, the default rate for any funds held shall be the
4 rate set for funds held pursuant to statute.

5 During the 2009-2011 fiscal biennium and the 2011-2013 fiscal
6 biennium, the legislature may transfer from the state treasurer's
7 service fund to the state general fund such amounts as reflect the
8 excess fund balance of the fund.

9 **Sec. 941.** RCW 43.09.412 and 1995 c 301 s 26 are each amended to
10 read as follows:

11 The amounts to be disbursed from the auditing services revolving
12 account shall be paid from funds appropriated to any and all state
13 agencies for auditing services or administrative expenses. State
14 agencies operating in whole or in part from nonappropriated funds shall
15 pay into the auditing services revolving account such funds as will
16 fully reimburse funds appropriated to the state auditor for auditing
17 services provided. During the 2011-2013 fiscal biennium, funds shall
18 not be appropriated into the auditing services revolving account and
19 state agencies operating in whole or in part from nonappropriated funds
20 shall not pay into the auditing services revolving account. During the
21 2011-2013 fiscal biennium, the performance audit of state government
22 account is the sole source of funding for auditing services provided to
23 state agencies by the state auditor.

24 The director of financial management shall allot all such funds to
25 the state auditor for the operation of his or her office, pursuant to
26 appropriation, in the same manner as appropriated funds are allocated
27 to other state agencies headed by elected officers under chapter 43.88
28 RCW.

29 **Sec. 942.** RCW 43.09.475 and 2009 c 564 s 929 are each amended to
30 read as follows:

31 The performance audits of government account is hereby created in
32 the custody of the state treasurer. Revenue identified in RCW
33 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money
34 in the account shall be used to fund the performance audits and follow-
35 up performance audits under RCW 43.09.470 and shall be expended by the
36 state auditor in accordance with chapter 1, Laws of 2006. Only the

1 state auditor or the state auditor's designee may authorize
2 expenditures from the account. The account is subject to allotment
3 procedures under chapter 43.88 RCW, but an appropriation is not
4 required for expenditures. During the 2009-2011 fiscal biennium, the
5 legislature may transfer from the performance audits of government
6 account to the state general fund such amounts as deemed to be
7 appropriate or necessary. During 2011-2013 fiscal biennium, the
8 performance audit of state government account shall be the sole source
9 of funding for auditing services provided to state agencies by the
10 state auditor. Required auditing services for state agencies to be
11 performed in the 2011-2013 fiscal biennium includes work to complete
12 the annual audit of the state's comprehensive annual financial report
13 and the annual federal single audit consistent with the auditing
14 standards generally accepted in the United States and the standards
15 applicable to financial audits contained in government auditing
16 standards, issued by the comptroller general of the United States, and
17 audits of state agencies, audits of nonprofit organizations that
18 receive funds or contract with state agencies in accordance with OMB
19 circular A-133, audits of school programs, and audits under the
20 whistleblower act, chapter 42.40 RCW, for state agencies. In addition,
21 during the 2011-2013 fiscal biennium the account may be used to fund
22 the office of financial management's contract for the compliance audit
23 of the state auditor.

24 **Sec. 943.** RCW 43.19.501 and 2009 c 564 s 932 are each amended to
25 read as follows:

26 The Thurston county capital facilities account is created in the
27 state treasury. The account is subject to the appropriation and
28 allotment procedures under chapter 43.88 RCW. Moneys in the account
29 may be expended for capital projects in facilities owned and managed by
30 the department of general administration in Thurston county. For the
31 2007-2009 biennium, moneys in the account may be used for predesign
32 identified in section 1037, chapter 328, Laws of 2008.

33 During the 2009-2011 and 2011-2013 fiscal (~~(biennium)~~) biennia, the
34 legislature may transfer from the Thurston county capital facilities
35 account to the state general fund such amounts as reflect the excess
36 fund balance of the account.

1 **Sec. 944.** RCW 43.79.201 and 2009 c 564 s 935 are each amended to
2 read as follows:

3 (1) The charitable, educational, penal and reformatory institutions
4 account is hereby created, in the state treasury, into which account
5 there shall be deposited all moneys arising from the sale, lease or
6 transfer of the land granted by the United States government to the
7 state for charitable, educational, penal and reformatory institutions
8 by section 17 of the enabling act, or otherwise set apart for such
9 institutions, except all moneys arising from the sale, lease, or
10 transfer of that certain one hundred thousand acres of such land
11 assigned for the support of the University of Washington by chapter 91,
12 Laws of 1903 and section 9, chapter 122, Laws of 1893.

13 (2) If feasible, not less than one-half of all income to the
14 charitable, educational, penal, and reformatory institutions account
15 shall be appropriated for the purpose of providing housing, including
16 repair and renovation of state institutions, for persons with mental
17 illness or developmental disabilities, or youth who are blind, deaf, or
18 otherwise disabled. If moneys are appropriated for community-based
19 housing, the moneys shall be appropriated to the department of
20 (~~community, trade, and economic development~~) commerce for the housing
21 assistance program under chapter 43.185 RCW. During the 2009-2011 and
22 2011-2013 fiscal (~~biennium~~) biennia, the legislature may transfer
23 from the charitable, educational, penal and reformatory institutions
24 account to the state general fund such amounts as reflect excess fund
25 balance of the (~~fund {account}~~) account.

26 **Sec. 945.** RCW 43.79.465 and 2010 1st sp.s. c 37 s 929 are each
27 amended to read as follows:

28 The education savings account is created in the state treasury.
29 The account shall consist of all moneys appropriated to the account by
30 the legislature.

31 (1) Ten percent of legislative appropriations to the education
32 savings account shall be distributed as follows: (a) Fifty percent to
33 the distinguished professorship trust fund under RCW 28B.76.565; (b)
34 seventeen percent to the graduate fellowship trust fund under RCW
35 28B.76.610; and (c) thirty-three percent to the college faculty awards
36 trust fund under RCW 28B.50.837.

1 (2) The remaining moneys in the education savings account may be
2 appropriated solely for (a) common school construction projects that
3 are eligible for funding from the common school construction account,
4 (b) technology improvements in the common schools, (c) during the 2001-
5 03 fiscal biennium, technology improvements in public higher education
6 institutions, (d) during the 2007-2009 fiscal biennium, the legislature
7 may transfer from the education savings account to the state general
8 fund such amounts as reflect the excess fund balance of the account
9 attributable to unspent state general fund appropriations for fiscal
10 year 2008, (~~and~~) (e) for fiscal year 2010, the legislature may
11 transfer from the education savings account to the state general fund
12 such amounts as reflect the fund balance of the account attributable to
13 unspent general fund appropriations for fiscal year 2009; and (f) for
14 fiscal years 2012 and 2013, the legislature may transfer from the
15 education savings account to the state general fund such amounts as
16 reflect the fund balance of the account attributable to unspent general
17 fund appropriations for fiscal years 2011 and 2012.

18 **Sec. 946.** RCW 43.135.045 and 2010 1st sp.s. c 27 s 5 are each
19 amended to read as follows:

20 The education construction fund is hereby created in the state
21 treasury.

22 (1) Funds may be appropriated from the education construction fund
23 exclusively for common school construction or higher education
24 construction. During the 2007-2009 fiscal biennium, funds may also be
25 used for higher education facilities preservation and maintenance.
26 During the 2009-2011 (~~fiscal biennium~~) and 2011-2013 fiscal biennia,
27 the legislature may transfer from the education construction fund to
28 the state general fund such amounts as reflect the excess fund balance
29 of the fund.

30 (2) Funds may be appropriated for any other purpose only if
31 approved by a two-thirds vote of each house of the legislature and if
32 approved by a vote of the people at the next general election. An
33 appropriation approved by the people under this subsection shall result
34 in an adjustment to the state expenditure limit only for the fiscal
35 period for which the appropriation is made and shall not affect any
36 subsequent fiscal period.

1 (3) Funds for the student achievement program in RCW 28A.505.210
2 and 28A.505.220 shall be appropriated to the superintendent of public
3 instruction strictly for distribution to school districts to meet the
4 provisions set out in the student achievement act. Allocations shall
5 be made on an equal per full-time equivalent student basis to each
6 school district.

7 (4) After July 1, 2010, the state treasurer shall transfer one
8 hundred two million dollars from the general fund to the education
9 construction fund by June 30th of each year.

10 **Sec. 947.** RCW 43.155.050 and 2010 1st sp.s. c 37 s 932 and 2010
11 1st sp.s. c 36 s 6007 are each reenacted and amended to read as
12 follows:

13 The public works assistance account is hereby established in the
14 state treasury. Money may be placed in the public works assistance
15 account from the proceeds of bonds when authorized by the legislature
16 or from any other lawful source. Money in the public works assistance
17 account shall be used to make loans and to give financial guarantees to
18 local governments for public works projects. Moneys in the account may
19 also be appropriated to provide for state match requirements under
20 federal law for projects and activities conducted and financed by the
21 board under the drinking water assistance account. Not more than
22 fifteen percent of the biennial capital budget appropriation to the
23 public works board from this account may be expended or obligated for
24 preconstruction loans, emergency loans, or loans for capital facility
25 planning under this chapter; of this amount, not more than ten percent
26 of the biennial capital budget appropriation may be expended for
27 emergency loans and not more than one percent of the biennial capital
28 budget appropriation may be expended for capital facility planning
29 loans. For the 2007-2009 biennium, moneys in the account may be used
30 for grants for projects identified in section 138, chapter 488, Laws of
31 2005 and section 1033, chapter 520, Laws of 2007. During the 2009-2011
32 fiscal biennium, sums in the public works assistance account may be
33 used for the water pollution control revolving fund program match in
34 section 3013, chapter 36, Laws of 2010 1st sp. sess. During the 2009-
35 2011 fiscal biennium, the legislature may transfer from the job
36 development fund to the general fund such amounts as reflect the excess
37 fund balance of the fund. During the 2011-2013 fiscal biennium, the

1 legislature may transfer from the public works assistance account to
2 the water pollution control revolving account and the drinking water
3 assistance account such amounts as reflect the excess fund balance of
4 the account.

5 NEW SECTION. Sec. 948. Section 947 (RCW 43.155.050) of this act
6 takes effect June 30, 2011.

7 **Sec. 949.** RCW 43.185C.060 and 2007 c 427 s 6 are each amended to
8 read as follows:

9 The home security fund account is created in the state treasury,
10 subject to appropriation. The state's portion of the surcharge
11 established in RCW 36.22.179 and 36.22.1791 must be deposited in the
12 account. Expenditures from the account may be used only for homeless
13 housing programs as described in this chapter. During the 2011-2013
14 fiscal biennium, the legislature may transfer from the home security
15 fund account to the transitional housing operating and rent account
16 such amounts as reflect the excess fund balance of the account.

17 **Sec. 950.** RCW 43.330.250 and 2009 c 565 s 13 and 2009 c 564 s 943
18 are each reenacted and amended to read as follows:

19 (1) The economic development strategic reserve account is created
20 in the state treasury to be used only for the purposes of this section.

21 (2) Only the governor, with the recommendation of the director of
22 the department of commerce and the economic development commission, may
23 authorize expenditures from the account.

24 (3) Expenditures from the account shall be made in an amount
25 sufficient to fund a minimum of one staff position for the economic
26 development commission and to cover any other operational costs of the
27 commission.

28 (4) During the 2009-2011 (~~fiscal biennium~~) and 2011-2013 fiscal
29 biennia, moneys in the account may also be transferred into the state
30 general fund.

31 (5) Expenditures from the account may be made to prevent closure of
32 a business or facility, to prevent relocation of a business or facility
33 in the state to a location outside the state, or to recruit a business
34 or facility to the state. Expenditures may be authorized for:

35 (a) Workforce development;

1 (b) Public infrastructure needed to support or sustain the
2 operations of the business or facility; and

3 (c) Other lawfully provided assistance, including, but not limited
4 to, technical assistance, environmental analysis, relocation
5 assistance, and planning assistance. Funding may be provided for such
6 assistance only when it is in the public interest and may only be
7 provided under a contractual arrangement ensuring that the state will
8 receive appropriate consideration, such as an assurance of job creation
9 or retention.

10 (6) The funds shall not be expended from the account unless:

11 (a) The circumstances are such that time does not permit the
12 director of the department of commerce or the business or facility to
13 secure funding from other state sources;

14 (b) The business or facility produces or will produce significant
15 long-term economic benefits to the state, a region of the state, or a
16 particular community in the state;

17 (c) The business or facility does not require continuing state
18 support;

19 (d) The expenditure will result in new jobs, job retention, or
20 higher incomes for citizens of the state;

21 (e) The expenditure will not supplant private investment; and

22 (f) The expenditure is accompanied by private investment.

23 (7) No more than three million dollars per year may be expended
24 from the account for the purpose of assisting an individual business or
25 facility pursuant to the authority specified in this section.

26 (8) If the account balance in the strategic reserve account exceeds
27 fifteen million dollars at any time, the amount in excess of fifteen
28 million dollars shall be transferred to the education construction
29 account.

30 **Sec. 951.** RCW 66.08.170 and 2009 c 564 s 947 are each amended to
31 read as follows:

32 There shall be a fund, known as the "liquor revolving fund", which
33 shall consist of all license fees, permit fees, penalties, forfeitures,
34 and all other moneys, income, or revenue received by the board. The
35 state treasurer shall be custodian of the fund. All moneys received by
36 the board or any employee thereof, except for change funds and an
37 amount of petty cash as fixed by the board within the authority of law

1 shall be deposited each day in a depository approved by the state
2 treasurer and transferred to the state treasurer to be credited to the
3 liquor revolving fund. During the 2009-2011 fiscal biennium, the
4 legislature may transfer funds from the liquor revolving account [fund]
5 to the state general fund and may direct an additional amount of liquor
6 profits to be distributed to local governments. Neither the transfer
7 of funds nor the additional distribution of liquor profits to local
8 governments during the 2009-2011 fiscal biennium may reduce the excess
9 fund distributions that otherwise would occur under RCW 66.08.190.
10 During the 2011-2013 fiscal biennium, the legislature may transfer
11 funds from the liquor revolving fund to the state general fund. The
12 transfer during the 2011-2013 fiscal biennium may not reduce the excess
13 fund distributions that otherwise would occur under RCW 66.08.190.
14 Disbursements from the revolving fund shall be on authorization of the
15 board or a duly authorized representative thereof. In order to
16 maintain an effective expenditure and revenue control the liquor
17 revolving fund shall be subject in all respects to chapter 43.88 RCW
18 but no appropriation shall be required to permit expenditures and
19 payment of obligations from such fund.

20 **Sec. 952.** RCW 66.08.190 and 2003 1st sp.s. c 25 s 927 are each
21 amended to read as follows:

22 (1) Except for revenues generated by the 2003 surcharge of
23 \$0.42/liter on retail sales of spirits that (~~shall~~) must be
24 distributed to the state general fund during the 2003-2005 biennium,
25 when excess funds are distributed, all moneys subject to distribution
26 (~~shall~~) must be disbursed as follows:

27 (a) Three-tenths of one percent to border areas under RCW
28 66.08.195; and

29 (b) Except as provided in subsection (4) of this section, from the
30 amount remaining after distribution under (a) of this subsection, (i)
31 fifty percent to the general fund of the state, (ii) ten percent to the
32 counties of the state, and (iii) forty percent to the incorporated
33 cities and towns of the state.

34 (2) During the months of June, September, December, and March of
35 each year, prior to disbursing the distribution to incorporated cities
36 and towns under subsection (1)(b) of this section, the treasurer
37 (~~shall~~) must deduct from that distribution an amount that will fund

1 that quarter's allotments under RCW 43.88.110 from any legislative
2 appropriation from the city and town research services account. The
3 treasurer (~~shall~~) must deposit the amount deducted into the city and
4 town research services account.

5 (3) The governor may notify and direct the state treasurer to
6 withhold the revenues to which the counties and cities are entitled
7 under this section if the counties or cities are found to be in
8 noncompliance pursuant to RCW 36.70A.340.

9 (4) During the 2011-2013 fiscal biennium, from the amount remaining
10 after distribution under subsection (1)(a) of this section, (a) 51.7
11 percent to the general fund of the state, (b) 9.7 percent to the
12 counties of the state, and (c) 38.6 percent to the incorporated cities
13 and towns of the state.

14 **Sec. 953.** RCW 66.08.235 and 2005 c 151 s 4 are each amended to
15 read as follows:

16 The liquor control board construction and maintenance account is
17 created within the state treasury. The liquor control board shall
18 deposit into this account a portion of the board's markup, as
19 authorized by chapter 66.16 RCW, placed upon liquor as determined by
20 the board. Moneys in the account may be spent only after
21 appropriation. The liquor control board shall use deposits to this
22 account to fund construction and maintenance of a centralized
23 distribution center for liquor products intended for sale through the
24 board's liquor store and contract liquor store system. During the
25 (~~2001-2003~~) 2011-2013 fiscal biennium, the legislature may transfer
26 from the liquor control board construction and maintenance account to
27 the state general fund such amounts as reflect the (~~appropriations~~
28 ~~reductions made by the 2002 supplemental appropriations act for~~
29 ~~administrative efficiencies and savings~~) excess fund balance of the
30 account.

31 **Sec. 954.** RCW 67.70.260 and 2002 c 371 s 919 are each amended to
32 read as follows:

33 There is hereby created the lottery administrative account in the
34 state treasury. The account shall be managed, controlled, and
35 maintained by the director. The legislature may appropriate from the
36 account for the payment of costs incurred in the operation and

1 administration of the lottery. During the 2001-2003 fiscal biennium,
2 the legislature may transfer from the lottery administrative account to
3 the state general fund such amounts as reflect the appropriations
4 reductions made by the 2002 supplemental appropriations act for
5 administrative efficiencies and savings. During the 2011-2013 fiscal
6 biennium, the lottery administrative account may also be used to fund
7 an independent forecast of the lottery revenues conducted by the
8 economic and revenue forecast council.

9 **Sec. 955.** RCW 70.48.440 and 1984 c 235 s 5 are each amended to
10 read as follows:

11 The office of financial management shall establish a uniform
12 equitable rate for reimbursing cities and counties for the care of
13 sentenced felons who are the financial responsibility of the department
14 of corrections and are detained or incarcerated in a city or county
15 jail. During the 2011-2013 fiscal biennium, this rate may not exceed
16 eighty dollars per day.

17 Until June 30, 1985, the rate for the care of sentenced felons who
18 are the financial responsibility of the department of corrections shall
19 be ten dollars per day. Cost of extraordinary emergency medical care
20 incurred by prisoners who are the financial responsibility of the
21 department of corrections under this chapter shall be reimbursed. The
22 department of corrections shall be advised as far in advance as
23 practicable by competent medical authority of the nature and course of
24 treatment required to ensure the most efficient use of state resources
25 to address the medical needs of the offender. In the event emergency
26 medical care is needed, the department of corrections shall be advised
27 as soon as practicable after the offender is treated.

28 Prior to June 30, 1985, the office of financial management shall
29 meet with the corrections standards board to establish criteria to
30 determine equitable rates regarding variable costs for sentenced felons
31 who are the financial responsibility of the department of corrections
32 after June 30, 1985. The office of financial management shall re-
33 establish these rates each even-numbered year beginning in 1986.

34 **Sec. 956.** RCW 70.93.180 and 2010 1st sp.s. c 37 s 945 are each
35 amended to read as follows:

36 (1) There is hereby created an account within the state treasury to

1 be known as the "waste reduction, recycling, and litter control
2 account". Moneys in the account may be spent only after appropriation.
3 Expenditures from the waste reduction, recycling, and litter control
4 account shall be used as follows:

5 (a) Fifty percent to the department of ecology, for use by the
6 departments of ecology, natural resources, revenue, transportation, and
7 corrections, and the parks and recreation commission, for use in litter
8 collection programs, to be distributed under RCW 70.93.220. The amount
9 to the department of ecology shall also be used for a central
10 coordination function for litter control efforts statewide, for the
11 biennial litter survey under RCW 70.93.200(8), and for statewide public
12 awareness programs under RCW 70.93.200(7). The amount to the
13 department shall also be used to defray the costs of administering the
14 funding, coordination, and oversight of local government programs for
15 waste reduction, litter control, and recycling, so that local
16 governments can apply one hundred percent of their funding to achieving
17 program goals. The amount to the department of revenue shall be used
18 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

19 (b) Twenty percent to the department for local government funding
20 programs for waste reduction, litter control, and recycling activities
21 by cities and counties under RCW 70.93.250, to be administered by the
22 department of ecology; and

23 (c) Thirty percent to the department of ecology for waste reduction
24 and recycling efforts.

25 (2) All taxes imposed in RCW 82.19.010 and fines and bail
26 forfeitures collected or received pursuant to this chapter shall be
27 deposited in the waste reduction, recycling, and litter control account
28 and used for the programs under subsection (1) of this section.

29 (3) Not less than five percent and no more than ten percent of the
30 amount appropriated into the waste reduction, recycling, and litter
31 control account every biennium shall be reserved for capital needs,
32 including the purchase of vehicles for transporting crews and for
33 collecting litter and solid waste. Capital funds shall be distributed
34 among state agencies and local governments according to the same
35 criteria provided in RCW 70.93.220 for the remainder of the funds, so
36 that the most effective waste reduction, litter control, and recycling
37 programs receive the most funding. The intent of this subsection is to

1 provide funds for the purchase of equipment that will enable the
2 department to account for the greatest return on investment in terms of
3 reaching a zero litter goal.

4 (4) During the 2009-2011 fiscal biennium, the legislature may
5 transfer from the waste reduction, recycling, and litter control
6 account to the state general fund such amounts as reflect the excess
7 fund balance of the account. Additionally, during the 2009-2011 fiscal
8 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

9 (5) During the 2011-2013 fiscal biennium, the legislature may
10 transfer from the waste reduction, recycling, and litter control
11 account to the state general fund such amounts as reflect the excess
12 fund balance of the account. Additionally, during the 2011-2013 fiscal
13 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

14 **Sec. 957.** RCW 70.105D.070 and 2010 1st sp.s. c 37 s 942 are each
15 amended to read as follows:

16 (1) The state toxics control account and the local toxics control
17 account are hereby created in the state treasury.

18 (2) The following moneys shall be deposited into the state toxics
19 control account: (a) Those revenues which are raised by the tax
20 imposed under RCW 82.21.030 and which are attributable to that portion
21 of the rate equal to thirty-three one-hundredths of one percent; (b)
22 the costs of remedial actions recovered under this chapter or chapter
23 70.105A RCW; (c) penalties collected or recovered under this chapter;
24 and (d) any other money appropriated or transferred to the account by
25 the legislature. Moneys in the account may be used only to carry out
26 the purposes of this chapter, including but not limited to the
27 following activities:

28 (i) The state's responsibility for hazardous waste planning,
29 management, regulation, enforcement, technical assistance, and public
30 education required under chapter 70.105 RCW;

31 (ii) The state's responsibility for solid waste planning,
32 management, regulation, enforcement, technical assistance, and public
33 education required under chapter 70.95 RCW;

34 (iii) The hazardous waste cleanup program required under this
35 chapter;

36 (iv) State matching funds required under the federal cleanup law;

1 (v) Financial assistance for local programs in accordance with
2 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

3 (vi) State government programs for the safe reduction, recycling,
4 or disposal of hazardous wastes from households, small businesses, and
5 agriculture;

6 (vii) Hazardous materials emergency response training;

7 (viii) Water and environmental health protection and monitoring
8 programs;

9 (ix) Programs authorized under chapter 70.146 RCW;

10 (x) A public participation program, including regional citizen
11 advisory committees;

12 (xi) Public funding to assist potentially liable persons to pay for
13 the costs of remedial action in compliance with cleanup standards under
14 RCW 70.105D.030(2)(e) but only when the amount and terms of such
15 funding are established under a settlement agreement under RCW
16 70.105D.040(4) and when the director has found that the funding will
17 achieve both (A) a substantially more expeditious or enhanced cleanup
18 than would otherwise occur, and (B) the prevention or mitigation of
19 unfair economic hardship;

20 (xii) Development and demonstration of alternative management
21 technologies designed to carry out the hazardous waste management
22 priorities of RCW 70.105.150;

23 (xiii) During the 2009-2011 and 2011-2013 fiscal ~~((biennium))~~
24 biennia, shoreline update technical assistance; ~~((and))~~

25 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional
26 permitting teams; and

27 (xv) During the 2011-2013 fiscal biennium, actions for reducing
28 public exposure to toxic air pollution.

29 (3) The following moneys shall be deposited into the local toxics
30 control account: Those revenues which are raised by the tax imposed
31 under RCW 82.21.030 and which are attributable to that portion of the
32 rate equal to thirty-seven one-hundredths of one percent.

33 (a) Moneys deposited in the local toxics control account shall be
34 used by the department for grants or loans to local governments for the
35 following purposes in descending order of priority:

36 (i) Remedial actions;

37 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

1 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
2 70.95I, and 70.105 RCW;

3 (iv) Funds for a program to assist in the assessment and cleanup of
4 sites of methamphetamine production, but not to be used for the initial
5 containment of such sites, consistent with the responsibilities and
6 intent of RCW 69.50.511; and

7 (v) Cleanup and disposal of hazardous substances from abandoned or
8 derelict vessels, defined for the purposes of this section as vessels
9 that have little or no value and either have no identified owner or
10 have an identified owner lacking financial resources to clean up and
11 dispose of the vessel, that pose a threat to human health or the
12 environment.

13 (b) Funds for plans and programs shall be allocated consistent with
14 the priorities and matching requirements established in chapters
15 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
16 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
17 project that is referenced in the action agenda developed by the Puget
18 Sound partnership under RCW 90.71.310, shall, except as conditioned by
19 RCW 70.105D.120, receive priority for any available funding for any
20 grant or funding programs or sources that use a competitive bidding
21 process. During the 2007-2009 fiscal biennium, moneys in the account
22 may also be used for grants to local governments to retrofit public
23 sector diesel equipment and for storm water planning and implementation
24 activities.

25 (c) To expedite cleanups throughout the state, the department shall
26 partner with local communities and liable parties for cleanups. The
27 department is authorized to use the following additional strategies in
28 order to ensure a healthful environment for future generations:

29 (i) The director may alter grant-matching requirements to create
30 incentives for local governments to expedite cleanups when one of the
31 following conditions exists:

32 (A) Funding would prevent or mitigate unfair economic hardship
33 imposed by the clean-up liability;

34 (B) Funding would create new substantial economic development,
35 public recreational, or habitat restoration opportunities that would
36 not otherwise occur; or

37 (C) Funding would create an opportunity for acquisition and

1 redevelopment of vacant, orphaned, or abandoned property under RCW
2 70.105D.040(5) that would not otherwise occur;

3 (ii) The use of outside contracts to conduct necessary studies;

4 (iii) The purchase of remedial action cost-cap insurance, when
5 necessary to expedite multiparty clean-up efforts.

6 (d) To facilitate and expedite cleanups using funds from the local
7 toxics control account, during the 2009-2011 fiscal biennium the
8 director may establish grant-funded accounts to hold and disperse local
9 toxics control account funds and funds from local governments to be
10 used for remedial actions.

11 (4) Except for unanticipated receipts under RCW 43.79.260 through
12 43.79.282, moneys in the state and local toxics control accounts may be
13 spent only after appropriation by statute.

14 (5) Except during the 2009-2011 fiscal biennium, one percent of the
15 moneys deposited into the state and local toxics control accounts shall
16 be allocated only for public participation grants to persons who may be
17 adversely affected by a release or threatened release of a hazardous
18 substance and to not-for-profit public interest organizations. The
19 primary purpose of these grants is to facilitate the participation by
20 persons and organizations in the investigation and remedying of
21 releases or threatened releases of hazardous substances and to
22 implement the state's solid and hazardous waste management priorities.
23 No grant may exceed sixty thousand dollars. Grants may be renewed
24 annually. Moneys appropriated for public participation from either
25 account which are not expended at the close of any biennium shall
26 revert to the state toxics control account.

27 (6) No moneys deposited into either the state or local toxics
28 control account may be used for solid waste incinerator feasibility
29 studies, construction, maintenance, or operation, or, after January 1,
30 2010, for projects designed to address the restoration of Puget Sound,
31 funded in a competitive grant process, that are in conflict with the
32 action agenda developed by the Puget Sound partnership under RCW
33 90.71.310.

34 (7) The department shall adopt rules for grant or loan issuance and
35 performance.

36 (8) During the 2007-2009 and 2009-2011 fiscal biennia, the
37 legislature may transfer from the local toxics control account to

1 either the state general fund or the oil spill prevention account, or
2 both such amounts as reflect excess fund balance in the account.

3 (9) During the 2009-2011 fiscal biennium, the local toxics control
4 account may also be used for a standby rescue tug at Neah Bay, local
5 government shoreline update grants, private and public sector diesel
6 equipment retrofit, and oil spill prevention, preparedness, and
7 response activities.

8 (10) During the 2009-2011 fiscal biennium, the legislature may
9 transfer from the state toxics control account to the state general
10 fund such amounts as reflect the excess fund balance in the account.

11 (11) During the 2011-2013 fiscal biennium, the local toxics control
12 account may also be used for local government shoreline update grants
13 and actions for reducing public exposure to toxic air pollution.

14 **Sec. 958.** RCW 74.13.621 and 2009 c 564 s 954 are each amended to
15 read as follows:

16 (1) Within existing resources, the department shall establish an
17 oversight committee to monitor, guide, and report on kinship care
18 recommendations and implementation activities. The committee shall:

19 (a) Draft a kinship care definition that is restricted to persons
20 related by blood, marriage, or adoption, including marriages that have
21 been dissolved, or for a minor defined as an "Indian child" under the
22 federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the
23 definition of "extended family member" under the federal Indian child
24 welfare act, and a set of principles. If the committee concludes that
25 one or more programs or services would be more efficiently and
26 effectively delivered under a different definition of kin, it shall
27 state what definition is needed, and identify the program or service in
28 the report. It shall also provide evidence of how the program or
29 service will be more efficiently and effectively delivered under the
30 different definition. The department shall not adopt rules or policies
31 changing the definition of kin without authorizing legislation;

32 (b) Monitor and provide consultation on the implementation of
33 recommendations contained in the 2002 kinship care report, including
34 but not limited to the recommendations relating to legal and respite
35 care services and resources;

36 (c) Partner with nonprofit organizations and private sector
37 businesses to guide a public education awareness campaign; and

1 (d) Assist with developing future recommendations on kinship care
2 issues.

3 (2) The department shall consult with the oversight committee on
4 its efforts to better collaborate and coordinate services to benefit
5 kinship care families.

6 (3) The oversight committee must consist of a minimum of thirty
7 percent kinship caregivers, who shall represent a diversity of kinship
8 families. Statewide representation with geographic, ethnic, and gender
9 diversity is required. Other members shall include representatives of
10 the department, representatives of relevant state agencies,
11 representatives of the private nonprofit and business sectors, child
12 advocates, representatives of Washington state Indian tribes as defined
13 under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and
14 representatives of the legal or judicial field. Birth parents, foster
15 parents, and others who have an interest in these issues may also be
16 included.

17 (4) To the extent funding is available, the department may
18 reimburse nondepartmental members of the oversight committee for costs
19 incurred in participating in the meetings of the oversight committee.

20 (5) The kinship care oversight committee shall update the
21 legislature and governor annually on committee activities, with the
22 first update due by January 1, 2006.

23 (6) This section expires June 30, (~~2011~~) 2013.

24 **Sec. 959.** RCW 79.64.040 and 2009 c 564 s 957 are each amended to
25 read as follows:

26 (1) The board shall determine the amount deemed necessary in order
27 to achieve the purposes of this chapter and shall provide by rule for
28 the deduction of this amount from the moneys received from all leases,
29 sales, contracts, licenses, permits, easements, and rights-of-way
30 issued by the department and affecting state lands and aquatic lands,
31 provided that no deduction shall be made from the proceeds from
32 agricultural college lands.

33 (2) Moneys received as deposits from successful bidders, advance
34 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
35 prior to December 1, 1981, which have not been subjected to deduction
36 under this section are not subject to deduction under this section.

1 (3) Except as otherwise provided in subsection (5) of this section,
2 the deductions authorized under this section shall not exceed twenty-
3 five percent of the moneys received by the department in connection
4 with any one transaction pertaining to state lands and aquatic lands
5 other than second-class tide and shore lands and the beds of navigable
6 waters, and fifty percent of the moneys received by the department
7 pertaining to second-class tide and shore lands and the beds of
8 navigable waters.

9 (4) In the event that the department sells logs using the contract
10 harvesting process described in RCW 79.15.500 through 79.15.530, the
11 moneys received subject to this section are the net proceeds from the
12 contract harvesting sale.

13 (5) During the 2009-2011 fiscal biennium and fiscal year 2012, the
14 twenty-five percent limitation on deductions set in subsection (3) of
15 this section may be increased up to thirty percent by the board.

16 **Sec. 960.** RCW 79.105.150 and 2010 1st sp.s. c 37 s 949 are each
17 amended to read as follows:

18 (1) After deduction for management costs as provided in RCW
19 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
20 received by the state from the sale or lease of state-owned aquatic
21 lands and from the sale of valuable material from state-owned aquatic
22 lands shall be deposited in the aquatic lands enhancement account which
23 is hereby created in the state treasury. After appropriation, these
24 funds shall be used solely for aquatic lands enhancement projects; for
25 the purchase, improvement, or protection of aquatic lands for public
26 purposes; for providing and improving access to the lands; and for
27 volunteer cooperative fish and game projects. During the 2009-2011
28 fiscal biennium, the aquatic lands enhancement account may also be used
29 for scientific research as part of the adaptive management process.
30 During the 2009-~~2011~~ (~~(fiscal biennium)~~) and 2011-2013 fiscal biennia,
31 the legislature may transfer from the aquatic lands enhancement account
32 to the state general fund such amounts as reflect excess fund balance
33 of the account.

34 (2) In providing grants for aquatic lands enhancement projects, the
35 recreation and conservation funding board shall:

36 (a) Require grant recipients to incorporate the environmental
37 benefits of the project into their grant applications;

1 (b) Utilize the statement of environmental benefits, consideration,
2 except as provided in RCW 79.105.610, of whether the applicant is a
3 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
4 referenced in the action agenda developed by the Puget Sound
5 partnership under RCW 90.71.310, and except as otherwise provided in
6 RCW 79.105.630, and effective one calendar year following the
7 development and statewide availability of model evergreen community
8 management plans and ordinances under RCW 35.105.050, whether the
9 applicant is an entity that has been recognized, and what gradation of
10 recognition was received, in the evergreen community recognition
11 program created in RCW 35.105.030 in its prioritization and selection
12 process; and

13 (c) Develop appropriate outcome-focused performance measures to be
14 used both for management and performance assessment of the grants.

15 (3) To the extent possible, the department should coordinate its
16 performance measure system with other natural resource-related agencies
17 as defined in RCW 43.41.270.

18 (4) The department shall consult with affected interest groups in
19 implementing this section.

20 (5) After January 1, 2010, any project designed to address the
21 restoration of Puget Sound may be funded under this chapter only if the
22 project is not in conflict with the action agenda developed by the
23 Puget Sound partnership under RCW 90.71.310.

24 **Sec. 961.** RCW 80.36.430 and 2011 c 5 s 919 are each amended to
25 read as follows:

26 (1) The Washington telephone assistance program shall be funded by
27 a telephone assistance excise tax on all switched access lines and by
28 funds from any federal government or other programs for this purpose.
29 Switched access lines are defined in RCW 82.14B.020. The telephone
30 assistance excise tax shall be applied equally to all residential and
31 business access lines not to exceed fourteen cents per month. The
32 department shall submit an approved annual budget for the Washington
33 telephone assistance program to the department of revenue no later than
34 March 1st prior to the beginning of each fiscal year. The department
35 of revenue shall then determine the amount of telephone assistance
36 excise tax to be placed on each switched access line and shall inform
37 local exchange companies and the utilities and transportation

1 commission of this amount no later than May 1st. The department of
2 revenue shall determine the amount of telephone assistance excise tax
3 by dividing the total of the program budget funded by the telephone
4 assistance excise tax, as submitted by the department, by the total
5 number of switched access lines in the prior calendar year. The
6 telephone assistance excise tax shall be separately identified on each
7 ratepayer's bill as the "Washington telephone assistance program." All
8 money collected from the telephone assistance excise tax shall be
9 transferred to a telephone assistance fund administered by the
10 department.

11 (2) Local exchange companies shall bill the fund for their expenses
12 incurred in offering the telephone assistance program, including
13 administrative and program expenses. The department shall disburse the
14 money to the local exchange companies. The department is exempted from
15 having to conclude a contract with local exchange companies in order to
16 effect this reimbursement. The department shall recover its
17 administrative costs from the fund. The department may specify by rule
18 the range and extent of administrative and program expenses that will
19 be reimbursed to local exchange companies.

20 (3) The department shall enter into an agreement with the
21 department of commerce for an amount not to exceed eight percent of the
22 prior fiscal year's total revenue for the administrative and program
23 expenses of providing community service voice mail services. The
24 community service voice mail service may include toll-free lines in
25 community action agencies through which recipients can access their
26 community service voice mailboxes at no charge.

27 (4) During the 2009-2011 (~~biennium~~) and 2011-2013 biennia, the
28 department shall enter into an agreement with the WIN 211 organization
29 for operational support. During the 2011-2013 biennium, the department
30 shall provide five hundred thousand dollars per fiscal year for this
31 purpose.

32 (5) During the 2009-2011 biennium, the telephone assistance fund
33 shall also be used in support of the economic services administration
34 call centers and related operations.

35 **Sec. 962.** RCW 82.08.160 and 1982 1st ex.s. c 35 s 4 are each
36 amended to read as follows:

37 (1) On or before the twenty-fifth day of each month, all taxes

1 collected under RCW 82.08.150 during the preceding month (~~shall~~) must
2 be remitted to the state department of revenue, to be deposited with
3 the state treasurer. Except as provided in subsection (2) of this
4 section, upon receipt of such moneys the state treasurer (~~shall~~) must
5 credit sixty-five percent of the sums collected and remitted under RCW
6 82.08.150 (1) and (2) and one hundred percent of the sums collected and
7 remitted under RCW 82.08.150 (3) and (4) to the state general fund and
8 thirty-five percent of the sums collected and remitted under RCW
9 82.08.150 (1) and (2) to a fund which is hereby created to be known as
10 the "liquor excise tax fund."

11 (2) During the 2011-2013 fiscal biennium, 66.19 percent of the sums
12 collected and remitted under RCW 82.08.150 (1) and (2) must be
13 deposited in the state general fund and the remainder collected and
14 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
15 liquor excise tax fund.

16 **Sec. 963.** RCW 82.14.310 and 2005 c 282 s 49 are each amended to
17 read as follows:

18 (1) The county criminal justice assistance account is created in
19 the state treasury. Beginning in fiscal year 2000, the state treasurer
20 (~~shall~~) must transfer into the county criminal justice assistance
21 account from the general fund the sum of twenty-three million two
22 hundred thousand dollars divided into four equal deposits occurring on
23 July 1, October 1, January 1, and April 1. For each fiscal year
24 thereafter, the state treasurer (~~shall~~) must increase the total
25 transfer by the fiscal growth factor, as defined in RCW 43.135.025,
26 forecast for that fiscal year by the office of financial management in
27 November of the preceding year.

28 (2) The moneys deposited in the county criminal justice assistance
29 account for distribution under this section, less any moneys
30 appropriated for purposes under subsection (4) of this section,
31 (~~shall~~) must be distributed at such times as distributions are made
32 under RCW 82.44.150 and on the relative basis of each county's funding
33 factor as determined under this subsection.

- 34 (a) A county's funding factor is the sum of:
35 (i) The population of the county, divided by one thousand, and
36 multiplied by two-tenths;
37 (ii) The crime rate of the county, multiplied by three-tenths; and

1 (iii) The annual number of criminal cases filed in the county
2 superior court, for each one thousand in population, multiplied by
3 five-tenths.

4 (b) Under this section and RCW 82.14.320 and 82.14.330:

5 (i) The population of the county or city (~~shall be~~) is as last
6 determined by the office of financial management;

7 (ii) The crime rate of the county or city is the annual occurrence
8 of specified criminal offenses, as calculated in the most recent annual
9 report on crime in Washington state as published by the Washington
10 association of sheriffs and police chiefs, for each one thousand in
11 population;

12 (iii) The annual number of criminal cases filed in the county
13 superior court (~~shall~~) must be determined by the most recent annual
14 report of the courts of Washington, as published by the administrative
15 office of the courts;

16 (iv) Distributions and eligibility for distributions in the (~~1989-~~
17 ~~91~~) 1989-1991 biennium (~~shall~~) must be based on 1988 figures for
18 both the crime rate as described under (ii) of this subsection and the
19 annual number of criminal cases that are filed as described under (iii)
20 of this subsection. Future distributions (~~shall~~) must be based on
21 the most recent figures for both the crime rate as described under (ii)
22 of this subsection and the annual number of criminal cases that are
23 filed as described under (iii) of this subsection.

24 (3) Moneys distributed under this section (~~shall~~) must be
25 expended exclusively for criminal justice purposes and (~~shall~~) may
26 not be used to replace or supplant existing funding. Criminal justice
27 purposes are defined as activities that substantially assist the
28 criminal justice system, which may include circumstances where
29 ancillary benefit to the civil or juvenile justice system occurs, and
30 which includes (a) domestic violence services such as those provided by
31 domestic violence programs, community advocates, and legal advocates,
32 as defined in RCW 70.123.020, and (b) during the 2001-2003 fiscal
33 biennium, juvenile dispositional hearings relating to petitions for at-
34 risk youth, truancy, and children in need of services. Existing
35 funding for purposes of this subsection is defined as calendar year
36 1989 actual operating expenditures for criminal justice purposes.
37 Calendar year 1989 actual operating expenditures for criminal justice
38 purposes exclude the following: Expenditures for extraordinary events

1 not likely to reoccur, changes in contract provisions for criminal
2 justice services, beyond the control of the local jurisdiction
3 receiving the services, and major nonrecurring capital expenditures.

4 (4) Not more than five percent of the funds deposited to the county
5 criminal justice assistance account (~~shall~~) may be available for
6 appropriations for enhancements to the state patrol crime laboratory
7 system and the continuing costs related to these enhancements. Funds
8 appropriated from this account for such enhancements (~~shall~~) may not
9 supplant existing funds from the state general fund.

10 (5) During the 2011-2013 fiscal biennium, the amount that would
11 otherwise be transferred into the county criminal justice assistance
12 account from the general fund under subsection (1) of this section must
13 be reduced by 3.4 percent.

14 **Sec. 964.** RCW 82.14.320 and 1998 c 321 s 12 are each amended to
15 read as follows:

16 (1) The municipal criminal justice assistance account is created in
17 the state treasury. Beginning in fiscal year 2000, the state treasurer
18 (~~shall~~) must transfer into the municipal criminal justice assistance
19 account for distribution under this section from the general fund the
20 sum of four million six hundred thousand dollars divided into four
21 equal deposits occurring on July 1, October 1, January 1, and April 1.
22 For each fiscal year thereafter, the state treasurer (~~shall~~) must
23 increase the total transfer by the fiscal growth factor, as defined in
24 RCW 43.135.025, forecast for that fiscal year by the office of
25 financial management in November of the preceding year.

26 (2) No city may receive a distribution under this section from the
27 municipal criminal justice assistance account unless:

28 (a) The city has a crime rate in excess of one hundred twenty-five
29 percent of the statewide average as calculated in the most recent
30 annual report on crime in Washington state as published by the
31 Washington association of sheriffs and police chiefs;

32 (b) The city has levied the tax authorized in RCW 82.14.030(2) at
33 the maximum rate or the tax authorized in RCW 82.46.010(3) at the
34 maximum rate; and

35 (c) The city has a per capita yield from the tax imposed under RCW
36 82.14.030(1) at the maximum rate of less than one hundred fifty percent

1 of the statewide average per capita yield for all cities from such
2 local sales and use tax.

3 (3) The moneys deposited in the municipal criminal justice
4 assistance account for distribution under this section, less any moneys
5 appropriated for purposes under subsection (7) of this section,
6 (~~shall~~) must be distributed at such times as distributions are made
7 under RCW 82.44.150. The distributions (~~shall~~) must be made as
8 follows:

9 (a) Unless reduced by this subsection, thirty percent of the moneys
10 (~~shall~~) must be distributed ratably based on population as last
11 determined by the office of financial management to those cities
12 eligible under subsection (2) of this section that have a crime rate
13 determined under subsection (2)(a) of this section which is greater
14 than one hundred seventy-five percent of the statewide average crime
15 rate. No city may receive more than fifty percent of any moneys
16 distributed under this subsection (a) but, if a city distribution is
17 reduced as a result of exceeding the fifty percent limitation, the
18 amount not distributed (~~shall~~) must be distributed under (b) of this
19 subsection.

20 (b) The remainder of the moneys, including any moneys not
21 distributed in subsection (2)(a) of this section, (~~shall~~) must be
22 distributed to all cities eligible under subsection (2) of this section
23 ratably based on population as last determined by the office of
24 financial management.

25 (4) No city may receive more than thirty percent of all moneys
26 distributed under subsection (3) of this section.

27 (5) Notwithstanding other provisions of this section, the
28 distributions to any city that substantially decriminalizes or repeals
29 its criminal code after July 1, 1990, and that does not reimburse the
30 county for costs associated with criminal cases under RCW 3.50.800 or
31 3.50.805(2), (~~shall~~) must be made to the county in which the city is
32 located.

33 (6) Moneys distributed under this section (~~shall~~) must be
34 expended exclusively for criminal justice purposes and (~~shall~~) may
35 not be used to replace or supplant existing funding. Criminal justice
36 purposes are defined as activities that substantially assist the
37 criminal justice system, which may include circumstances where
38 ancillary benefit to the civil justice system occurs, and which

1 includes domestic violence services such as those provided by domestic
2 violence programs, community advocates, and legal advocates, as defined
3 in RCW 70.123.020, and publications and public educational efforts
4 designed to provide information and assistance to parents in dealing
5 with runaway or at-risk youth. Existing funding for purposes of this
6 subsection is defined as calendar year 1989 actual operating
7 expenditures for criminal justice purposes. Calendar year 1989 actual
8 operating expenditures for criminal justice purposes exclude the
9 following: Expenditures for extraordinary events not likely to
10 reoccur, changes in contract provisions for criminal justice services,
11 beyond the control of the local jurisdiction receiving the services,
12 and major nonrecurring capital expenditures.

13 (7) Not more than five percent of the funds deposited to the
14 municipal criminal justice assistance account (~~shall~~) may be
15 available for appropriations for enhancements to the state patrol crime
16 laboratory system and the continuing costs related to these
17 enhancements. Funds appropriated from this account for such
18 enhancements (~~shall~~) may not supplant existing funds from the state
19 general fund.

20 (8) During the 2011-2013 fiscal biennium, the amount that would
21 otherwise be transferred into the municipal criminal justice assistance
22 account from the general fund under subsection (1) of this section must
23 be reduced by 3.4 percent.

24 **Sec. 965.** RCW 82.14.330 and 2003 c 90 s 1 are each amended to read
25 as follows:

26 (1)(a) Beginning in fiscal year 2000, the state treasurer (~~shall~~)
27 must transfer into the municipal criminal justice assistance account
28 for distribution under this section from the general fund the sum of
29 four million six hundred thousand dollars divided into four equal
30 deposits occurring on July 1, October 1, January 1, and April 1. For
31 each fiscal year thereafter, the state treasurer (~~shall~~) must
32 increase the total transfer by the fiscal growth factor, as defined in
33 RCW 43.135.025, forecast for that fiscal year by the office of
34 financial management in November of the preceding year. The moneys
35 deposited in the municipal criminal justice assistance account for
36 distribution under this section, less any moneys appropriated for

1 purposes under subsection (4) of this section, (~~shall~~) must be
2 distributed to the cities of the state as follows:

3 (~~(a)~~) (i) Twenty percent appropriated for distribution (~~shall~~)
4 must be distributed to cities with a three-year average violent crime
5 rate for each one thousand in population in excess of one hundred fifty
6 percent of the statewide three-year average violent crime rate for each
7 one thousand in population. The three-year average violent crime rate
8 (~~shall~~) must be calculated using the violent crime rates for each of
9 the preceding three years from the annual reports on crime in
10 Washington state as published by the Washington association of sheriffs
11 and police chiefs. Moneys (~~shall~~) must be distributed under this
12 subsection (1)(a) ratably based on population as last determined by the
13 office of financial management, but no city may receive more than one
14 dollar per capita. Moneys remaining undistributed under this
15 subsection at the end of each calendar year (~~shall~~) must be
16 distributed to the criminal justice training commission to reimburse
17 participating city law enforcement agencies with ten or fewer full-time
18 commissioned patrol officers the cost of temporary replacement of each
19 officer who is enrolled in basic law enforcement training, as provided
20 in RCW 43.101.200.

21 (~~(b)~~) (ii) Sixteen percent (~~shall~~) must be distributed to
22 cities ratably based on population as last determined by the office of
23 financial management, but no city may receive less than one thousand
24 dollars.

25 (b) The moneys deposited in the municipal criminal justice
26 assistance account for distribution under this subsection (~~shall~~) (1)
27 must be distributed at such times as distributions are made under RCW
28 82.44.150.

29 (c) Moneys distributed under this subsection (~~shall~~) (1) must be
30 expended exclusively for criminal justice purposes and (~~shall~~) may
31 not be used to replace or supplant existing funding. Criminal justice
32 purposes are defined as activities that substantially assist the
33 criminal justice system, which may include circumstances where
34 ancillary benefit to the civil justice system occurs, and which
35 includes domestic violence services such as those provided by domestic
36 violence programs, community advocates, and legal advocates, as defined
37 in RCW 70.123.020. Existing funding for purposes of this subsection is
38 defined as calendar year 1989 actual operating expenditures for

1 criminal justice purposes. Calendar year 1989 actual operating
2 expenditures for criminal justice purposes exclude the following:
3 Expenditures for extraordinary events not likely to reoccur, changes in
4 contract provisions for criminal justice services, beyond the control
5 of the local jurisdiction receiving the services, and major
6 nonrecurring capital expenditures.

7 (2)(a) In addition to the distributions under subsection (1) of
8 this section:

9 ((+a)) (i) Ten percent ((shall)) must be distributed on a per
10 capita basis to cities that contract with another governmental agency
11 for the majority of the city's law enforcement services. Cities that
12 subsequently qualify for this distribution ((shall)) must notify the
13 department of ((community, trade, and economic development)) commerce
14 by November 30th for the upcoming calendar year. The department of
15 ((community, trade, and economic development shall)) commerce must
16 provide a list of eligible cities to the state treasurer by December
17 31st. The state treasurer ((shall)) must modify the distribution of
18 these funds in the following year. Cities have the responsibility to
19 notify the department of ((community, trade, and economic development))
20 commerce of any changes regarding these contractual relationships.
21 Adjustments in the distribution formula to add or delete cities may be
22 made only for the upcoming calendar year; no adjustments may be made
23 retroactively.

24 ((+b)) (ii) The remaining fifty-four percent ((shall)) must be
25 distributed to cities and towns by the state treasurer on a per capita
26 basis. These funds ((shall)) must be used for: ((+i)) (A) Innovative
27 law enforcement strategies; ((+ii)) (B) programs to help at-risk
28 children or child abuse victim response programs; and ((+iii)) (C)
29 programs designed to reduce the level of domestic violence or to
30 provide counseling for domestic violence victims.

31 (b) The moneys deposited in the municipal criminal justice
32 assistance account for distribution under this subsection (2), less any
33 moneys appropriated for purposes under subsection (4) of this section,
34 ((shall)) must be distributed at the times as distributions are made
35 under RCW 82.44.150. Moneys remaining undistributed under this
36 subsection at the end of each calendar year ((shall)) must be
37 distributed to the criminal justice training commission to reimburse
38 participating city law enforcement agencies with ten or fewer full-time

1 commissioned patrol officers the cost of temporary replacement of each
2 officer who is enrolled in basic law enforcement training, as provided
3 in RCW 43.101.200.

4 (c) If a city is found by the state auditor to have expended funds
5 received under this subsection (2) in a manner that does not comply
6 with the criteria under which the moneys were received, the city
7 (~~shall be~~) is ineligible to receive future distributions under this
8 subsection (2) until the use of the moneys are justified to the
9 satisfaction of the director or are repaid to the state general fund.

10 (3) Notwithstanding other provisions of this section, the
11 distributions to any city that substantially decriminalizes or repeals
12 its criminal code after July 1, 1990, and that does not reimburse the
13 county for costs associated with criminal cases under RCW 3.50.800 or
14 3.50.805(2), (~~shall~~) must be made to the county in which the city is
15 located.

16 (4) Not more than five percent of the funds deposited to the
17 municipal criminal justice assistance account (~~shall~~) may be
18 available for appropriations for enhancements to the state patrol crime
19 laboratory system and the continuing costs related to these
20 enhancements. Funds appropriated from this account for such
21 enhancements (~~shall~~) may not supplant existing funds from the state
22 general fund.

23 (5) During the 2011-2013 fiscal biennium, the amount that would
24 otherwise be transferred into the municipal criminal justice assistance
25 account from the general fund under subsection (1) of this section must
26 be reduced by 3.4 percent.

27 **Sec. 966.** RCW 82.14.390 and 2008 c 48 s 1 are each amended to read
28 as follows:

29 (1) Except as provided in subsection (7) of this section, the
30 governing body of a public facilities district (a) created before July
31 31, 2002, under chapter 35.57 or 36.100 RCW that commences construction
32 of a new regional center, or improvement or rehabilitation of an
33 existing new regional center, before January 1, 2004; (b) created
34 before July 1, 2006, under chapter 35.57 RCW in a county or counties in
35 which there are no other public facilities districts on June 7, 2006,
36 and in which the total population in the public facilities district is
37 greater than ninety thousand that commences construction of a new

1 regional center before February 1, 2007; (c) created under the
2 authority of RCW 35.57.010(1)(d); or (d) created before September 1,
3 2007, under chapter 35.57 or 36.100 RCW, in a county or counties in
4 which there are no other public facilities districts on July 22, 2007,
5 and in which the total population in the public facilities district is
6 greater than seventy thousand, that commences construction of a new
7 regional center before January 1, 2009, or before January 1, 2011, in
8 the case of a new regional center in a county designated by the
9 president as a disaster area in December 2007, may impose a sales and
10 use tax in accordance with the terms of this chapter. The tax is in
11 addition to other taxes authorized by law and (~~shall~~) must be
12 collected from those persons who are taxable by the state under
13 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event
14 within the public facilities district. The rate of tax (~~shall~~) may
15 not exceed 0.033 percent of the selling price in the case of a sales
16 tax or value of the article used in the case of a use tax.

17 (2)(a) The governing body of a public facilities district imposing
18 a sales and use tax under the authority of this section may increase
19 the rate of tax up to 0.037 percent if, within three fiscal years of
20 July 1, 2008, the department determines that, as a result of RCW
21 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020,
22 a public facilities district's sales and use tax collections for fiscal
23 years after July 1, 2008, have been reduced by a net loss of at least
24 0.50 percent from the fiscal year before July 1, 2008. The fiscal year
25 in which this section becomes effective is the first fiscal year after
26 July 1, 2008.

27 (b) The department (~~shall~~) must determine sales and use tax
28 collection net losses under this section as provided in RCW 82.14.500
29 (2) and (3). The department (~~shall~~) must provide written notice of
30 its determinations to public facilities districts. Determinations by
31 the department of a public facilities district's sales and use tax
32 collection net losses as a result of RCW 82.14.490 and the chapter 6,
33 Laws of 2007 amendments to RCW 82.14.020 are final and not appealable.

34 (c) A public facilities district may increase its rate of tax after
35 it has received written notice from the department as provided in (b)
36 of this subsection. The increase in the rate of tax must be made in
37 0.001 percent increments and must be the least amount necessary to
38 mitigate the net loss in sales and use tax collections as a result of

1 RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW
2 82.14.020. The increase in the rate of tax is subject to RCW
3 82.14.055.

4 (3) The tax imposed under subsection (1) of this section (~~shall~~)
5 must be deducted from the amount of tax otherwise required to be
6 collected or paid over to the department of revenue under chapter 82.08
7 or 82.12 RCW. The department of revenue (~~shall~~) must perform the
8 collection of such taxes on behalf of the county at no cost to the
9 public facilities district. During the 2011-2013 fiscal biennium,
10 distributions by the state to a public facilities district based on the
11 additional rate authorized in subsection (2) of this section must be
12 reduced by 3.4 percent.

13 (4) No tax may be collected under this section before August 1,
14 2000. The tax imposed in this section (~~shall~~) expires when the bonds
15 issued for the construction of the regional center and related parking
16 facilities are retired, but not more than twenty-five years after the
17 tax is first collected.

18 (5) Moneys collected under this section (~~shall~~) may only be used
19 for the purposes set forth in RCW 35.57.020 and must be matched with an
20 amount from other public or private sources equal to thirty-three
21 percent of the amount collected under this section(~~provided that~~);
22 however, amounts generated from nonvoter approved taxes authorized
23 under chapter 35.57 RCW or nonvoter approved taxes authorized under
24 chapter 36.100 RCW (~~shall~~) do not constitute a public or private
25 source. For the purpose of this section, public or private sources
26 includes, but is not limited to cash or in-kind contributions used in
27 all phases of the development or improvement of the regional center,
28 land that is donated and used for the siting of the regional center,
29 cash or in-kind contributions from public or private foundations, or
30 amounts attributed to private sector partners as part of a public and
31 private partnership agreement negotiated by the public facilities
32 district.

33 (6) The combined total tax levied under this section (~~shall~~) may
34 not be greater than 0.037 percent. If both a public facilities
35 district created under chapter 35.57 RCW and a public facilities
36 district created under chapter 36.100 RCW impose a tax under this
37 section, the tax imposed by a public facilities district created under

1 chapter 35.57 RCW (~~shall~~) must be credited against the tax imposed by
2 a public facilities district created under chapter 36.100 RCW.

3 (7) A public facilities district created under chapter 36.100 RCW
4 is not eligible to impose the tax under this section if the legislative
5 authority of the county where the public facilities district is located
6 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

7 **Sec. 967.** RCW 82.14.500 and 2007 c 6 s 903 are each amended to
8 read as follows:

9 (1)(a) In order to mitigate local sales tax revenue net losses as
10 a result of the sourcing provisions of the streamlined sales and use
11 tax agreement under this title, the state treasurer (~~shall~~), on July
12 1, 2011, and each July 1st thereafter, must transfer into the
13 streamlined sales and use tax mitigation account from the general fund
14 (~~the sum of thirty one million six hundred thousand dollars on July 1,~~
15 ~~2008. On July 1, 2009, and each July 1st thereafter, the state~~
16 ~~treasurer shall transfer into the streamlined sales and use tax~~
17 ~~mitigation account from the general fund)) the sum required to mitigate
18 actual net losses as determined under this section.~~

19 (b) During the 2011-2013 fiscal biennium, the amount that would
20 otherwise be transferred under (a) of this subsection must be reduced
21 by 3.4 percent.

22 (2) Beginning July 1, 2008, and continuing until the department
23 determines annual losses under subsection (3) of this section, the
24 department (~~shall~~) must determine the amount of local sales tax net
25 loss each local taxing jurisdiction experiences as a result of the
26 sourcing provisions of the streamlined sales and use tax agreement
27 under this title each calendar quarter. The department (~~shall~~) must
28 determine losses by analyzing and comparing data from tax return
29 information and tax collections for each local taxing jurisdiction
30 before and after July 1, 2008, on a calendar quarter basis. The
31 department's analysis may be revised and supplemented in consultation
32 with the oversight committee as provided in subsection (4) of this
33 section. To determine net losses, the department (~~shall~~) must reduce
34 losses by the amount of voluntary compliance revenue for the calendar
35 quarter analyzed. Beginning December 31, 2008, distributions (~~shall~~)
36 must be made quarterly from the streamlined sales and use tax
37 mitigation account by the state treasurer, as directed by the

1 department, to each local taxing jurisdiction, other than public
2 facilities districts for losses in respect to taxes imposed under the
3 authority of RCW 82.14.390, in an amount representing its net losses
4 for the previous calendar quarter. Distributions (~~shall~~) must be
5 made on the last working day of each calendar quarter and (~~shall~~)
6 must cease when distributions under subsection (3) of this section
7 begin.

8 (3)(a) By December 31, 2009, or such later date the department in
9 consultation with the oversight committee determines that sufficient
10 data is available, the department (~~shall~~) must determine each local
11 taxing jurisdiction's annual loss. The department (~~shall~~) must
12 determine annual losses by comparing at least twelve months of data
13 from tax return information and tax collections for each local taxing
14 jurisdiction before and after July 1, 2008. The department (~~shall~~)
15 is not (~~be~~) required to determine annual losses on a recurring basis,
16 but may make any adjustments to annual losses as it deems proper as a
17 result of the annual reviews provided in (b) of this subsection.
18 Beginning the calendar quarter in which the department determines
19 annual losses, and each calendar quarter thereafter, distributions
20 (~~shall~~) must be made from the streamlined sales and use tax
21 mitigation account by the state treasurer on the last working day of
22 the calendar quarter, as directed by the department, to each local
23 taxing jurisdiction, other than public facilities districts for losses
24 in respect to taxes imposed under the authority of RCW 82.14.390, in an
25 amount representing one-fourth of the jurisdiction's annual loss
26 reduced by voluntary compliance revenue reported during the previous
27 calendar quarter.

28 (b) The department's analysis of annual losses (~~shall~~) must be
29 reviewed by December 1st of each year and may be revised and
30 supplemented in consultation with the oversight committee as provided
31 in subsection (4) of this section.

32 (4) The department (~~shall~~) must convene an oversight committee to
33 assist in the determination of losses. The committee (~~shall~~)
34 includes one representative of one city whose revenues are increased,
35 one representative of one city whose revenues are reduced, one
36 representative of one county whose revenues are increased, one
37 representative of one county whose revenues are decreased, one
38 representative of one transportation authority under RCW 82.14.045

1 whose revenues are increased, and one representative of one
2 transportation authority under RCW 82.14.045 whose revenues are
3 reduced, as a result of RCW 82.14.490 and the chapter 6, Laws of 2007
4 amendments to RCW 82.14.020. Beginning July 1, 2008, the oversight
5 committee (~~shall~~) must meet quarterly with the department to review
6 and provide additional input and direction on the department's analyses
7 of losses. Local taxing jurisdictions may also present to the
8 oversight committee additional information to improve the department's
9 analyses of the jurisdiction's loss. Beginning January 1, 2010, the
10 oversight committee (~~shall~~) must meet at least annually with the
11 department by December 1st.

12 (5) The rule-making provisions of chapter 34.05 RCW do not apply to
13 this section.

14 **Sec. 968.** RCW 82.45.060 and 2005 c 450 s 1 are each amended to
15 read as follows:

16 There is imposed an excise tax upon each sale of real property at
17 the rate of one and twenty-eight one-hundredths percent of the selling
18 price. An amount equal to six and one-tenth percent of the proceeds of
19 this tax to the state treasurer (~~shall~~) must be deposited in the
20 public works assistance account created in RCW 43.155.050. Except as
21 otherwise provided in this section, an amount equal to one and six-
22 tenths percent of the proceeds of this tax to the state treasurer
23 (~~shall~~) must be deposited in the city-county assistance account
24 created in RCW 43.08.290. During the 2011-2013 fiscal biennium, 1.546
25 percent of the proceeds of this tax to the state treasurer must be
26 deposited in the city-county assistance account.

27 **Sec. 969.** RCW 86.26.007 and 2009 c 564 s 961 are each amended to
28 read as follows:

29 The flood control assistance account is hereby established in the
30 state treasury. At the beginning of the 2005-2007 fiscal biennium, the
31 state treasurer shall transfer three million dollars from the general
32 fund to the flood control assistance account. Each biennium thereafter
33 the state treasurer shall transfer four million dollars from the
34 general fund to the flood control assistance account, except that
35 during the 2009-2011 and 2011-2013 fiscal (~~biennium~~) biennia, the
36 state treasurer shall transfer two million dollars from the general

1 fund to the flood control assistance account. Moneys in the flood
2 control assistance account may be spent only after appropriation for
3 purposes specified under this chapter.

(End of part)

1 **PART X**

2 **GENERAL GOVERNMENT**

3 **Sec. 1001.** 2010 2nd sp.s. c 1 s 101 (uncodified) is amended to
4 read as follows:

5 **FOR THE HOUSE OF REPRESENTATIVES**

6	General Fund--State Appropriation (FY 2010)	\$33,505,000
7	General Fund--State Appropriation (FY 2011)	(\$30,934,000)
8		<u>\$30,918,000</u>
9	TOTAL APPROPRIATION	(\$64,439,000)
10		<u>\$64,423,000</u>

11 **Sec. 1002.** 2010 2nd sp.s. c 1 s 102 (uncodified) is amended to
12 read as follows:

13 **FOR THE SENATE**

14	General Fund--State Appropriation (FY 2010)	\$24,960,000
15	General Fund--State Appropriation (FY 2011)	(\$24,020,000)
16		<u>\$24,008,000</u>
17	TOTAL APPROPRIATION	(\$48,980,000)
18		<u>\$48,968,000</u>

19 **Sec. 1003.** 2010 2nd sp.s. c 1 s 106 (uncodified) is amended to
20 read as follows:

21 **FOR THE SUPREME COURT**

22	General Fund--State Appropriation (FY 2010)	\$6,912,000
23	General Fund--State Appropriation (FY 2011)	(\$6,844,000)
24		<u>\$6,924,000</u>
25	TOTAL APPROPRIATION	(\$13,756,000)
26		<u>\$13,836,000</u>

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

1 **Sec. 1004.** 2010 2nd sp.s. c 1 s 107 (uncodified) is amended to
2 read as follows:

3 **FOR THE LAW LIBRARY**

4	General Fund--State Appropriation (FY 2010)	\$1,925,000
5	General Fund--State Appropriation (FY 2011)	(\$1,592,000)
6		<u>\$1,596,000</u>
7	TOTAL APPROPRIATION	(\$3,517,000)
8		<u>\$3,521,000</u>

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

17 **Sec. 1005.** 2010 2nd sp.s. c 1 s 108 (uncodified) is amended to
18 read as follows:

19 **FOR THE COURT OF APPEALS**

20	General Fund--State Appropriation (FY 2010)	\$15,632,000
21	General Fund--State Appropriation (FY 2011)	(\$15,517,000)
22		<u>\$15,593,000</u>
23	TOTAL APPROPRIATION	(\$31,149,000)
24		<u>\$31,225,000</u>

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

33 **Sec. 1006.** 2011 c 5 s 106 (uncodified) is amended to read as
34 follows:

35 **FOR THE ADMINISTRATOR FOR THE COURTS**

36	General Fund--State Appropriation (FY 2010)	\$52,644,000
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1 average per-petition processing costs nor shall it penalize counties
2 with lower than average per-petition processing costs.

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

14 (3) The distributions made under this subsection and distributions
15 from the county criminal justice assistance account made pursuant to
16 section 801 of this act constitute appropriate reimbursement for costs
17 for any new programs or increased level of service for purposes of RCW
18 43.135.060.

19 (4) (~~(\$5,700,000)~~) \$3,701,000 of the judicial information systems
20 account--state appropriation is provided solely for modernization and
21 integration of the judicial information system.

22 (a) Of this amount, \$1,700,000 is for the development of a
23 comprehensive enterprise-level information technology strategy and
24 detailed business and operational plans in support of that strategy,
25 and (~~(\$4,000,000)~~) \$2,001,000 is to continue to modernize and integrate
26 current systems and enhance case management functionality on an
27 incremental basis.

28 (b) The amount provided in this subsection may not be expended
29 without prior approval by the judicial information system committee.
30 The administrator shall regularly submit project plan updates for
31 approval to the judicial information system committee.

32 (c) The judicial information system committee shall review project
33 progress on a regular basis and may require quality assurance plans.
34 The judicial information systems committee shall provide a report to
35 the appropriate committees of the legislature no later than November 1,
36 2011, on the status of the judicial information system modernization
37 and integration, and the consistency of the project with the state's

1 architecture, infrastructure and statewide enterprise view of service
2 delivery.

3 (d) \$100,000 of the judicial information systems account--state
4 appropriation is provided solely for the administrative office of the
5 courts, in coordination with the judicial information system committee,
6 to conduct an independent third-party executive-level review of the
7 judicial information system. This review shall examine, at a minimum,
8 the scope of the current project plan, governance structure, and
9 organizational change management procedures. The review will also
10 benchmark the system plans against similarly sized projects in other
11 states or localities, review the large scale program risks, and
12 estimate life cycle costs, including capital and on-going operational
13 expenditures.

14 (5) \$3,000,000 of the judicial information systems account--state
15 appropriation is provided solely for replacing computer equipment at
16 state courts, and at state judicial agencies. The administrator for
17 the courts shall prioritize equipment replacement purchasing and shall
18 fund those items that are most essential or critical. By October 1,
19 2010, the administrative office of the courts shall report to the
20 appropriate legislative fiscal committees on expenditures for equipment
21 under this subsection.

22 (6) \$12,000 of the judicial information systems account--state
23 appropriation is provided solely to implement Engrossed Substitute
24 House Bill No. 1954 (sealing juvenile records). If the bill is not
25 enacted by June 30, 2009, the amount provided in this subsection shall
26 lapse.

27 ~~(7) ((\$106,000 of the general fund--state appropriation for fiscal~~
28 ~~year 2010 and \$106,000 of the general fund--state appropriation for~~
29 ~~fiscal year 2011 are provided solely for the twenty-third superior~~
30 ~~court judge position in Pierce county. The funds appropriated in this~~
31 ~~subsection shall be expended only if the judge is appointed and serving~~
32 ~~on the bench.~~

33 (+8)) It is the intent of the legislature that the reductions in
34 appropriations in this section shall be achieved, to the greatest
35 extent possible, by reducing those state government administrative
36 costs that do not affect direct client services or direct service
37 delivery or programs. The agency shall, to the greatest extent

1 possible, reduce spending in those areas that shall have the least
2 impact on implementing its mission.

3 ((+9)) (8) \$44,000 of the judicial information systems account--
4 state appropriation is provided solely to implement chapter 272, Laws
5 of 2010 (SHB 2680; guardianship).

6 ((+10)) (9) \$274,000 of the general fund--state appropriation for
7 fiscal year 2011 is provided solely for the office of public
8 guardianship to provide guardianship services for low-income
9 incapacitated persons.

10 ((+11)) (10) \$3,797,000 of the judicial information systems
11 account--state appropriation is provided solely for continued planning
12 and implementation of improvements to the court case management system.

13 ((+12)) (11) In accordance with RCW 43.135.055, the administrative
14 office of the courts is authorized to adopt and increase the fees set
15 forth in and previously authorized in section 6, chapter 491, Laws of
16 2009.

17 **Sec. 1007.** 2011 c 5 s 107 (uncodified) is amended to read as
18 follows:

19 **FOR THE SECRETARY OF STATE**

20	General Fund--State Appropriation (FY 2010)	\$21,105,000
21	General Fund--State Appropriation (FY 2011)	(\$13,612,000)
22		<u>\$14,727,000</u>
23	General Fund--Federal Appropriation	\$8,082,000
24	Archives and Records Management Account--State	
25	Appropriation	\$8,990,000
26	Charitable Organization Education Account--State	
27	Appropriation	\$76,000
28	Department of Personnel Service Account--State	
29	Appropriation	\$757,000
30	Election Account--State Appropriation	\$77,000
31	Local Government Archives Account--State	
32	Appropriation	\$11,515,000
33	Election Account--Federal Appropriation	\$31,163,000
34	TOTAL APPROPRIATION	(\$95,377,000)
35		<u>\$96,492,000</u>

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

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

7 (2)(a) \$1,897,000 of the general fund--state appropriation for
8 fiscal year 2010 and \$1,845,000 of the general fund--state
9 appropriation for fiscal year 2011 are provided solely for contracting
10 with a nonprofit organization to produce gavel-to-gavel television
11 coverage of state government deliberations and other events of
12 statewide significance during the 2009-2011 biennium. The funding
13 level for each year of the contract shall be based on the amount
14 provided in this subsection. The nonprofit organization shall be
15 required to raise contributions or commitments to make contributions,
16 in cash or in kind, in an amount equal to forty percent of the state
17 contribution. The office of the secretary of state may make full or
18 partial payment once all criteria in this subsection have been
19 satisfactorily documented.

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

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

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

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

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

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

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

6 (4) In implementing budget reductions, the office of the secretary
7 of state must make its first priority to maintain funding for the
8 elections division.

9 (5) \$76,000 of the charitable organization education account--state
10 appropriation for fiscal year 2011 is provided solely to implement
11 Second Substitute House Bill No. 2576 (corporation and charity fees).
12 If the bill is not enacted by June 30, 2010, the amount provided in
13 this subsection shall lapse.

14 (6) \$77,000 of the general fund--state appropriation for fiscal
15 year 2011 is provided solely for deposit to the election account.

16 **Sec. 1008.** 2011 c 5 s 108 (uncodified) is amended to read as
17 follows:

18 **FOR THE PUBLIC DISCLOSURE COMMISSION**

19	General Fund--State Appropriation (FY 2010)	\$2,249,000
20	General Fund--State Appropriation (FY 2011)	(\$1,969,000)
21		<u>\$1,967,000</u>
22	TOTAL APPROPRIATION	(\$4,218,000)
23		<u>\$4,216,000</u>

24 **Sec. 1009.** 2011 c 5 s 113 (uncodified) is amended to read as
25 follows:

26 **FOR THE ATTORNEY GENERAL**

27	General Fund--State Appropriation (FY 2010)	\$5,732,000
28	General Fund--State Appropriation (FY 2011)	(\$5,272,000)
29		<u>\$5,268,000</u>
30	General Fund--Federal Appropriation	\$4,026,000
31	New Motor Vehicle Arbitration Account--State	
32	Appropriation	\$1,350,000
33	Legal Services Revolving Account--State	
34	Appropriation	(\$224,523,000)
35		<u>\$225,760,000</u>
36	Tobacco Prevention and Control Account--State	

1	Appropriation	\$270,000
2	TOTAL APPROPRIATION	((\$241,173,000))
3		<u>\$242,406,000</u>

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

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

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

21 (3) The office of the attorney general is authorized to expend
22 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer
23 protection costs in accordance with uses authorized in the court
24 orders.

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

32 (5) The executive ethics board must produce a report by the end of
33 the calendar year for the legislature regarding performance measures on
34 the efficiency and effectiveness of the board, as well as on
35 performance measures to measure and monitor the ethics and integrity of
36 all state agencies.

37 (6) \$53,000 of the legal services revolving account--state

1 appropriation is provided solely to implement Engrossed Second
2 Substitute House Bill No. 3026 (school district compliance with state
3 and federal civil rights laws).

4 **Sec. 1010.** 2011 c 5 s 114 (uncodified) is amended to read as
5 follows:

6 **FOR THE CASELOAD FORECAST COUNCIL**

7	General Fund--State Appropriation (FY 2010)	\$766,000
8	General Fund--State Appropriation (FY 2011)	(\$660,000)
9		<u>\$658,000</u>
10	TOTAL APPROPRIATION	(\$1,426,000)
11		<u>\$1,424,000</u>

12 The appropriations in this section are subject to the following
13 conditions and limitations: \$13,000 of the general fund--state
14 appropriation for fiscal year 2010 and \$7,000 of the general
15 fund--state appropriation for fiscal year 2011 are for the
16 implementation of Second Substitute House Bill No. 2106 (improving
17 child welfare outcomes through the phased implementation of strategic
18 and proven reforms). If the bill is not enacted by June 30, 2009, the
19 amounts provided in this subsection shall lapse.

20 **Sec. 1011.** 2011 c 5 s 115 (uncodified) is amended to read as
21 follows:

22 **FOR THE DEPARTMENT OF COMMERCE**

23	General Fund--State Appropriation (FY 2010)	\$49,670,000
24	General Fund--State Appropriation (FY 2011)	(\$36,739,000)
25		<u>\$36,710,000</u>
26	General Fund--Federal Appropriation	\$385,601,000
27	General Fund--Private/Local Appropriation	\$10,972,000
28	Public Works Assistance Account--State	
29	Appropriation	\$2,974,000
30	Tourism Development and Promotion Account--State	
31	Appropriation	\$798,000
32	Drinking Water Assistance Administrative	
33	Account--State Appropriation	\$433,000
34	Lead Paint Account--State Appropriation	\$35,000
35	Building Code Council Account--State Appropriation	\$688,000
36	Home Security Fund Account--State Appropriation	\$24,486,000

1	Affordable Housing for All Account--State	
2	Appropriation	\$11,896,000
3	Washington Auto Theft Prevention Authority	
4	Account--State Appropriation	\$300,000
5	Independent Youth Housing Account--State Appropriation	\$220,000
6	County Research Services Account--State Appropriation	\$469,000
7	Community Preservation and Development Authority	
8	Account--State Appropriation	\$350,000
9	Financial Fraud and Identity Theft Crimes Investigation	
10	and Prosecution Account--State Appropriation	\$1,166,000
11	Low-Income Weatherization Assistance Account--State	
12	Appropriation	\$6,882,000
13	City and Town Research Services Account--State	
14	Appropriation	\$2,246,000
15	Manufacturing Innovation and Modernization	
16	Account--State Appropriation	\$230,000
17	Community and Economic Development Fee Account--State	
18	Appropriation	\$6,922,000
19	Washington Housing Trust Account--State	
20	Appropriation	\$15,348,000
21	Prostitution Prevention and Intervention Account--	
22	State Appropriation	\$125,000
23	Public Facility Construction Loan Revolving	
24	Account--State Appropriation	\$754,000
25	TOTAL APPROPRIATION	((\$559,304,000))
26		<u>\$559,275,000</u>

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

29 (1) \$2,378,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$2,117,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for a contract with the Washington
32 technology center for work essential to the mission of the Washington
33 technology center and conducted in partnership with universities.

34 (2) Repayments of outstanding loans granted under RCW 43.63A.600,
35 the mortgage and rental assistance program, shall be remitted to the
36 department, including any current revolving account balances. The
37 department shall collect payments on outstanding loans, and deposit

1 them into the state general fund. Repayments of funds owed under the
2 program shall be remitted to the department according to the terms
3 included in the original loan agreements.

4 (3) \$100,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$89,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely to implement section 2(7) of
7 Engrossed Substitute House Bill No. 1959 (land use and transportation
8 planning for marine container ports).

9 (4) \$102,000 of the building code council account--state
10 appropriation is provided solely for the implementation of sections 3
11 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built
12 environment pollution). If sections 3 and 7 of the bill are not
13 enacted by June 30, 2009, the amounts provided in this subsection shall
14 lapse.

15 (5)(a) \$10,500,000 of the general fund--federal appropriation is
16 provided for training and technical assistance associated with low
17 income weatherization programs. Subject to federal requirements, the
18 department shall provide: (i) Up to \$4,000,000 to the state board for
19 community and technical colleges to provide workforce training related
20 to weatherization and energy efficiency; (ii) up to \$3,000,000 to the
21 Bellingham opportunity council to provide workforce training related to
22 energy efficiency and weatherization; and (iii) up to \$3,500,000 to
23 community-based organizations and to community action agencies
24 consistent with the provisions of Engrossed Second Substitute House
25 Bill No. 2227 (evergreen jobs act). Any funding remaining shall be
26 expended in project 91000013, weatherization, in the omnibus capital
27 appropriations act, Substitute House Bill No. 1216 (capital budget).

28 (b) \$6,787,000 of the general fund--federal appropriation is
29 provided solely for the state energy program, including not less than
30 \$5,000,000 to provide credit enhancements consistent with the
31 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy
32 efficiency in buildings).

33 (c) Of the general fund--federal appropriation the department shall
34 provide: \$14,500,000 to the Washington State University for the
35 purpose of making grants for pilot projects providing community-wide
36 urban, residential, and commercial energy efficiency upgrades
37 consistent with the provisions of Engrossed Second Substitute Senate
38 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington

1 State University to conduct farm energy assessments. In contracting
2 with the Washington State University for the provision of these
3 services, the total administration of Washington State University and
4 the department shall not exceed 3 percent of the amounts provided.

5 (d) \$38,500,000 of the general fund--federal appropriation is
6 provided for deposit in the energy recovery act account to establish a
7 revolving loan program, consistent with the provisions of Engrossed
8 Substitute House Bill No. 2289 (expanding energy freedom program).

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

15 (6) \$14,000 of the general fund--state appropriation for fiscal
16 year 2010 is provided solely for the implementation of Engrossed Second
17 Substitute Senate Bill No. 5560 (state agency climate leadership). If
18 the bill is not enacted by June 30, 2009, the amount provided in this
19 subsection shall lapse.

20 (7) \$22,400,000 of the general fund--federal appropriation is
21 provided solely for the justice assistance grant program and is
22 contingent upon the department transferring: \$1,200,000 to the
23 department of corrections for security threat mitigation, \$2,336,000 to
24 the department of corrections for offender reentry, \$1,960,000 to the
25 Washington state patrol for law enforcement activities, \$2,087,000 to
26 the department of social and health services, division of alcohol and
27 substance abuse for drug courts, and \$428,000 to the department of
28 social and health services for sex abuse recognition training. The
29 remaining funds shall be distributed by the department to local
30 jurisdictions.

31 (8) \$20,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$18,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for a grant to KCTS public
34 television to support Spanish language programming and the V-me Spanish
35 language channel.

36 (9) \$500,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$447,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided solely for a grant to resolution

1 Washington to building statewide capacity for alternative dispute
2 resolution centers and dispute resolution programs that guarantee that
3 citizens have access to low-cost resolution as an alternative to
4 litigation.

5 (10) \$30,000 of the general fund--state appropriation for fiscal
6 year 2010 is provided solely for implementation of Engrossed Second
7 Substitute Senate Bill No. 6015 (commercialization of technology). If
8 the bill is not enacted by June 30, 2009, the amount provided in this
9 subsection shall lapse.

10 (11) By June 30, 2011, the department shall request information
11 that describes what jurisdictions have adopted, or are in the process
12 of adopting, plans that address RCW 36.70A.020 and helps achieve the
13 greenhouse gas emission reductions established in RCW 70.235.020. This
14 information request in this subsection applies to jurisdictions that
15 are required to review and if necessary revise their comprehensive
16 plans in accordance with RCW 36.70A.130.

17 (12) During the 2009-11 fiscal biennium, the department shall allot
18 all of its appropriations subject to allotment by object, account, and
19 expenditure authority code to conform with the office of financial
20 management's definition of an option 2 allotment. For those funds
21 subject to allotment but not appropriation, the agency shall submit
22 option 2 allotments to the office of financial management.

23 (13) \$50,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$35,000 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 (14) \$712,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$559,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely to the office of crime victims
30 advocacy. These funds shall be contracted with the 39 county
31 prosecuting attorneys' offices to support victim-witness services. The
32 funds must be prioritized to ensure a full-time victim-witness
33 coordinator in each county. The office may retain only the amount
34 currently allocated for this activity for administrative costs.

35 (15) \$306,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$274,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for a grant to the retired senior
38 volunteer program.

1 (16) \$65,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided solely for a contract with a food distribution
3 program for communities in the southwestern portion of the state and
4 for workers impacted by timber and salmon fishing closures and
5 reductions. The department may not charge administrative overhead or
6 expenses to the funds provided in this subsection.

7 (17) \$371,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$290,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely to the northwest agriculture
10 business center.

11 (18) The department shall administer its growth management act
12 technical assistance so that smaller cities receive proportionately
13 more assistance than larger cities or counties.

14 (19) \$212,000 of the general fund--federal appropriation is
15 provided solely for implementation of Second Substitute House Bill No.
16 1172 (development rights transfer). If the bill is not enacted by June
17 30, 2009, the amount provided in this subsection shall lapse.

18 (20) \$69,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$60,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for implementation of Engrossed
21 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
22 bill is not enacted by June 30, 2009, the amounts provided in this
23 subsection shall lapse.

24 (21) \$350,000 of the community development and preservation
25 authority account--state appropriation is provided solely for a grant
26 to a community development authority established under chapter 43.167
27 RCW. The community preservation and development's board of directors
28 may contract with nonprofit community organizations to aid in
29 mitigating the effects of increased public impact on urban
30 neighborhoods due to events in stadia that have a capacity of over
31 50,000 spectators.

32 (22) \$300,000 of the Washington auto theft prevention authority
33 account--state appropriation is provided solely for a contract with a
34 community group to build local community capacity and economic
35 development within the state by strengthening political relationships
36 between economically distressed communities and governmental
37 institutions. The community group shall identify opportunities for
38 collaboration and initiate activities and events that bring community

1 organizations, local governments, and state agencies together to
2 address the impacts of poverty, political disenfranchisement, and
3 economic inequality on communities of color. These funds must be
4 matched by other nonstate sources on an equal basis.

5 (23) \$1,800,000 of the home security fund--state appropriation is
6 provided for transitional housing assistance or partial payments for
7 rental assistance under the independent youth housing program.

8 (24) \$5,000,000 of the home security fund--state appropriation is
9 provided solely for the operation, repair, and staffing of shelters in
10 the homeless family shelter program.

11 (25) \$253,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$253,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for the Washington new Americans
14 program.

15 (26) \$438,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$394,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the Washington asset building
18 coalitions.

19 (27) \$3,231,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$2,953,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for associate development
22 organizations.

23 (28) \$5,400,000 of the community and economic development fee
24 account is provided as follows: \$1,000,000 is provided solely for the
25 department of commerce for services for homeless families through the
26 Washington families fund; \$2,600,000 is provided solely for housing
27 trust fund operations and maintenance; \$800,000 is provided solely for
28 housing trust fund portfolio management; \$500,000 is provided solely
29 for foreclosure counseling and support; and \$500,000 is provided solely
30 for use as a reserve in the account.

31 (29) \$237,000 of the general fund--state appropriation for fiscal
32 year 2011 is provided solely for the department to administer a
33 competitive grant program to fund economic development activities
34 designed to further regional cluster growth and to integrate its
35 sector-based and cluster-based strategies with its support for the
36 development of innovation partnership zones. Grant recipients must
37 provide matching funds equal to the size of the grant. Grants may be
38 awarded to support the formation of sector associations or cluster

1 associations, the identification of the technology and
2 commercialization needs of a sector or cluster, facilitating working
3 relationships between a sector association or cluster association and
4 an innovation partnership zone, expanding the operations of an
5 innovation partnership zone, and developing and implementing plans to
6 meet the technology development and commercialization needs of industry
7 sectors, industry clusters, and innovation partnership zones. The
8 projects receiving grants must not duplicate the purpose or efforts of
9 industry skill panels but priority must be given to applicants that
10 complement industry skill panels and will use the grant funds to build
11 linkages and joint projects.

12 (30) \$62,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely to:

14 (a) Develop a rural manufacturer export outreach program in
15 conjunction with impact Washington. The program must provide outreach
16 services to rural manufacturers in Washington to inform them of the
17 importance of and opportunities in international trade, and to inform
18 them of the export assistance programs available to assist these
19 businesses to become exporters; and

20 (b) Develop export loan or loan guarantee programs in conjunction
21 with the Washington economic development finance authority and the
22 appropriate federal and private entities.

23 (31) \$750,000 of the general fund--state appropriation for fiscal
24 year 2011 is provided solely to implement the provisions of chapter 13,
25 Laws of 2010 (global health program).

26 (32) \$50,000 of the general fund--state appropriation for fiscal
27 year 2011 is provided solely for the creation of the Washington
28 entrepreneurial development and small business reference service in the
29 department of commerce.

30 (a) The department must:

31 (i) In conjunction with and drawing on information compiled by the
32 work force training and education coordinating board and the Washington
33 economic development commission:

34 (A) Establish and maintain an inventory of the public and private
35 entrepreneurial training and technical assistance services, programs,
36 and resources available in the state;

37 (B) Disseminate information about available entrepreneurial
38 development and small business assistance services, programs, and

1 resources via in-person presentations and electronic and printed
2 materials and undertake other activities to raise awareness of
3 entrepreneurial training and small business assistance offerings; and

4 (C) Evaluate the extent to which existing entrepreneurial training
5 and technical assistance programs in the state are effective and
6 represent a consistent, integrated approach to meeting the needs of
7 start-up and existing entrepreneurs;

8 (ii) Assist providers of entrepreneurial development and small
9 business assistance services in applying for federal and private
10 funding to support the entrepreneurial development and small business
11 assistance activities in the state;

12 (iii) Distribute awards for excellence in entrepreneurial training
13 and small business assistance; and

14 (iv) Report to the governor, the economic development commission,
15 the work force training and education coordinating board, and the
16 appropriate legislative committees its recommendations for statutory
17 changes necessary to enhance operational efficiencies or enhance
18 coordination related to entrepreneurial development and small business
19 assistance.

20 (b) In carrying out the duties under this section, the department
21 must seek the advice of small business owners and advocates, the
22 Washington economic development commission, the work force training and
23 education coordinating board, the state board for community and
24 technical colleges, the employment security department, the Washington
25 state microenterprise association, associate development organizations,
26 impact Washington, the Washington quality award council, the Washington
27 technology center, the small business export finance assistance center,
28 the Spokane intercollegiate research and technology institute,
29 representatives of the University of Washington business school and the
30 Washington State University college of business and economics, the
31 office of minority and women's business enterprises, the Washington
32 economic development finance authority, and staff from small business
33 development centers.

34 (c) The director may appoint an advisory board or convene such
35 other individuals or groups as he or she deems appropriate to assist in
36 carrying out the department's duties under this section.

37 (33) \$45,000 of the general fund--state appropriation for fiscal
38 year 2011 is provided solely for a grant to HistoryLink.

1 **Sec. 1012.** 2010 2nd sp.s. c 1 s 116 (uncodified) is amended to
2 read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

4	General Fund--State Appropriation (FY 2010)	\$21,089,000
5	General Fund--State Appropriation (FY 2011)	(\$18,285,000)
6		<u>\$17,996,000</u>
7	General Fund--Federal Appropriation	\$27,103,000
8	General Fund--Private/Local Appropriation	\$1,270,000
9	State Auditing Services Revolving	
10	Account--State Appropriation	\$25,000
11	Economic Development Strategic Reserve Account--	
12	State Appropriation	\$278,000
13	TOTAL APPROPRIATION	(\$68,050,000)
14		<u>\$67,761,000</u>

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

17 (1) \$188,000 of the general fund--state appropriation for fiscal
18 year 2010 is provided solely for the implementation of Second
19 Substitute Senate Bill No. 5945 (Washington health partnership plan).

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

22 (2) The office of financial management shall conduct a study on
23 alternatives for consolidating or transferring activities and
24 responsibilities of the state lottery commission, state horse racing
25 commission, state liquor control board, and the state gambling
26 commission to achieve cost savings and regulatory efficiencies. In
27 conducting the study, the office of financial management shall consult
28 with the legislative fiscal committees. Further, the office of
29 financial management shall establish an advisory group to include, but
30 not be limited to, representatives of affected businesses, state
31 agencies or entities, local governments, and stakeholder groups. The
32 office of financial management shall submit a final report to the
33 governor and the legislative fiscal committees by November 15, 2009.

34 (3) \$110,000 of the general fund--state appropriation for fiscal
35 year 2011 is provided solely to implement Second Substitute Senate Bill
36 No. 6578 (multiagency permitting teams). If the bill is not enacted by
37 June 30, 2010, the amount provided in this subsection shall lapse.

1 (4) The office of financial management shall, with the assistance
2 of the natural resources cabinet as created in executive order 09-07,
3 reduce the number of facilities being leased by the state by
4 consolidating, wherever possible, regional offices and storage
5 facilities of the natural resource agencies. The office of financial
6 management and the natural resources cabinet shall submit a report on
7 the progress of this effort and the associated savings to the
8 appropriate fiscal committees of the legislature no later than December
9 1, 2010.

10 (5)(a) \$50,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$150,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the purposes of the office of
13 financial management:

14 (i) Conducting a technical and financial analysis of the state's
15 plan for the consolidated state data center and office building; and

16 (ii) Developing a strategic business plan outlining the various
17 options for use of the site that maximize taxpayer value consistent
18 with the terms of the finance lease and related agreements.

19 (b) The analysis required in (a)(i) of this subsection must consist
20 of, at a minimum, an assessment of the following issues:

21 (i) The total capital and operational costs for the proposed data
22 center and office building;

23 (ii) The occupancy rate for the consolidated state data center, as
24 compared to total capacity, that will result in revenue exceeding total
25 capital and operating expenses;

26 (iii) The potential reallocation of resources that could result
27 from the consolidation of state data centers and office space; and

28 (iv) The potential return on investment for the consolidated state
29 data center and office building that may be realized without impairing
30 any existing contractual rights under the terms of the financing lease
31 and related agreements.

32 (c) This review must build upon the analysis and migration strategy
33 for the consolidated state data center being prepared for the
34 department of information services.

35 (d) The strategic plan must be submitted to the governor and the
36 legislature by December 1, 2010.

37 (6) Appropriations in this section include amounts sufficient to

1 implement Engrossed Substitute House Bill No. 3178 (technology
2 efficiencies).

3 **Sec. 1013.** 2011 c 5 s 117 (uncodified) is amended to read as
4 follows:

5 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

6 Administrative Hearings Revolving Account--State
7 Appropriation (~~(\$34,468,000)~~)
8 \$34,805,000

9 The appropriation in this section is subject to the following
10 conditions and limitations: \$725,000 of the administrative hearings
11 revolving account--state appropriation is provided solely to implement
12 Engrossed Second Substitute House Bill No. 2782 (security lifeline
13 act). If the bill is not enacted by June 30, 2010, the amount provided
14 in this subsection shall lapse.

15 **Sec. 1014.** 2011 c 5 s 118 (uncodified) is amended to read as
16 follows:

17 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

18 General Fund--State Appropriation (FY 2010) \$250,000
19 General Fund--State Appropriation (FY 2011) (~~(\$227,000)~~)
20 \$226,000
21 TOTAL APPROPRIATION (~~(\$477,000)~~)
22 \$476,000

23 **Sec. 1015.** 2011 c 5 s 119 (uncodified) is amended to read as
24 follows:

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

26 General Fund--State Appropriation (FY 2010) \$243,000
27 General Fund--State Appropriation (FY 2011) (~~(\$210,000)~~)
28 \$221,000
29 TOTAL APPROPRIATION (~~(\$453,000)~~)
30 \$464,000

31 **Sec. 1016.** 2011 c 5 s 120 (uncodified) is amended to read as
32 follows:

33 **FOR THE DEPARTMENT OF REVENUE**

34 General Fund--State Appropriation (FY 2010) \$109,472,000

1	General Fund--State Appropriation (FY 2011)	((\$107,662,000))
2		<u>\$107,169,000</u>
3	Timber Tax Distribution Account--State Appropriation	\$5,933,000
4	Waste Reduction/Recycling/Litter Control--State	
5	Appropriation	\$130,000
6	Waste Tire Removal Account--State Appropriation	\$2,000
7	Real Estate Excise Tax Grant Account--State	
8	Appropriation	\$3,429,000
9	State Toxics Control Account--State Appropriation	\$87,000
10	Oil Spill Prevention Account--State Appropriation	\$19,000
11	TOTAL APPROPRIATION	((\$226,734,000))
12		<u>\$226,241,000</u>

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

15 (1) \$469,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$374,000 of the general fund--state appropriation for
17 fiscal year 2011 are for the implementation of Substitute Senate Bill
18 No. 5368 (annual property revaluation). If the bill is not enacted by
19 June 30, 2009, the amounts in this subsection shall lapse.

20 (2) \$4,653,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$4,242,000 of the general fund--state appropriation for
22 fiscal year 2011 are for the implementation of revenue enhancement
23 strategies. The strategies must include increased out-of-state
24 auditing and compliance, the purchase of third party data sources for
25 enhanced audit selection, and increased traditional auditing and
26 compliance efforts.

27 (3) \$3,127,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$1,737,000 of the general fund--state appropriation for
29 fiscal year 2011 are for the implementation of Senate Bill No. 6173
30 (sales tax compliance). If the bill is not enacted by June 30, 2009,
31 the amounts provided in this subsection shall lapse.

32 (4) \$1,294,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$3,085,000 of the general fund--state appropriation for
34 fiscal year 2011 are for the implementation of Second Engrossed
35 Substitute Senate Bill No. 6143 (excise tax law modifications). If the
36 bill is not enacted by June 30, 2010, the amounts provided in this
37 subsection shall lapse.

1 (5) \$163,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely to implement Substitute Senate Bill No.
3 6846 (enhanced 911 services). If the bill is not enacted by June 30,
4 2010, the amount provided in this subsection shall lapse.

5 (6) \$304,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for making the necessary preparations for
7 implementation of the working families tax exemption pursuant to RCW
8 82.08.0206 in 2012.

9 **Sec. 1017.** 2011 c 5 s 121 (uncodified) is amended to read as
10 follows:

11 **FOR THE BOARD OF TAX APPEALS**

12	General Fund--State Appropriation (FY 2010)	\$1,346,000
13	General Fund--State Appropriation (FY 2011)	(\$1,195,000)
14		<u>\$1,194,000</u>
15	TOTAL APPROPRIATION	(\$2,541,000)
16		<u>\$2,540,000</u>

17 **Sec. 1018.** 2011 c 5 s 122 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

20	General Fund--State Appropriation (FY 2010)	\$815,000
21	General Fund--State Appropriation (FY 2011)	(\$3,527,000)
22		<u>\$3,524,000</u>
23	General Fund--Federal Appropriation	\$2,956,000
24	Building Code Council Account--State Appropriation	\$875,000
25	General Fund--Private/Local Appropriation	\$84,000
26	General Administration Service Account--State	
27	Appropriation	\$31,397,000
28	TOTAL APPROPRIATION	(\$39,654,000)
29		<u>\$39,651,000</u>

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

32 (1) \$28,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$14,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the purposes of section 8 of
35 Engrossed Second Substitute Senate Bill No. 5854 (built environment

1 pollution). If section 8 of the bill is not enacted by June 30, 2009,
2 the amounts provided in this subsection shall lapse.

3 (2) \$3,197,000 of the general fund--state appropriation for fiscal
4 year 2011 is provided solely for the payment of facilities and services
5 charges, utilities and contracts charges, public and historic
6 facilities charges, and capital projects surcharges allocable to the
7 senate, house of representatives, statute law committee, and joint
8 legislative systems committee. The department shall allocate charges
9 attributable to these agencies among the affected revolving funds. The
10 department shall enter into an interagency agreement with these
11 agencies by July 1, 2010, to establish performance standards,
12 prioritization of preservation and capital improvement projects, and
13 quality assurance provisions for the delivery of services under this
14 subsection. The agencies named in this subsection shall continue to
15 enjoy all of the same rights of occupancy, support, and space use on
16 the capitol campus as historically established.

17 (3) \$84,000 of the general fund--private/local appropriation and
18 \$593,000 of the building code council account--state appropriation are
19 provided solely to implement Engrossed Second Substitute House Bill No.
20 2658 (refocusing the department of commerce, including transferring
21 programs). If the bill is not enacted by June 30, 2010, the amounts
22 provided in this subsection shall lapse.

23 (4) In accordance with RCW 46.08.172 and 43.135.055, the department
24 is authorized to increase parking fees in fiscal year 2011 as necessary
25 to meet the actual costs of conducting business.

26 **Sec. 1019.** 2011 c 5 s 125 (uncodified) is amended to read as
27 follows:

28 **FOR THE MILITARY DEPARTMENT**

29	General Fund--State Appropriation (FY 2010)	\$9,350,000
30	General Fund--State Appropriation (FY 2011)	(\$7,898,000)
31		<u>\$7,890,000</u>
32	General Fund--Federal Appropriation	\$168,599,000
33	Enhanced 911 Account--State Appropriation	\$44,508,000
34	Disaster Response Account--State Appropriation	\$28,350,000
35	Disaster Response Account--Federal Appropriation	\$114,496,000
36	Military Department Rent and Lease Account--State	
37	Appropriation	\$612,000

1	Military Department Active State Service Account--Federal	
2	Appropriation	\$592,000
3	Worker and Community Right-to-Know Account--State	
4	Appropriation	\$341,000
5	Nisqually Earthquake Account--State Appropriation	\$307,000
6	Nisqually Earthquake Account--Federal Appropriation	\$1,067,000
7	TOTAL APPROPRIATION	(\$376,120,000)
8		<u>\$376,112,000</u>

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

11 (1) \$28,326,000 of the disaster response account--state
12 appropriation and \$114,496,000 of the disaster response
13 account--federal appropriation may be spent only on disasters declared
14 by the governor and with the approval of the office of financial
15 management. The military department shall submit a report to the
16 office of financial management and the legislative fiscal committees on
17 October 1st and February 1st of each year detailing information on the
18 disaster response account, including: (a) The amount and type of
19 deposits into the account; (b) the current available fund balance as of
20 the reporting date; and (c) the projected fund balance at the end of
21 the 2009-2011 biennium based on current revenue and expenditure
22 patterns.

23 (2) \$307,000 of the Nisqually earthquake account--state
24 appropriation and \$1,067,000 of the Nisqually earthquake
25 account--federal appropriation are provided solely for response and
26 recovery costs associated with the February 28, 2001, earthquake. The
27 military department shall submit a report to the office of financial
28 management and the legislative fiscal committees on October 1st and
29 February 1st of each year detailing earthquake recovery costs,
30 including: (a) Estimates of total costs; (b) incremental changes from
31 the previous estimate; (c) actual expenditures; (d) estimates of total
32 remaining costs to be paid; and (e) estimates of future payments by
33 biennium. This information shall be displayed by fund, by type of
34 assistance, and by amount paid on behalf of state agencies or local
35 organizations. The military department shall also submit a report
36 quarterly to the office of financial management and the legislative
37 fiscal committees detailing information on the Nisqually earthquake
38 account, including: (a) The amount and type of deposits into the

1 account; (b) the current available fund balance as of the reporting
2 date; and (c) the projected fund balance at the end of the 2009-2011
3 biennium based on current revenue and expenditure patterns.

4 (3) \$85,000,000 of the general fund--federal appropriation is
5 provided solely for homeland security, subject to the following
6 conditions:

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

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

16 (4) \$500,000 of the general fund--state appropriation for fiscal
17 year 2010 is provided solely for the military department to contract
18 with the Washington information network 2-1-1 to operate a statewide 2-
19 1-1 system. The department shall provide the entire amount for 2-1-1
20 and may not use any of the funds for administrative purposes.

21 **Sec. 1020.** 2011 c 5 s 126 (uncodified) is amended to read as
22 follows:

23 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

24	General Fund--State Appropriation (FY 2010)	\$2,667,000
25	General Fund--State Appropriation (FY 2011)	(\$2,345,000)
26		<u>\$2,344,000</u>
27	Higher Education Personnel Services Account--State	
28	Appropriation	\$250,000
29	Department of Personnel Service Account--State	
30	Appropriation	\$3,263,000
31	TOTAL APPROPRIATION	(\$8,525,000)
32		<u>\$8,524,000</u>

33 The appropriations in this section are subject to the following
34 conditions and limitations: \$50,000 of the general fund--state
35 appropriation for fiscal year 2011 is provided solely for
36 implementation of Engrossed Substitute Senate Bill No. 6726 (language
37 access provider bargaining).

1 **Sec. 1021.** 2011 c 5 s 127 (uncodified) is amended to read as
2 follows:

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

4	General Fund--State Appropriation (FY 2010)	\$1,371,000
5	General Fund--State Appropriation (FY 2011)	(\$1,230,000)
6		<u>\$1,197,000</u>
7	General Fund--Federal Appropriation	\$2,293,000
8	General Fund--Private/Local Appropriation	\$14,000
9	TOTAL APPROPRIATION	(\$4,908,000)
10		<u>\$4,875,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: \$44,000 of the general fund--state
13 appropriation for fiscal year 2011 is provided for implementation of
14 Substitute House Bill No. 2704 (Washington main street program). If
15 the bill is not enacted by June 30, 2010, the amount provided in this
16 subsection shall lapse.

17 **Sec. 1022.** 2011 c 5 s 128 (uncodified) is amended to read as
18 follows:

19 **FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

20	General Fund--State Appropriation (FY 2010)	\$1,642,000
21	General Fund--State Appropriation (FY 2011)	(\$1,334,000)
22		<u>\$1,331,000</u>
23	TOTAL APPROPRIATION	(\$2,976,000)
24		<u>\$2,973,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations: \$12,000 of the general fund--state
27 appropriation for fiscal year 2011 is provided solely for Substitute
28 House Bill No. 2935 (hearings boards/environment and land use). If the
29 bill is not enacted by June 30, 2010, the amount provided in this
30 subsection shall lapse.

(End of part)

PART XI
HUMAN SERVICES

3 **Sec. 1101.** 2010 1st sp.s. c 37 s 201 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.** (1)
6 Appropriations made in this act to the department of social and health
7 services shall initially be allotted as required by this act.
8 Subsequent allotment modifications shall not include transfers of
9 moneys between sections of this act except as expressly provided in
10 this act, nor shall allotment modifications permit moneys that are
11 provided solely for a specified purpose to be used for other than that
12 purpose.

13 (2) The department of social and health services shall not initiate
14 any services that require expenditure of state general fund moneys
15 unless expressly authorized in this act or other law. The department
16 may seek, receive, and spend, under RCW 43.79.260 through 43.79.282,
17 federal moneys not anticipated in this act as long as the federal
18 funding does not require expenditure of state moneys for the program in
19 excess of 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
22 providing appropriation authority, and an equal amount of appropriated
23 state general fund moneys shall lapse. Upon the lapsing of any moneys
24 under this subsection, the office of financial management shall notify
25 the 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 (3) The appropriations to the department of social and health
30 services in this act shall be expended for the programs and in the
31 amounts specified in this act.

32 (4) The department is authorized to develop an integrated health
33 care program designed to slow the progression of illness and disability
34 and better manage medicaid expenditures for the aged and disabled
35 population. Under this Washington medicaid integration partnership
36 (WMIP), the department may combine and transfer such medicaid funds

1 appropriated under sections 204, 206, 208, and 209 of this act as may
2 be necessary to finance a unified health care plan for the WMIP program
3 enrollment. The WMIP pilot projects shall not exceed a daily
4 enrollment of 6,000 persons, nor expand beyond one county, during the
5 2009-2011 biennium. The amount of funding assigned to the pilot
6 projects from each program may not exceed the average per capita cost
7 assumed in this act for individuals covered by that program,
8 actuarially adjusted for the health condition of persons enrolled in
9 the pilot project, times the number of clients enrolled in the pilot
10 project. In implementing the WMIP pilot projects, the department may:
11 (a) Withhold from calculations of "available resources" as set forth in
12 RCW 71.24.025 a sum equal to the capitated rate for individuals
13 enrolled in the pilots; and (b) employ capitation financing and risk-
14 sharing arrangements in collaboration with health care service
15 contractors licensed by the office of the insurance commissioner and
16 qualified to participate in both the medicaid and medicare programs.
17 The department shall conduct an evaluation of the WMIP, measuring
18 changes in participant health outcomes, changes in patterns of service
19 utilization, participant satisfaction, participant access to services,
20 and the state fiscal impact.

21 (5)(a) The appropriations to the department of social and health
22 services in this act shall be expended for the programs and in the
23 amounts specified in this act. However, after May 1, (~~2010~~) 2011,
24 unless specifically prohibited by this act, the department may transfer
25 general fund--state appropriations for fiscal year (~~2010~~) 2011 among
26 programs after approval by the director of financial management.
27 However, the department shall not transfer state moneys that are
28 provided solely for a specified purpose except as expressly provided in
29 (b) of this subsection.

30 (b) To the extent that transfers under (a) of this subsection are
31 insufficient to fund actual expenditures in excess of fiscal year
32 (~~2010~~) 2011 caseload forecasts and utilization assumptions in the
33 medical assistance, long-term care, foster care, adoptions support, and
34 child support programs, the department may transfer state moneys that
35 are provided solely for a specified purpose. The department shall not
36 transfer funds, and the director of financial management shall not
37 approve the transfer, unless the transfer is consistent with the
38 objective of conserving, to the maximum extent possible, the

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

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

19 **Sec. 1102.** 2011 c 5 s 201 (uncodified) is amended to read as
20 follows:

21 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**
22 **SERVICES PROGRAM**

23	General Fund--State Appropriation (FY 2010)	\$315,002,000
24	General Fund--State Appropriation (FY 2011)	(\$287,643,000)
25		<u>\$285,342,000</u>
26	General Fund--Federal Appropriation	(\$494,136,000)
27		<u>\$494,749,000</u>
28	General Fund--Private/Local Appropriation	\$3,320,000
29	Home Security Fund Appropriation	\$8,406,000
30	Domestic Violence Prevention Account--State	
31	Appropriation	\$1,154,000
32	Education Legacy Trust Account--State Appropriation	\$725,000
33	TOTAL APPROPRIATION	(\$1,110,386,000)
34		<u>\$1,108,698,000</u>

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

1 (1) \$937,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$696,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely to contract for the operation of
4 one pediatric interim care facility. The facility shall provide
5 residential care for up to thirteen children through two years of age.
6 Seventy-five percent of the children served by the facility must be in
7 need of special care as a result of substance abuse by their mothers.
8 The facility shall also provide on-site training to biological,
9 adoptive, or foster parents. The facility shall provide at least three
10 months of consultation and support to parents accepting placement of
11 children from the facility. The facility may recruit new and current
12 foster and adoptive parents for infants served by the facility. The
13 department shall not require case management as a condition of the
14 contract.

15 (2) \$369,000 of the general fund--state appropriation for fiscal
16 year 2010, \$343,000 of the general fund--state appropriation for fiscal
17 year 2011, and \$306,000 of the general fund--federal appropriation are
18 provided solely for up to three nonfacility-based programs for the
19 training, consultation, support, and recruitment of biological, foster,
20 and adoptive parents of children through age three in need of special
21 care as a result of substance abuse by their mothers, except that each
22 program may serve up to three medically fragile nonsubstance-abuse-
23 affected children. In selecting nonfacility-based programs, preference
24 shall be given to programs whose federal or private funding sources
25 have expired or that have successfully performed under the existing
26 pediatric interim care program.

27 (3) \$2,500,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$46,000 of the general fund--state appropriation for
29 fiscal year 2011, and \$2,098,000 of the home security fund--state
30 appropriation are provided solely for secure crisis residential
31 centers. Within appropriated amounts, the department shall collaborate
32 with providers to maintain no less than forty-five beds that are
33 geographically representative of the state. The department shall
34 examine current secure crisis residential staffing requirements,
35 flexible payment options, center specific waivers, and other
36 appropriate methods to accomplish this outcome.

37 (4) A maximum of \$69,190,000 of the general fund--state
38 appropriations and \$54,443,000 of the general fund--federal

1 appropriations for the 2009-11 biennium shall be expended for
2 behavioral rehabilitative services and these amounts are provided
3 solely for this purpose. The department shall work with behavioral
4 rehabilitative service providers to safely keep youth with emotional,
5 behavioral, or medical needs at home, with relatives, or with other
6 permanent placement resources and decrease the length of service
7 through improved emotional, behavioral, or medical outcomes for
8 children in behavioral rehabilitative services in order to achieve the
9 appropriated levels.

10 (a) Contracted providers shall act in good faith and accept the
11 hardest to serve children, to the greatest extent possible, in order to
12 improve their emotional, behavioral, or medical conditions.

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

25 (c) The department is encouraged to use performance-based contracts
26 with incentives directly tied to outcomes described in this section.
27 The contracts should incentivize contracted providers to accept the
28 hardest to serve children and incentivize improvement in children's
29 emotional, mental, and medical well-being within the established exit
30 date. The department is further encouraged to increase the use of
31 behavioral rehabilitative service group homes, wrap around services to
32 facilitate and support placement of youth at home with relatives, or
33 other permanent resources, and other means to control expenditures.

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

37 (5) Within amounts provided for the foster care and adoption
38 support programs, the department shall control reimbursement decisions

1 for foster care and adoption support cases such that the aggregate
2 average cost per case for foster care and for adoption support does not
3 exceed the amounts assumed in the projected caseload expenditures.

4 (6) \$13,387,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$6,231,000 of the general fund--federal appropriation are
6 provided solely for the department to provide contracted prevention and
7 early intervention services. The legislature recognizes the need for
8 flexibility as the department transitions to performance-based
9 contracts. The following services are included in the prevention and
10 early intervention block grant: Crisis family intervention services,
11 family preservation services, intensive family preservation services,
12 evidence-based programs, public health nurses, and early family support
13 services. The legislature intends for the department to maintain and
14 build on existing evidence-based and research-based programs with the
15 goal of utilizing contracted prevention and intervention services to
16 keep children safe at home and to safely reunify families. Priority
17 shall be given to proven intervention models, including evidence-based
18 prevention and early intervention programs identified by the Washington
19 state institute for public policy and the department. The department
20 shall include information on the number, type, and outcomes of the
21 evidence-based programs being implemented in its reports on child
22 welfare reform efforts and shall provide the legislature and governor
23 a report regarding the allocation of resources in this subsection by
24 September 30, 2010. The department shall expend federal funds under
25 this subsection in compliance with federal regulations.

26 (7) \$36,000 of the general fund--state appropriation for fiscal
27 year 2010, \$34,000 of the general fund--state appropriation for fiscal
28 year 2011, and \$29,000 of the general fund--federal appropriation are
29 provided solely for the implementation of chapter 465, Laws of 2007
30 (child welfare).

31 (8) \$125,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$118,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for continuum of care services.
34 \$100,000 of this amount is for Casey family partners and \$25,000 of
35 this amount is for volunteers of America crosswalk in fiscal year 2010.
36 \$95,000 of this amount is for Casey family partners and \$23,000 of this
37 amount is for volunteers of America crosswalk in fiscal year 2011.

1 (9) \$1,904,000 of the general fund--state appropriation for fiscal
2 year 2010, \$1,441,000 of the general fund--state appropriation for
3 fiscal year 2011, and \$335,000 of the general fund--federal
4 appropriation are provided solely to contract with medical
5 professionals for comprehensive safety assessments of high-risk
6 families and for foster care assessments. The safety assessments will
7 use validated assessment tools to guide intervention decisions through
8 the identification of additional safety and risk factors. The
9 department will maintain the availability of comprehensive foster care
10 assessments and follow up services for children in out-of-home care who
11 do not have permanent plans, comprehensive safety assessments for
12 families receiving in-home child protective services or family
13 voluntary services, and comprehensive safety assessments for families
14 with an infant age birth to fifteen days where the infant was, at
15 birth, diagnosed as substance exposed and the department received an
16 intake referral related to the infant due to the substance exposure.
17 The department must consolidate contracts, streamline administration,
18 and explore efficiencies to achieve savings.

19 (10) \$7,679,000 of the general fund--state appropriation for fiscal
20 year 2010, \$6,226,000 of the general fund--state appropriation for
21 fiscal year 2011, and \$4,658,000 of the general fund--federal
22 appropriation are provided solely for court-ordered supervised visits
23 between parents and dependent children and for sibling visits. The
24 department shall work collaboratively with the juvenile dependency
25 courts and revise the supervised visit reimbursement procedures to stay
26 within appropriations without impeding reunification outcomes between
27 parents and dependent children. The department shall report to the
28 legislative fiscal committees on September 30, 2010, and December 30,
29 2010, the number of children in foster care who receive supervised
30 visits, their frequency, length of time of each visit, and whether
31 reunification is attained.

32 (11) \$145,000 of the general fund--state appropriation for fiscal
33 year 2010, \$817,000 of the general fund--state appropriation for fiscal
34 year 2011, and \$668,000 of the home security fund--state appropriation
35 is provided solely for street youth program services.

36 (12) \$1,522,000 of the general fund--state appropriation for fiscal
37 year 2010, \$1,256,000 of the general fund--state appropriation for
38 fiscal year 2011, and \$1,372,000 of the general fund--federal

1 appropriation are provided solely for the department to recruit foster
2 parents. The recruitment efforts shall include collaborating with
3 community-based organizations and current or former foster parents to
4 recruit foster parents.

5 (13) \$493,000 of the general fund--state appropriation for fiscal
6 year 2010, \$102,000 of the general fund--state appropriation for fiscal
7 year 2011, \$466,000 of the general fund--private/local appropriation,
8 \$182,000 of the general fund--federal appropriation, and \$725,000 of
9 the education legacy trust account--state appropriation are provided
10 solely for children's administration to contract with an educational
11 advocacy provider with expertise in foster care educational outreach.
12 Funding is provided solely for contracted education coordinators to
13 assist foster children in succeeding in K-12 and higher education
14 systems. Funding shall be prioritized to regions with high numbers of
15 foster care youth and/or regions where backlogs of youth that have
16 formerly requested educational outreach services exist. The department
17 shall utilize private matching funds to maintain educational advocacy
18 services.

19 (14) \$1,273,000 of the home security fund account--state
20 appropriation is provided solely for HOPE beds.

21 (15) \$4,234,000 of the home security fund account--state
22 appropriation is provided solely for the crisis residential centers.

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

29 (17) Within the amounts appropriated in this section, the
30 department shall contract for a pilot project with family and community
31 networks in Whatcom county and up to four additional counties to
32 provide services. The pilot project shall be designed to provide a
33 continuum of services that reduce out-of-home placements and the
34 lengths of stay for children in out-of-home placement. The department
35 and the community networks shall collaboratively select the additional
36 counties for the pilot project and shall collaboratively design the
37 contract. Within the framework of the pilot project, the contract
38 shall seek to maximize federal funds. The pilot project in each county

1 shall include the creation of advisory and management teams which
2 include members from neighborhood-based family advisory committees,
3 residents, parents, youth, providers, and local and regional department
4 staff. The Whatcom county team shall facilitate the development of
5 outcome-based protocols and policies for the pilot project and develop
6 a structure to oversee, monitor, and evaluate the results of the pilot
7 projects. The department shall report the costs and savings of the
8 pilot project to the appropriate committees of the legislature by
9 November 1 of each year.

10 (18) \$157,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$78,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the department to contract
13 with a nonprofit entity for a reunification pilot project in Whatcom
14 and Skagit counties. The contract for the reunification pilot project
15 shall include a rate of \$46.16 per hour for evidence-based
16 interventions, in combination with supervised visits, to provide 3,564
17 hours of services to reduce the length of stay for children in the
18 child welfare system. The contract shall also include evidence-based
19 intensive parenting skills building services and family support case
20 management services for 38 families participating in the reunification
21 pilot project. The contract shall include the flexibility for the
22 nonprofit entity to subcontract with trained providers.

23 (19) \$303,000 of the general fund--state appropriation for fiscal
24 year 2010, \$392,000 of the general fund--state appropriation for fiscal
25 year 2011, and \$241,000 of the general fund--federal appropriation are
26 provided solely to implement Engrossed Substitute House Bill No. 1961
27 (increasing adoptions act). If the bill is not enacted by June 30,
28 2009, the amounts provided in this subsection shall lapse.

29 (20) \$98,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$49,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the department to contract
32 with an agency that is working in partnership with, and has been
33 evaluated by, the University of Washington school of social work to
34 implement promising practice constellation hub models of foster care
35 support.

36 (21) The legislature intends for the department to reduce the time
37 a child remains in the child welfare system. The department shall
38 establish a measurable goal and report progress toward meeting that

1 goal to the legislature by January 15 of each fiscal year of the
2 2009-11 fiscal biennium. To the extent that actual caseloads exceed
3 those assumed in this section, it is the intent of the legislature to
4 address those issues in a manner similar to all other caseload
5 programs.

6 (22) \$715,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$671,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for services provided through
9 children's advocacy centers.

10 (23) \$10,000 of the general fund--state appropriation for fiscal
11 year 2011 and \$3,000 of the general fund--federal appropriation are
12 provided solely for implementation of chapter 224, Laws of 2010
13 (confinement alternatives). If the bill is not enacted by June 30,
14 2010, the amounts provided in this subsection shall lapse.

15 (24) \$1,867,000 of the general fund--state appropriation for fiscal
16 year 2010, \$1,677,000 of the general fund--state appropriation for
17 fiscal year 2011, and \$4,379,000 of the general fund--federal
18 appropriation are provided solely for the department to contract for
19 medicaid treatment child care (MTCC) services. Children's
20 administration case workers, local public health nurses and case
21 workers from the temporary assistance for needy families program shall
22 refer children to MTCC services, as long as the children meet the
23 eligibility requirements as outlined in the Washington state plan for
24 the MTCC services.

25 (25) The department shall contract for at least one pilot project
26 with adolescent services providers to deliver a continuum of short-term
27 crisis stabilization services. The pilot project shall include
28 adolescent services provided through secure crisis residential centers,
29 crisis residential centers, and hope beds. The department shall work
30 with adolescent service providers to maintain availability of
31 adolescent services and maintain the delivery of services in a
32 geographically representative manner. The department shall examine
33 current staffing requirements, flexible payment options, center-
34 specific licensing waivers, and other appropriate methods to achieve
35 savings and streamline the delivery of services. The legislature
36 intends for the pilot project to provide flexibility to the department
37 to improve outcomes and to achieve more efficient utilization of
38 existing resources, while meeting the statutory goals of the adolescent

1 services programs. The department shall provide an update to the
2 appropriate legislative committees and governor on the status of the
3 pilot project implementation by December 1, 2010.

4 (26) To ensure expenditures remain within available funds
5 appropriated in this section as required by RCW 74.13A.005 and
6 74.13A.020, the secretary shall not set the amount of any adoption
7 assistance payment or payments, made pursuant to RCW 26.33.320 and
8 74.13A.005 through 74.13A.080, to more than ninety percent of the
9 foster care maintenance payment for that child had he or she remained
10 in a foster family home during the same period. This subsection does
11 not apply to adoption assistance agreements in existence on the
12 effective date of this section.

13 (27) Receipts from fees per chapter 289, Laws of 2010, as deposited
14 into the prostitution prevention and intervention account for services
15 provided to sexually exploited children as defined in RCW 13.32A.030 in
16 secure and semi-secure crisis residential centers with access to staff
17 trained to meet their specific needs shall be used to expand capacity
18 for secure crisis residential centers and not supplant existing
19 funding.

20 ~~((28) The appropriations in this section reflect reductions to the
21 foster care maintenance payment rates during fiscal year 2011.))~~

22 **Sec. 1103.** 2011 c 5 s 202 (uncodified) is amended to read as
23 follows:

24 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
25 **REHABILITATION PROGRAM**

26	General Fund--State Appropriation (FY 2010)	\$103,437,000
27	General Fund--State Appropriation (FY 2011)	((\$90,240,000))
28		<u>\$88,586,000</u>
29	General Fund--Federal Appropriation	((\$1,715,000))
30		<u>\$1,734,000</u>
31	General Fund--Private/Local Appropriation	((\$1,899,000))
32		<u>\$1,931,000</u>
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation	\$3,896,000
35	Juvenile Accountability Incentive Account--Federal	
36	Appropriation	\$2,805,000
37	State Efficiency and Restructuring Account--State	

1	Appropriation	\$4,958,000
2	TOTAL APPROPRIATION	(\$208,950,000)
3		<u>\$207,347,000</u>

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

6 (1) \$353,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$331,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for deposit in the county criminal
9 justice assistance account for costs to the criminal justice system
10 associated with the implementation of chapter 338, Laws of 1997
11 (juvenile code revisions). The amounts provided in this subsection are
12 intended to provide funding for county adult court costs associated
13 with the implementation of chapter 338, Laws of 1997 and shall be
14 distributed in accordance with RCW 82.14.310.

15 (2) \$3,408,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$2,716,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the implementation of chapter
18 338, Laws of 1997 (juvenile code revisions). The amounts provided in
19 this subsection are intended to provide funding for county impacts
20 associated with the implementation of chapter 338, Laws of 1997 and
21 shall be distributed to counties as prescribed in the current
22 consolidated juvenile services (CJS) formula.

23 (3) \$3,716,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$3,482,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely to implement community juvenile
26 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
27 code revisions). Funds provided in this subsection may be used solely
28 for community juvenile accountability grants, administration of the
29 grants, and evaluations of programs funded by the grants.

30 (4) \$1,427,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$1,130,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely to implement alcohol and substance
33 abuse treatment programs for locally committed offenders. The juvenile
34 rehabilitation administration shall award these moneys on a competitive
35 basis to counties that submitted a plan for the provision of services
36 approved by the division of alcohol and substance abuse. The juvenile
37 rehabilitation administration shall develop criteria for evaluation of

1 plans submitted and a timeline for awarding funding and shall assist
2 counties in creating and submitting plans for evaluation.

3 (5) \$3,066,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$2,873,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for grants to county juvenile
6 courts for the following programs identified by the Washington state
7 institute for public policy (institute) in its October 2006 report:
8 "Evidence-Based Public Policy Options to Reduce Future Prison
9 Construction, Criminal Justice Costs and Crime Rates": Functional
10 family therapy, multi-systemic therapy, aggression replacement training
11 and interagency coordination programs, or other programs with a
12 positive benefit-cost finding in the institute's report. County
13 juvenile courts shall apply to the juvenile rehabilitation
14 administration for funding for program-specific participation and the
15 administration shall provide grants to the courts consistent with the
16 per-participant treatment costs identified by the institute.

17 (6) \$1,287,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$1,287,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for expansion of the following
20 treatments and therapies in juvenile rehabilitation administration
21 programs identified by the Washington state institute for public policy
22 in its October 2006 report: "Evidence-Based Public Policy Options to
23 Reduce Future Prison Construction, Criminal Justice Costs and Crime
24 Rates": Multidimensional treatment foster care, family integrated
25 transitions, and aggression replacement training. The administration
26 may concentrate delivery of these treatments and therapies at a limited
27 number of programs to deliver the treatments in a cost-effective
28 manner.

29 (7)(a) For the fiscal year ending June 30, 2011, the juvenile
30 rehabilitation administration shall administer a block grant, rather
31 than categorical funding, of consolidated juvenile service funds,
32 community juvenile accountability act grants, the chemical dependency
33 disposition alternative funds, the mental health disposition
34 alternative, and the sentencing disposition alternative for the purpose
35 of serving youth adjudicated in the juvenile justice system. In making
36 the block grant, the juvenile rehabilitation administration shall
37 follow the following formula and will prioritize evidence-based
38 programs and disposition alternatives and take into account juvenile

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

19 (b) It is the intent of the legislature that the juvenile
20 rehabilitation administration phase the implementation of the formula
21 provided in subsection (1) of this section by including a stop-loss
22 formula of three percent in fiscal year 2011, five percent in fiscal
23 year 2012, and five percent in fiscal year 2013. It is further the
24 intent of the legislature that the evidence-based expansion grants be
25 incorporated into the block grant formula by fiscal year 2013 and SSODA
26 remain separate unless changes would result in increasing the cost
27 benefit savings to the state as identified in (c) of this subsection.

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

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

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

33 (e) By December 1, 2010, the Washington state institute for public
34 policy shall report to the office of financial management and
35 appropriate committees of the legislature on the administration of the
36 block grant authorized in this subsection. The report shall include
37 the criteria used for allocating the funding as a block grant and the

1 participation targets and actual participation in the programs subject
2 to the block grant.

3 (8) \$3,700,000 of the Washington auto theft prevention authority
4 account--state appropriation is provided solely for competitive grants
5 to community-based organizations to provide at-risk youth intervention
6 services, including but not limited to, case management, employment
7 services, educational services, and street outreach intervention
8 programs. Projects funded should focus on preventing, intervening, and
9 suppressing behavioral problems and violence while linking at-risk
10 youth to pro-social activities. The department may not expend more
11 than \$1,850,000 per fiscal year. The costs of administration must not
12 exceed four percent of appropriated funding for each grant recipient.
13 Each entity receiving funds must report to the juvenile rehabilitation
14 administration on the number and types of youth served, the services
15 provided, and the impact of those services upon the youth and the
16 community.

17 (9) The appropriations in this section assume savings associated
18 with the transfer of youthful offenders age eighteen or older whose
19 sentences extend beyond age twenty-one to the department of corrections
20 to complete their sentences. Prior to transferring an offender to the
21 department of corrections, the juvenile rehabilitation administration
22 shall evaluate the offender to determine the offender's physical and
23 emotional suitability for transfer.

24 **Sec. 1104.** 2011 c 5 s 203 (uncodified) is amended to read as
25 follows:

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

28 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

29 General Fund--State Appropriation (FY 2010)	\$273,648,000
30 General Fund--State Appropriation (FY 2011)	(\$263,993,000)
31	<u>\$271,260,000</u>
32 General Fund--Federal Appropriation	(\$520,024,000)
33	<u>\$513,373,000</u>
34 General Fund--Private/Local Appropriation	\$16,951,000
35 Hospital Safety Net Assessment Fund--State	
36 Appropriation	\$3,476,000
37 TOTAL APPROPRIATION	(\$1,078,092,000)

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

(a) \$113,689,000 of the general fund--state appropriation for fiscal year 2010 and \$101,089,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for persons and services not covered by the medicaid program. This is a reduction of \$11,606,000 each fiscal year from the nonmedicaid funding that was allocated for expenditure by regional support networks during fiscal year 2009 prior to supplemental budget reductions. This \$11,606,000 reduction shall be distributed among regional support networks proportional to each network's share of the total state population. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

(b) \$10,400,000 of the general fund--state appropriation for fiscal year 2010, \$8,814,000 of the general fund--state appropriation for fiscal year 2011, and \$1,300,000 of the general fund--federal appropriation are provided solely for the department and regional support networks to contract for implementation of high-intensity program for active community treatment (PACT) teams. The department shall work with regional support networks and the center for medicare and medicaid services to integrate eligible components of the PACT service delivery model into medicaid capitation rates no later than January 2011, while maintaining consistency with all essential elements of the PACT evidence-based practice model.

(c) \$6,500,000 of the general fund--state appropriation for fiscal year 2010 and \$6,091,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the western Washington regional support networks to provide either community- or hospital campus-based services for persons who require the level of care provided by the program for adaptive living skills (PALS) at western state hospital.

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

1 networks at western state hospital shall be 617 per day during the
2 first quarter of fiscal year 2010, 587 per day through the second
3 quarter of fiscal year 2011, and 557 per day thereafter. Beds in the
4 program for adaptive living skills (PALS) are not included in the
5 preceding bed allocations. The department shall separately charge
6 regional support networks for persons served in the PALS program.

7 (e) From the general fund--state appropriations in this subsection,
8 the secretary of social and health services shall assure that regional
9 support networks reimburse the aging and disability services
10 administration for the general fund--state cost of medicaid personal
11 care services that enrolled regional support network consumers use
12 because of their psychiatric disability.

13 (f) \$4,582,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$4,582,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for mental health services for
16 mentally ill offenders while confined in a county or city jail and for
17 facilitating access to programs that offer mental health services upon
18 release from confinement.

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

22 (h) \$750,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$703,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely to continue performance-based
25 incentive contracts to provide appropriate community support services
26 for individuals with severe mental illness who were discharged from the
27 state hospitals as part of the expanding community services initiative.
28 These funds will be used to enhance community residential and support
29 services provided by regional support networks through other state and
30 federal funding.

31 (i) \$1,500,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$1,500,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for the Spokane regional support
34 network to implement services to reduce utilization and the census at
35 eastern state hospital. Such services shall include:

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

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

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

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

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

12 (j) The department shall return to the Spokane regional support
13 network fifty percent of the amounts assessed against the network
14 during the last six months of calendar year 2009 for state hospital
15 utilization in excess of its contractual limit. The regional support
16 network shall use these funds for operation during its initial months
17 of a new sixteen-bed evaluation and treatment facility that will enable
18 the network to reduce its use of the state hospital, and for diversion
19 and community support services for persons with dementia who would
20 likely otherwise require care at the state hospital.

21 (k) The department is directed to identify and implement program
22 efficiencies and benefit changes in its delivery of medicaid managed-
23 care services that are sufficient to operate within the state and
24 federal appropriations in this section. Such actions may include but
25 are not limited to methods such as adjusting the care access standards;
26 improved utilization management of ongoing, recurring, and high-
27 intensity services; and increased uniformity in provider payment rates.
28 The department shall ensure that the capitation rate adjustments
29 necessary to accomplish these efficiencies and changes are distributed
30 uniformly and equitably across all regional support networks statewide.
31 The department is directed to report to the relevant legislative fiscal
32 and policy committees at least thirty days prior to implementing rate
33 adjustments reflecting these changes.

34 (l) In developing the new medicaid managed care rates under which
35 the public mental health managed care system will operate during the
36 five years beginning in fiscal year 2011, the department should seek to
37 estimate the reasonable and necessary cost of efficiently and
38 effectively providing a comparable set of medically necessary mental

1 health benefits to persons of different acuity levels regardless of
2 where in the state they live. Actual prior period spending in a
3 regional administrative area shall not be a key determinant of future
4 payment rates. The department shall report to the office of financial
5 management and to the relevant fiscal and policy committees of the
6 legislature on its proposed new waiver and mental health managed care
7 rate-setting approach by October 1, 2009, and again at least sixty days
8 prior to implementation of new capitation rates.

9 (m) In implementing the new public mental health managed care
10 payment rates for fiscal year 2011, the department shall to the maximum
11 extent possible within each regional support network's allowable rate
12 range establish rates so that there is no increase or decrease in the
13 total state and federal funding that the regional support network would
14 receive if it were to continue to be paid at its October 2009 through
15 June 2010 rates. The department shall additionally revise the draft
16 rates issued January 28, 2010, to more accurately reflect the lower
17 practitioner productivity inherent in the delivery of services in
18 extremely rural regions in which a majority of the population reside in
19 frontier counties, as defined and designated by the national center for
20 frontier communities.

21 (n) \$1,529,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$1,529,000 of the general fund--state appropriation for
23 fiscal year 2011 are provided solely to reimburse Pierce and Spokane
24 counties for the cost of conducting 180-day commitment hearings at the
25 state psychiatric hospitals.

26 (o) The legislature intends and expects that regional support
27 networks and contracted community mental health agencies shall make all
28 possible efforts to, at a minimum, maintain current compensation levels
29 of direct care staff. Such efforts shall include, but not be limited
30 to, identifying local funding that can preserve client services and
31 staff compensation, achieving administrative reductions at the regional
32 support network level, and engaging stakeholders on cost-savings ideas
33 that maintain client services and staff compensation. For purposes of
34 this section, "direct care staff" means persons employed by community
35 mental health agencies whose primary responsibility is providing direct
36 treatment and support to people with mental illness, or whose primary
37 responsibility is providing direct support to such staff in areas such

1 as client scheduling, client intake, client reception, client records-
2 keeping, and facilities maintenance.

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

15 (2) INSTITUTIONAL SERVICES

16	General Fund--State Appropriation (FY 2010)	\$119,423,000
17	General Fund--State Appropriation (FY 2011)	((\$112,514,000))
18		<u>\$111,365,000</u>
19	General Fund--Federal Appropriation	((\$152,195,000))
20		<u>\$154,399,000</u>
21	General Fund--Private/Local Appropriation	((\$63,873,000))
22		<u>\$64,789,000</u>
23	TOTAL APPROPRIATION	((\$448,005,000))
24		<u>\$449,976,000</u>

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

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

30 (b) \$231,000 of the general fund--state appropriation for fiscal
31 year 2008 and \$216,000 of the general fund--state appropriation for
32 fiscal year 2009 are provided solely for a community partnership
33 between western state hospital and the city of Lakewood to support
34 community policing efforts in the Lakewood community surrounding
35 western state hospital. The amounts provided in this subsection (2)(b)
36 are for the salaries, benefits, supplies, and equipment for one full-
37 time investigator, one full-time police officer, and one full-time
38 community service officer at the city of Lakewood.

1 (c) \$45,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$42,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for payment to the city of
4 Lakewood for police services provided by the city at western state
5 hospital and adjacent areas.

6 (d) \$187,000 of the general fund--state appropriation for fiscal
7 year 2011 is provided solely for support of the psychiatric security
8 review panel established pursuant to Senate Bill No. 6610. If Senate
9 Bill No. 6610 is not enacted by June 30, 2010, the amount provided in
10 this subsection shall lapse.

11 (3) SPECIAL PROJECTS

12 General Fund--State Appropriation (FY 2010)	\$1,819,000
13 General Fund--State Appropriation (FY 2011)	\$1,961,000
14 General Fund--Federal Appropriation	(\$2,142,000)
15	<u>\$2,538,000</u>
16 TOTAL APPROPRIATION	(\$5,922,000)
17	<u>\$6,318,000</u>

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

20 (a) \$1,511,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$1,416,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for children's evidence based
23 mental health services. Funding is sufficient to continue serving
24 children at the same levels as fiscal year 2009.

25 (b) \$94,000 of the general fund--state appropriation for fiscal
26 year 2011 is provided solely for consultation, training, and technical
27 assistance to regional support networks on strategies for effective
28 service delivery in very sparsely populated counties.

29 (c) \$56,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely for the department to contract with the
31 Washington state institute for public policy for completion of the
32 research reviews to be conducted in accordance with chapter 263, Laws
33 of 2010.

34 (d) \$56,000 of the general fund--state appropriation for fiscal
35 year 2011 is provided solely for the department to contract with the
36 Washington state institute for public policy for completion of the
37 research reviews to be conducted in accordance with section 1, chapter
38 280, Laws of 2010.

1 (e) \$56,000 of the general fund--state appropriation for fiscal
 2 year 2011 is provided solely for implementation of sections 2 and 3,
 3 chapter 280, Laws of 2010. The department shall use these funds to
 4 contract with the Washington state institute for public policy for
 5 completion of an assessment of (i) the extent to which the number of
 6 persons involuntarily committed for 3, 14, and 90 days is likely to
 7 increase as a result of the revised commitment standards; (ii) the
 8 availability of community treatment capacity to accommodate that
 9 increase; (iii) strategies for cost-effectively leveraging state,
 10 local, and private resources to increase community involuntary
 11 treatment capacity; and (iv) the extent to which increases in
 12 involuntary commitments are likely to be offset by reduced utilization
 13 of correctional facilities, publicly-funded medical care, and state
 14 psychiatric hospitalizations.

15 (4) PROGRAM SUPPORT

16	General Fund--State Appropriation (FY 2010)	\$4,078,000
17	General Fund--State Appropriation (FY 2011)	(\$3,722,000)
18		<u>\$4,002,000</u>
19	General Fund--Federal Appropriation	(\$7,207,000)
20		<u>\$6,920,000</u>
21	TOTAL APPROPRIATION	(\$15,007,000)
22		<u>\$15,000,000</u>

23 The department is authorized and encouraged to continue its
 24 contract with the Washington state institute for public policy to
 25 provide a longitudinal analysis of long-term mental health outcomes as
 26 directed in chapter 334, Laws of 2001 (mental health performance
 27 audit); to build upon the evaluation of the impacts of chapter 214,
 28 Laws of 1999 (mentally ill offenders); and to assess program outcomes
 29 and cost effectiveness of the children's mental health pilot projects
 30 as required by chapter 372, Laws of 2006.

31 **Sec. 1105.** 2011 c 5 s 204 (uncodified) is amended to read as
 32 follows:

33 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
 34 **DISABILITIES PROGRAM**

35 (1) COMMUNITY SERVICES

36	General Fund--State Appropriation (FY 2010)	\$307,348,000
37	General Fund--State Appropriation (FY 2011)	(\$321,752,000)

1		<u>\$329,639,000</u>
2	General Fund--Federal Appropriation	((\$890,274,000))
3		<u>\$870,232,000</u>
4	TOTAL APPROPRIATION	((\$1,519,374,000))
5		<u>\$1,507,219,000</u>

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

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

12 (b)(i) Amounts appropriated in this section reflect a reduction to
13 funds appropriated for in-home care. The department shall reduce the
14 number of in-home hours authorized. The reduction shall be scaled
15 based on the acuity level of care recipients. The largest hour
16 reductions shall be to lower acuity patients and the smallest hour
17 reductions shall be to higher acuity patients. In doing so, the
18 department shall comply with all maintenance of effort requirements
19 contained in the American reinvestment and recovery act.

20 (ii) \$508,000 of the general fund--state appropriation for fiscal
21 year 2011 and \$822,000 of the general fund--federal appropriation are
22 provided solely for the department to partially restore the reductions
23 to in-home care that are taken in (b)(i) of this subsection. The
24 department will use the same formula to restore personal care hours
25 that it used to reduce personal care hours.

26 (c) Amounts appropriated in this section are sufficient to develop
27 and implement the use of a consistent, statewide outcome-based vendor
28 contract for employment and day services by April 1, 2011. The rates
29 paid to vendors under this contract shall also be made consistent. In
30 its description of activities the agency shall include activity
31 listings and dollars appropriated for: Employment services, day
32 services, child development services and county administration of
33 services to the developmentally disabled. The department shall begin
34 reporting to the office of financial management on these activities
35 beginning in fiscal year 2010.

36 (d) \$302,000 of the general fund--state appropriation for fiscal
37 year 2010, \$831,000 of the general fund--state appropriation for fiscal
38 year 2011, and \$1,592,000 of the general fund--federal appropriation

1 are provided solely for health care benefits pursuant to a collective
2 bargaining agreement negotiated with the exclusive bargaining
3 representative of individual providers established under RCW
4 74.39A.270.

5 (e)(i) \$682,000 of the general fund--state appropriation for fiscal
6 year 2010, \$1,651,000 of the general fund--state appropriation for
7 fiscal year 2011, and \$1,678,000 of the general fund--federal
8 appropriation are provided solely for the state's contribution to the
9 training partnership, as provided in RCW 74.39A.360, pursuant to a
10 collective bargaining agreement negotiated with the exclusive
11 bargaining representative of individual providers established under RCW
12 74.39A.270.

13 (ii) The federal portion of the amounts in this subsection (g) is
14 contingent upon federal approval of participation in contributions to
15 the trust and shall remain unallotted and placed in reserve status
16 until the office of financial management and the department of social
17 and health services receive federal approval.

18 (iii) Expenditures for the purposes specified in this subsection
19 (g) shall not exceed the amounts provided in this subsection.

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

31 (g) In addition to other reductions, the appropriations in this
32 subsection reflect reductions targeted specifically to state government
33 administrative costs. These administrative reductions shall be
34 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.

37 (h) The department shall not pay a home care agency licensed under

1 chapter 70.127 RCW for personal care services provided by a family
2 member, pursuant to Substitute House Bill No. 2361 (modifying state
3 payments for in-home care).

4 (i) Within the appropriations of this section, the department shall
5 reduce all seventeen payment levels of the seventeen-level payment
6 system from the fiscal year 2009 levels for boarding homes, boarding
7 homes contracted as assisted living, and adult family homes. Excluded
8 from the reductions are exceptional care rate add-ons. The long-term
9 care program may develop add-ons to pay exceptional care rates to adult
10 family homes and boarding homes with specialty contracts to provide
11 support for the following specifically eligible clients:

12 (i) Persons with AIDS or HIV-related diseases who might otherwise
13 require nursing home or hospital care;

14 (ii) Persons with Alzheimer's disease and related dementia who
15 might otherwise require nursing home care; and

16 (iii) Persons with co-occurring mental illness and long-term care
17 needs who are eligible for expanded community services and who might
18 otherwise require state and local psychiatric hospital care.

19 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,
20 dementia specialty care, and expanded community services may be
21 standardized within each program.

22 (j) The amounts appropriated in this subsection reflect a reduction
23 in funds available for employment and day services. In administering
24 this reduction the department shall negotiate with counties and their
25 vendors so that this reduction, to the greatest extent possible, is
26 achieved by reducing vendor rates and allowable contract administrative
27 charges (overhead) and not through reductions to direct client services
28 or direct service delivery or programs.

29 (k) As part of the needs assessment instrument, the department may
30 collect data on family income for minor children with developmental
31 disabilities and all individuals who are receiving state-only funded
32 services. The department may ensure that this information is collected
33 as part of the client assessment process.

34 (l) \$116,000 of the general fund--state appropriation for fiscal
35 year 2010, \$2,133,000 of the general fund--state appropriation for
36 fiscal year 2011, and \$1,772,000 of the general fund--federal
37 appropriation are provided solely for employment services and required
38 waiver services. Priority consideration for this new funding shall be

1 young adults with developmental disabilities living with their family
2 who need employment opportunities and assistance after high school
3 graduation. Services shall be provided for both waiver and nonwaiver
4 clients.

5 (m) \$81,000 of the general fund--state appropriation for fiscal
6 year 2010, \$599,000 of the general fund--state appropriation for fiscal
7 year 2011, and \$1,111,000 of the general fund--federal appropriation
8 are provided solely for the department to provide employment and day
9 services for eligible students who are currently on a waiver and will
10 graduate from high school during fiscal years 2010 and 2011.

11 (n) The automatic award of additional hours of personal care for
12 people with special meal preparation or incontinence needs is
13 eliminated. Authorization of service hours will be based upon the
14 individual's assessed needs.

15 (o) \$75,000 of the general fund--state appropriation for fiscal
16 year 2011 is provided solely for the restoration of direct support to
17 local organizations that utilize parent-to-parent networks and
18 communication to promote access and quality of care for individuals
19 with developmental disabilities and their families.

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2010)	\$61,422,000
22	General Fund--State Appropriation (FY 2011)	(\$62,551,000)
23		<u>\$66,554,000</u>
24	General Fund--Federal Appropriation	(\$205,440,000)
25		<u>\$200,262,000</u>
26	General Fund--Private/Local Appropriation	(\$22,357,000)
27		<u>\$22,657,000</u>
28	TOTAL APPROPRIATION	(\$351,770,000)
29		<u>\$350,895,000</u>

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

32 (a) Individuals receiving services as supplemental security income
33 (SSI) state supplemental payments shall not become eligible for medical
34 assistance under RCW 74.09.510 due solely to the receipt of SSI state
35 supplemental payments.

36 (b) The developmental disabilities program is authorized to use
37 funds appropriated in this subsection to purchase goods and supplies

1 through direct contracting with vendors when the program determines it
2 is cost-effective to do so.

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

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

16 (3) PROGRAM SUPPORT

17	General Fund--State Appropriation (FY 2010)	\$1,407,000
18	General Fund--State Appropriation (FY 2011)	\$1,341,000
19	General Fund--Federal Appropriation	(\$1,263,000)
20		<u>\$1,277,000</u>
21	TOTAL APPROPRIATION	(\$4,011,000)
22		<u>\$4,025,000</u>

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--Federal Appropriation	(\$10,171,000)
32		<u>\$10,157,000</u>

33 The appropriation in this subsection is subject to the following
34 conditions and limitations: The appropriations in this subsection are
35 available solely for the infant toddler early intervention program and
36 the money follows the person program as defined by this federal grant.

1 (3) In accordance with chapter 74.46 RCW, the department shall
2 issue no additional certificates of capital authorization for fiscal
3 year 2010 and no new certificates of capital authorization for fiscal
4 year 2011 and shall grant no rate add-ons to payment rates for capital
5 improvements not requiring a certificate of need and a certificate of
6 capital authorization for fiscal year 2011.

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

13 (5) Within the appropriations of this section, the department shall
14 reduce all seventeen payment levels of the seventeen-level payment
15 system from the fiscal year 2009 levels for boarding homes, boarding
16 homes contracted as assisted living, and adult family homes. Excluded
17 from the reductions are exceptional care rate add-ons. The long-term
18 care program may develop add-ons to pay exceptional care rates to adult
19 family homes and boarding homes with specialty contracts to provide
20 support for the following specifically eligible clients:

21 (a) Persons with AIDS or HIV-related diseases who might otherwise
22 require nursing home or hospital care;

23 (b) Persons with Alzheimer's disease and related dementia who might
24 otherwise require nursing home care; and

25 (c) Persons with co-occurring mental illness and long-term care
26 needs who are eligible for expanded community services and who might
27 otherwise require state and local psychiatric hospital care.

28 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,
29 dementia specialty care, and expanded community services may be
30 standardized within each program.

31 (6)(a) Amounts appropriated in this section reflect a reduction to
32 funds appropriated for in-home care. The department shall reduce the
33 number of in-home hours authorized. The reduction shall be scaled
34 based on the acuity level of care recipients. The largest hour
35 reductions shall be to lower acuity patients and the smallest hour
36 reductions shall be to higher acuity patients. In doing so, the
37 department shall comply with all maintenance of effort requirements
38 contained in the American reinvestment and recovery act.

1 (b) \$3,070,000 of the general fund--state appropriation for fiscal
2 year 2011 and \$4,980,000 of the general fund--federal appropriation are
3 provided solely for the department to partially restore the reduction
4 to in-home care that are taken in (a) of this subsection. The
5 department will use the same formula to restore personal care hours
6 that it used to reduce personal care hours.

7 (7) \$536,000 of the general fund--state appropriation for fiscal
8 year 2010, \$1,477,000 of the general fund--state appropriation for
9 fiscal year 2011, and \$2,830,000 of the general fund--federal
10 appropriation are provided solely for health care benefits pursuant to
11 a collective bargaining agreement negotiated with the exclusive
12 bargaining representative of individual providers established under RCW
13 74.39A.270.

14 (8)(a) \$1,212,000 of the general fund--state appropriation for
15 fiscal year 2010, \$2,934,000 of the general fund--state appropriation
16 for fiscal year 2011, and \$2,982,000 of the general fund--federal
17 appropriation are provided solely for the state's contribution to the
18 training partnership, as provided in RCW 74.39A.360, pursuant to a
19 collective bargaining agreement negotiated with the exclusive
20 bargaining representative of individual providers established under RCW
21 74.39A.270.

22 (b) \$330,000 of the general fund--state appropriation for fiscal
23 year 2010, \$660,000 of the general fund--state appropriation for fiscal
24 year 2011, and \$810,000 of the general fund--federal appropriation are
25 provided solely for transfer from the department to the training
26 partnership, as provided in RCW 74.39A.360, for infrastructure and
27 instructional costs associated with training of individual providers,
28 pursuant to a collective bargaining agreement negotiated with the
29 exclusive bargaining representative of individual providers established
30 under RCW 74.39A.270.

31 (c) The federal portion of the amounts in this subsection is
32 contingent upon federal approval of participation in contributions to
33 the trust and shall remain unallotted and placed in reserve status
34 until the office of financial management and the department of social
35 and health services receive federal approval.

36 (d) Expenditures for the purposes specified in this subsection
37 shall not exceed the amounts provided in this subsection.

1 (9) Within the amounts appropriated in this section, the department
2 may expand the new freedom waiver program to accommodate new waiver
3 recipients throughout the state. As possible, and in compliance with
4 current state and federal laws, the department shall allow current
5 waiver recipients to transfer to the new freedom waiver.

6 (10) Individuals receiving services as supplemental security income
7 (SSI) state supplemental payments shall not become eligible for medical
8 assistance under RCW 74.09.510 due solely to the receipt of SSI state
9 supplemental payments.

10 (11) \$3,955,000 of the general fund--state appropriation for fiscal
11 year 2010, \$3,972,000 of the general fund--state appropriation for
12 fiscal year 2011, and \$10,190,000 of the general fund--federal
13 appropriation are provided solely for the continued operation of
14 community residential and support services for persons who are older
15 adults or who have co-occurring medical and behavioral disorders and
16 who have been discharged or diverted from a state psychiatric hospital.
17 These funds shall be used to serve individuals whose treatment needs
18 constitute substantial barriers to community placement, who no longer
19 require active psychiatric treatment at an inpatient hospital level of
20 care, and who no longer meet the criteria for inpatient involuntary
21 commitment. Coordination of these services will be done in partnership
22 between the mental health program and the aging and disability services
23 administration.

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

37 (13) \$1,840,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$1,759,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for operation of the volunteer
2 services program. Funding shall be prioritized towards serving
3 populations traditionally served by long-term care services to include
4 senior citizens and persons with disabilities.

5 (14) In accordance with chapter 74.39 RCW, the department may
6 implement two medicaid waiver programs for persons who do not qualify
7 for such services as categorically needy, subject to federal approval
8 and the following conditions and limitations:

9 (a) One waiver program shall include coverage of care in community
10 residential facilities. Enrollment in the waiver shall not exceed 600
11 persons at any time.

12 (b) The second waiver program shall include coverage of in-home
13 care. Enrollment in this second waiver shall not exceed 200 persons at
14 any time.

15 (c) The department shall identify the number of medically needy
16 nursing home residents, and enrollment and expenditures on each of the
17 two medically needy waivers, on monthly management reports.

18 (d) If it is necessary to establish a waiting list for either
19 waiver because the budgeted number of enrollment opportunities has been
20 reached, the department shall track how the long-term care needs of
21 applicants assigned to the waiting list are met.

22 (15) The department shall establish waiting lists to the extent
23 necessary to assure that annual expenditures on the community options
24 program entry systems (COPES) program do not exceed appropriated
25 levels. In establishing and managing any such waiting list, the
26 department shall assure priority access to persons with the greatest
27 unmet needs, as determined by department assessment processes.

28 (16) The department shall contract for housing with service models,
29 such as cluster care, to create efficiencies in service delivery and
30 responsiveness to unscheduled personal care needs by clustering hours
31 for clients that live in close proximity to each other.

32 (17) The department shall not pay a home care agency licensed under
33 chapter 70.127 RCW for personal care services provided by a family
34 member, pursuant to Substitute House Bill No. 2361 (modifying state
35 payments for in-home care).

36 (18) \$209,000 of the general fund--state appropriation for fiscal
37 year 2010, \$732,000 of the general fund--state appropriation for fiscal
38 year 2011, and \$1,293,000 of the general fund--federal appropriation

1 are provided solely to implement Engrossed House Bill No. 2194
2 (extraordinary medical placement for offenders). The department shall
3 work in partnership with the department of corrections to identify
4 services and find placements for offenders who are released through the
5 extraordinary medical placement program. The department shall
6 collaborate with the department of corrections to identify and track
7 cost savings to the department of corrections, including medical cost
8 savings and to identify and track expenditures incurred by the aging
9 and disability services program for community services and by the
10 medical assistance program for medical expenses. A joint report
11 regarding the identified savings and expenditures shall be provided to
12 the office of financial management and the appropriate fiscal
13 committees of the legislature by November 30, 2010. If this bill is
14 not enacted by June 30, 2009, the amounts provided in this subsection
15 shall lapse.

16 (19) In accordance with RCW 18.51.050, 18.20.050, and 43.135.055,
17 the department is authorized to increase nursing facility and boarding
18 home fees in fiscal year 2011 as necessary to meet the actual costs of
19 conducting the licensure, inspection, and regulatory programs.

20 (a) \$1,035,000 of the general fund--private/local appropriation
21 assumes that the current annual renewal license fee for nursing
22 facilities shall be increased to \$327 per bed beginning in fiscal year
23 2011.

24 (b) \$1,806,000 of the general fund--local appropriation assumes
25 that the current annual renewal license fee for boarding homes shall be
26 increased to \$106 per bed beginning in fiscal year 2011.

27 (20) \$2,566,000 of the traumatic brain injury account--state
28 appropriation is provided solely to continue services for persons with
29 traumatic brain injury (TBI) as defined in RCW 74.31.020 through
30 74.31.050. The TBI advisory council shall provide a report to the
31 legislature by December 1, 2010, on the effectiveness of the functions
32 overseen by the council and shall provide recommendations on the
33 development of critical services for individuals with traumatic brain
34 injury.

35 (21) The automatic award of additional hours of personal care for
36 people with special meal preparation or incontinence needs is
37 eliminated. Authorization of service hours will be based upon the
38 individual's assessed needs.

1 (22) For calendar year 2009, the department shall calculate split
2 settlements covering two periods January 1, 2009, through June 30,
3 2009, and July 1, 2009, through December 31, 2009. For the second
4 period beginning July 1, 2009, the department may partially or totally
5 waive settlements only in specific cases where a nursing home can
6 demonstrate significant decreases in costs from the first period.

7 (23) \$72,000 of the traumatic brain injury account appropriation
8 and \$116,000 of the general fund--federal appropriation are provided
9 solely for a direct care rate add-on to any nursing facility
10 specializing in the care of residents with traumatic brain injuries
11 where more than 50 percent of residents are classified with this
12 condition based upon the federal minimum data set assessment.

13 (24) \$69,000 of the general fund--state appropriation for fiscal
14 year 2010, \$1,289,000 of the general fund--state appropriation for
15 fiscal year 2011, and \$2,050,000 of the general fund--federal
16 appropriation are provided solely for the department to maintain
17 enrollment in the adult day health services program. New enrollments
18 are authorized for up to 1,575 clients or to the extent that
19 appropriated funds are available to cover additional clients.

20 (25) \$937,000 of the general fund--state appropriation for fiscal
21 year 2011 is provided solely for the department to contract for the
22 provision of an individual provider referral registry.

23 (26) \$94,000 of the general fund--state appropriation for fiscal
24 year 2011 and \$100,000 of the general fund--federal appropriation are
25 provided solely for the department to contract with a consultant to
26 evaluate and make recommendations on a pay-for-performance payment
27 subsidy system. The department shall organize one workgroup meeting
28 with the consultant where nursing home stakeholders may provide input
29 on pay-for-performance ideas. The consultant shall review pay-for-
30 performance strategies used in other states to sustain and enhance
31 quality-improvement efforts in nursing facilities. The evaluation
32 shall include a review of the centers for medicare and medicaid
33 services demonstration project to explore the feasibility of pay-for-
34 performance systems in medicare certified nursing facilities. The
35 consultant shall develop a report to include:

36 (a) Best practices used in other states for pay-for-performance
37 strategies incorporated into medicaid nursing home payment systems;

38 (b) The relevance of existing research to Washington state;

1 (c) A summary and review of suggestions for pay-for-performance
2 strategies provided by nursing home stakeholders in Washington state;
3 and

4 (d) An evaluation of the effectiveness of a variety of performance
5 measures.

6 (27) \$4,100,000 of the general fund--state appropriation for fiscal
7 year 2010, \$4,174,000 of the general fund--state appropriation for
8 fiscal year 2011, and \$8,124,000 of the general fund--federal
9 appropriation are provided for the operation of the management services
10 division of the aging and disability services administration. This
11 includes but is not limited to the budget, contracts, accounting,
12 decision support, information technology, and rate development
13 activities for programs administered by the aging and disability
14 services administration. Nothing in this subsection is intended to
15 exempt the management services division of the aging and disability
16 services administration from reductions directed by the secretary.
17 However, funds provided in this subsection shall not be transferred
18 elsewhere within the department nor used for any other purpose.

19 (28) The department is authorized to place long-term care clients
20 residing in nursing homes and paid for with state only funds into less
21 restrictive community care settings while continuing to meet the
22 client's care needs.

23 (29) In accordance with RCW 43.135.055, the department is
24 authorized to adopt and increase the fees set forth in and previously
25 authorized in section 206(19), chapter 37, Laws of 2010 1st sp.s.

26 **Sec. 1107.** 2011 c 5 s 206 (uncodified) is amended to read as
27 follows:

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

30	General Fund--State Appropriation (FY 2010)	\$564,242,000
31	General Fund--State Appropriation (FY 2011)	((\$540,549,000))
32		<u>\$576,683,000</u>
33	General Fund--Federal Appropriation	((\$1,219,423,000))
34		<u>\$1,253,532,000</u>
35	General Fund--Private/Local Appropriation	\$37,816,000
36	Administrative Contingency Account--State	
37	Appropriation	\$24,336,000

1 TOTAL APPROPRIATION ((~~\$2,386,366,000~~))
2 \$2,456,609,000

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

5 (1) \$303,393,000 of the general fund--state appropriation for
6 fiscal year 2010, ((~~\$285,057,000~~)) \$295,699,000 of the general fund--
7 state appropriation for fiscal year 2011 net of child support pass-
8 through recoveries, \$24,336,000 of the administrative contingency
9 account--state appropriation, and ((~~\$778,606,000~~)) \$848,646,000 of the
10 general fund--federal appropriation are provided solely for all
11 components of the WorkFirst program. The department shall use moneys
12 from the administrative contingency account for WorkFirst job placement
13 services provided by the employment security department. Within the
14 amounts provided for the WorkFirst program, the department may provide
15 assistance using state-only funds for families eligible for temporary
16 assistance for needy families. In addition, within the amounts
17 provided for WorkFirst the department shall:

18 (a) ((~~Establish a career services work transition program;~~

19 ~~(b)~~) Continue to implement WorkFirst program improvements that are
20 designed to achieve progress against outcome measures specified in RCW
21 74.08A.410. Outcome data regarding job retention and wage progression
22 shall be reported quarterly to appropriate fiscal and policy committees
23 of the legislature for families who leave assistance, measured after 12
24 months, 24 months, and 36 months. The department shall also report the
25 percentage of families who have returned to temporary assistance for
26 needy families after 12 months, 24 months, and 36 months;

27 ((~~(e)~~)) (b) Submit a report electronically by October 1, 2009, to
28 the fiscal committees of the legislature containing a spending plan for
29 the WorkFirst program. The plan shall identify how spending levels in
30 the 2009-2011 biennium will be adjusted to stay within available
31 federal grant levels and the appropriated state-fund levels;

32 ((~~(d)~~)) (c) Provide quarterly fiscal reports to the office of
33 financial management and the legislative fiscal committees detailing
34 information on the amount expended from general fund--state and general
35 fund--federal by activity.

36 (2) The department may establish a career services work transition
37 program.

1 (3) The department and the office of financial management shall
2 electronically report quarterly the expenditures, maintenance of effort
3 allotments, expenditure amounts, and caseloads for the WorkFirst
4 program to the legislative fiscal committees.

5 (~~(+3)~~) (4) \$16,783,000 of the general fund--state appropriation
6 for fiscal year 2011 and (~~(\$62,000,000)~~) \$19,027,000 of the general
7 fund--federal appropriation are provided solely for all components of
8 the WorkFirst program in order to maintain services to January 2011.
9 The legislature intends to work with the governor to design and
10 implement fiscal and programmatic modifications to provide for the
11 sustainability of the program. The funding in this subsection assumes
12 that no other expenditure reductions will be made prior to January 2011
13 other than those assumed in the appropriation levels in this act.

14 (~~(+4)~~) (5) \$94,322,000 of the general fund--state appropriation
15 for fiscal year 2010 and (~~(\$76,979,000)~~) \$94,104,000 of the general
16 fund--state appropriation for fiscal year 2011, net of recoveries, are
17 provided solely for cash assistance and other services to recipients in
18 the cash program pursuant to chapter 8, Laws of 2010 1st sp. sess.
19 (security lifeline act), including persons in the unemployable,
20 expedited, and aged, blind, and disabled components of the program. It
21 is the intent of the legislature that the lifeline incapacity
22 determination and progressive evaluation process regulations be
23 carefully designed to accurately identify those persons who have been
24 or will be incapacitated for at least ninety days. The incapacity
25 determination and progressive evaluation process regulations in effect
26 on January 1, 2010, cannot be amended until at least September 30,
27 2010; except that provisions related to the use of administrative
28 review teams may be amended, and obsolete terminology and functional
29 assessment language may be updated on or after July 1, 2010, in a
30 manner that only minimally impacts the outcome of incapacity
31 evaluations. After September 30, 2010, the incapacity determination
32 and progressive evaluation process regulations may be amended only if
33 the reports under (a) and (b) of this subsection have been submitted,
34 and find that expenditures will exceed the appropriated level by three
35 percent or more.

36 (a) The department and the caseload forecast council shall, by
37 September 21, 2010, submit a report to the legislature based upon the
38 most recent caseload forecast and actual expenditure data available, as

1 to whether expenditures for the lifeline-unemployable grants in fiscal
2 year 2011 will exceed \$69,648,000 for fiscal year 2011 in the 2010
3 supplemental operating budget by three percent or more. If
4 expenditures will exceed the appropriated amount for
5 lifeline-unemployable grants by three percent or more, the department
6 may adopt regulations modifying incapacity determination and
7 progressive evaluation process regulations after September 30, 2010.

8 (b) On or before September 21, 2010, the department shall submit a
9 report to the relevant policy and fiscal committees of the legislature
10 that includes the following information regarding any regulations
11 proposed for adoption that would modify the lifeline incapacity
12 determination and progressive evaluation process:

13 (i) A copy of the proposed changes and a concise description of the
14 changes;

15 (ii) A description of the persons who would likely be affected by
16 adoption of the regulations, including their impairments, age,
17 education, and work history;

18 (iii) An estimate of the number of persons who, on a monthly basis
19 through June 2013, would be denied lifeline benefits if the regulations
20 were adopted, expressed as a number, as a percentage of total
21 applicants, and as a percentage of the number of persons granted
22 lifeline benefits in each month;

23 (iv) An estimate of the number of persons who, on a monthly basis
24 through June 2013, would have their lifeline benefits terminated
25 following an eligibility review if the regulations were adopted,
26 expressed as a number, as a percentage of the number of persons who
27 have had an eligibility review in each month, and as a percentage of
28 the total number of persons currently receiving lifeline-unemployable
29 benefits in each month; and

30 (v) Intended improvements in employment or treatment outcomes among
31 persons receiving lifeline benefits that could be attributable to the
32 changes in the regulations.

33 (c) Within these amounts:

34 (i) The department shall aggressively pursue opportunities to
35 transfer lifeline clients to general assistance expedited coverage and
36 to facilitate client applications for federal supplemental security
37 income when the client's incapacities indicate that he or she would be
38 likely to meet the federal disability criteria for supplemental

1 security income. The department shall initiate and file the federal
2 supplemental security income interim agreement as quickly as possible
3 in order to maximize the recovery of federal funds;

4 (ii) The department shall review the lifeline caseload to identify
5 recipients that would benefit from assistance in becoming naturalized
6 citizens, and thus be eligible to receive federal supplemental security
7 income benefits. Those cases shall be given high priority for
8 naturalization funding through the department;

9 (iii) The department shall actively coordinate with local workforce
10 development councils to expedite access to worker retraining programs
11 for lifeline clients in those regions of the state with the greatest
12 number of such clients;

13 (iv) By July 1, 2009, the department shall enter into an
14 interagency agreement with the department of veterans' affairs to
15 establish a process for referral of veterans who may be eligible for
16 veteran's services. This agreement must include outstationing
17 department of veterans' affairs staff in selected community service
18 office locations in King and Pierce counties to facilitate applications
19 for veterans' services; and

20 (v) In addition to any earlier evaluation that may have been
21 conducted, the department shall intensively evaluate those clients who
22 have been receiving lifeline benefits for twelve months or more as of
23 July 1, 2009, or thereafter, if the available medical and incapacity
24 related evidence indicates that the client is unlikely to meet the
25 disability standard for federal supplemental security income benefits.
26 The evaluation shall identify services necessary to eliminate or
27 minimize barriers to employment, including mental health treatment,
28 substance abuse treatment and vocational rehabilitation services. The
29 department shall expedite referrals to chemical dependency treatment,
30 mental health and vocational rehabilitation services for these clients.

31 (vi) The appropriations in this subsection reflect a change in the
32 earned income disregard policy for lifeline clients. It is the intent
33 of the legislature that the department shall adopt the temporary
34 assistance for needy families earned income policy for the lifeline
35 program.

36 ~~((+5))~~ (6) \$750,000 of the general fund--state appropriation for
37 fiscal year 2010 and \$500,000 of the general fund--state appropriation
38 for fiscal year 2011 are provided solely for naturalization services.

1 ~~((6))~~ (7) \$3,550,000 of the general fund--state appropriation for
2 fiscal year 2010 is provided solely for refugee employment services, of
3 which \$2,650,000 is provided solely for the department to pass through
4 to statewide refugee assistance organizations for limited English
5 proficiency pathway services; and \$2,050,000 of the general fund--state
6 appropriation for fiscal year 2011 is provided solely for refugee
7 employment services, of which \$1,540,000 is provided solely for the
8 department to pass through to statewide refugee assistance
9 organizations for limited English proficiency pathway services.

10 ~~((7))~~ (8) The appropriations in this section reflect reductions
11 in the appropriations for the economic services administration's
12 administrative expenses. It is the intent of the legislature that
13 these reductions shall be achieved, to the greatest extent possible, by
14 reducing those administrative costs that do not affect direct client
15 services or direct service delivery or program.

16 ~~((8))~~ (9) \$855,000 of the general fund--state appropriation for
17 fiscal year 2011, \$719,000 of the general fund--federal appropriation,
18 and \$2,907,000 of the general fund--private/local appropriation are
19 provided solely for the implementation of the opportunity portal, the
20 food stamp employment and training program, and the disability lifeline
21 program under Second Substitute House Bill No. 2782 (security lifeline
22 act). If the bill is not enacted by June 30, 2010, the amounts
23 provided in this subsection shall lapse.

24 ~~((9))~~ (10) \$100,000 of the general fund--state appropriation for
25 fiscal year 2011 is provided solely for the department to award grants
26 to small mutual assistance or small community-based organizations that
27 contract with the department for immigrant and refugee assistance
28 services. The funds shall be awarded to provide funding for community
29 groups to provide transitional assistance, language skills, and other
30 resources to improve refugees' economic self-sufficiency through the
31 effective use of social services, financial services, and medical
32 assistance.

33 ~~((10))~~ (11) To ensure expenditures remain within available funds
34 appropriated in this section, the legislature establishes the benefit
35 under the state food assistance program, made pursuant to RCW
36 74.08A.120, to be fifty percent of the federal supplemental nutrition
37 assistance program benefit amount.

1 **Sec. 1108.** 2011 c 5 s 207 (uncodified) is amended to read as
2 follows:

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

5	General Fund--State Appropriation (FY 2010)	\$81,982,000
6	General Fund--State Appropriation (FY 2011)	((\$77,065,000))
7		<u>\$77,818,000</u>
8	General Fund--Federal Appropriation	((\$151,574,000))
9		<u>\$152,619,000</u>
10	General Fund--Private/Local Appropriation	\$2,718,000
11	Criminal Justice Treatment Account--State	
12	Appropriation	\$17,743,000
13	Problem Gambling Account--State Appropriation	\$1,456,000
14	TOTAL APPROPRIATION	((\$332,538,000))
15		<u>\$334,336,000</u>

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

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

23 (2) Within the amounts appropriated in this section, the department
24 shall continue to provide for chemical dependency treatment services
25 for adult medicaid eligible and general assistance-unemployable
26 patients.

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

33 (4) Funding is provided for the implementation of the lifeline
34 program under Second Substitute House Bill No. 2782 (security lifeline
35 act). If the bill is not enacted by June 30, 2010, the amount provided
36 in this subsection shall lapse.

37 (5) \$3,500,000 of the general fund--federal appropriation (from the

1 substance abuse prevention and treatment federal block grant) is
2 provided solely for the continued funding of existing county drug and
3 alcohol use prevention programs.

4 **Sec. 1109.** 2011 c 5 s 208 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
7 **PROGRAM**

8	General Fund--State Appropriation (FY 2010)	\$1,697,203,000
9	General Fund--State Appropriation (FY 2011)	((\$1,737,303,000))
10		<u>\$1,815,466,000</u>
11	General Fund--Federal Appropriation	((\$6,047,405,000))
12		<u>\$5,901,250,000</u>
13	General Fund--Private/Local Appropriation	((\$38,509,000))
14		<u>\$37,247,000</u>
15	Emergency Medical Services and Trauma Care Systems	
16	Trust Account--State Appropriation	\$15,075,000
17	Tobacco Prevention and Control Account--	
18	State Appropriation	((\$4,464,000))
19		<u>\$3,798,000</u>
20	Hospital Safety Net Assessment Fund--State	
21	Appropriation	((\$260,057,000))
22		<u>\$254,974,000</u>
23	TOTAL APPROPRIATION	((\$9,800,016,000))
24		<u>\$9,725,013,000</u>

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

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

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

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

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

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

31 (6) \$649,000 of the general fund--federal appropriation and
32 \$644,000 of the general fund--state appropriation for fiscal year 2011
33 are provided solely for grants to rural hospitals. The department
34 shall distribute the funds under a formula that provides a relatively
35 larger share of the available funding to hospitals that (a) serve a
36 disproportionate share of low-income and medically indigent patients,
37 and (b) have relatively smaller net financial margins, to the extent
38 allowed by the federal medicaid program.

1 (7) \$5,729,000 of the general fund--state appropriation for fiscal
2 year 2011, and \$5,776,000 of the general fund--federal appropriation
3 are provided solely for grants to nonrural hospitals. The department
4 shall distribute the funds under a formula that provides a relatively
5 larger share of the available funding to hospitals that (a) serve a
6 disproportionate share of low-income and medically indigent patients,
7 and (b) have relatively smaller net financial margins, to the extent
8 allowed by the federal medicaid program.

9 (8) The department shall continue the inpatient hospital certified
10 public expenditures program for the 2009-11 biennium. The program
11 shall apply to all public hospitals, including those owned or operated
12 by the state, except those classified as critical access hospitals or
13 state psychiatric institutions. The department shall submit reports to
14 the governor and legislature by November 1, 2009, and by November 1,
15 2010, that evaluate whether savings continue to exceed costs for this
16 program. If the certified public expenditures (CPE) program in its
17 current form is no longer cost-effective to maintain, the department
18 shall submit a report to the governor and legislature detailing
19 cost-effective alternative uses of local, state, and federal resources
20 as a replacement for this program. During fiscal year 2010 and fiscal
21 year 2011, hospitals in the program shall be paid and shall retain one
22 hundred percent of the federal portion of the allowable hospital cost
23 for each medicaid inpatient fee-for-service claim payable by medical
24 assistance and one hundred percent of the federal portion of the
25 maximum disproportionate share hospital payment allowable under federal
26 regulations. Inpatient medicaid payments shall be established using an
27 allowable methodology that approximates the cost of claims submitted by
28 the hospitals. Payments made to each hospital in the program in each
29 fiscal year of the biennium shall be compared to a baseline amount.
30 The baseline amount will be determined by the total of (a) the
31 inpatient claim payment amounts that would have been paid during the
32 fiscal year had the hospital not been in the CPE program based on the
33 reimbursement rates developed, implemented, and consistent with
34 policies approved in the 2009-11 biennial operating appropriations act
35 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half
36 of the indigent assistance disproportionate share hospital payment
37 amounts paid to and retained by each hospital during fiscal year 2005,
38 and (c) all of the other disproportionate share hospital payment

1 amounts paid to and retained by each hospital during fiscal year 2005
2 to the extent the same disproportionate share hospital programs exist
3 in the 2009-11 biennium. If payments during the fiscal year exceed the
4 hospital's baseline amount, no additional payments will be made to the
5 hospital except the federal portion of allowable disproportionate share
6 hospital payments for which the hospital can certify allowable match.
7 If payments during the fiscal year are less than the baseline amount,
8 the hospital will be paid a state grant equal to the difference between
9 payments during the fiscal year and the applicable baseline amount.
10 Payment of the state grant shall be made in the applicable fiscal year
11 and distributed in monthly payments. The grants will be recalculated
12 and redistributed as the baseline is updated during the fiscal year.
13 The grant payments are subject to an interim settlement within eleven
14 months after the end of the fiscal year. A final settlement shall be
15 performed. To the extent that either settlement determines that a
16 hospital has received funds in excess of what it would have received as
17 described in this subsection, the hospital must repay the excess
18 amounts to the state when requested. \$20,403,000 of the general
19 fund--state appropriation for fiscal year 2010, of which \$6,570,000 is
20 appropriated in section ((204(1))) 1104(1) of this act, and
21 (((\$29,480,000)) \$15,113,000 of the general fund--state appropriation
22 for fiscal year 2011, of which \$6,570,000 is appropriated in section
23 ((204(1))) 1104(1) of this act, are provided solely for state grants
24 for the participating hospitals. CPE hospitals will receive the
25 inpatient and outpatient reimbursement rate restorations in section 9
26 and rate increases in section 10(1)(b) of Engrossed Second Substitute
27 House Bill No. 2956 (hospital safety net assessment) funded through the
28 hospital safety net assessment fund rather than through the baseline
29 mechanism specified in this subsection.

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

33 (10) \$93,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$93,000 of the general fund--federal appropriation are
35 provided solely for the department to pursue a federal Medicaid waiver
36 pursuant to Second Substitute Senate Bill No. 5945 (Washington health
37 partnership plan). If the bill is not enacted by June 30, 2009, the
38 amounts provided in this subsection shall lapse.

1 (11) The department shall require managed health care systems that
2 have contracts with the department to serve medical assistance clients
3 to limit any reimbursements or payments the systems make to providers
4 not employed by or under contract with the systems to no more than the
5 medical assistance rates paid by the department to providers for
6 comparable services rendered to clients in the fee-for-service delivery
7 system.

8 (12) A maximum of (~~(\$241,141,000)~~) \$247,809,000 in total funds from
9 the general fund--state, general fund--federal, and tobacco and
10 prevention control account--state appropriations may be expended in the
11 fiscal biennium for the medical program pursuant to chapter 8, Laws of
12 2010 1st sp. sess. (security lifeline act), and these amounts are
13 provided solely for this program. Of these amounts, \$10,749,000 of the
14 general fund--state appropriation for fiscal year 2010 and \$10,892,000
15 of the general fund--federal appropriation are provided solely for
16 payments to hospitals for providing outpatient services to low income
17 patients who are recipients of lifeline benefits. Pursuant to RCW
18 74.09.035, the department shall not expend for the lifeline medical
19 care services program any amounts in excess of the amounts provided in
20 this subsection.

21 (13) Mental health services shall be included in the services
22 provided through the managed care system for lifeline clients under
23 chapter 8, Laws of 2010 1st sp. sess. In transitioning lifeline
24 clients to managed care, the department shall attempt to deliver care
25 to lifeline clients through medical homes in community and migrant
26 health centers. The department, in collaboration with the carrier,
27 shall seek to improve the transition rate of lifeline clients to the
28 federal supplemental security income program. The department shall
29 renegotiate the contract with the managed care plan that provides
30 services for lifeline clients to maximize state retention of future
31 hospital savings as a result of improved care coordination. The
32 department, in collaboration with stakeholders, shall propose a new
33 name for the lifeline program.

34 (14) The department shall evaluate the impact of the use of a
35 managed care delivery and financing system on state costs and outcomes
36 for lifeline medical clients. Outcomes measured shall include state
37 costs, utilization, changes in mental health status and symptoms, and
38 involvement in the criminal justice system.

1 (15) The department shall report to the governor and the fiscal
2 committees of the legislature by June 1, 2010, on its progress toward
3 achieving a twenty percentage point increase in the generic
4 prescription drug utilization rate.

5 (16) State funds shall not be used by hospitals for advertising
6 purposes.

7 (17) \$24,356,000 of the general fund--private/local appropriation
8 and \$35,707,000 of the general fund--federal appropriation are provided
9 solely for the implementation of professional services supplemental
10 payment programs. The department shall seek a medicaid state plan
11 amendment to create a professional services supplemental payment
12 program for University of Washington medicine professional providers no
13 later than July 1, 2009. The department shall apply federal rules for
14 identifying the shortfall between current fee-for-service medicaid
15 payments to participating providers and the applicable federal upper
16 payment limit. Participating providers shall be solely responsible for
17 providing the local funds required to obtain federal matching funds.
18 Any incremental costs incurred by the department in the development,
19 implementation, and maintenance of this program will be the
20 responsibility of the participating providers. Participating providers
21 will retain the full amount of supplemental payments provided under
22 this program, net of any potential costs for any related audits or
23 litigation brought against the state. The department shall report to
24 the governor and the legislative fiscal committees on the prospects for
25 expansion of the program to other qualifying providers as soon as
26 feasibility is determined but no later than December 31, 2009. The
27 report will outline estimated impacts on the participating providers,
28 the procedures necessary to comply with federal guidelines, and the
29 administrative resource requirements necessary to implement the
30 program. The department will create a process for expansion of the
31 program to other qualifying providers as soon as it is determined
32 feasible by both the department and providers but no later than June
33 30, 2010.

34 (18) \$9,075,000 of the general fund--state appropriation for fiscal
35 year 2010, \$8,588,000 of the general fund--state appropriation for
36 fiscal year 2011, and \$39,747,000 of the general fund--federal
37 appropriation are provided solely for development and implementation of

1 a replacement system for the existing medicaid management information
2 system. The amounts provided in this subsection are conditioned on the
3 department satisfying the requirements of section 902 of this act.

4 (19) \$506,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$657,000 of the general fund--federal appropriation are
6 provided solely for the implementation of Second Substitute House Bill
7 No. 1373 (children's mental health). If the bill is not enacted by
8 June 30, 2009, the amounts provided in this subsection shall lapse.

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

14 (21) The department may, on a case-by-case basis and in the best
15 interests of the child, set payment rates for medically intensive home
16 care services to promote access to home care as an alternative to
17 hospitalization. Expenditures related to these increased payments
18 shall not exceed the amount the department would otherwise pay for
19 hospitalization for the child receiving medically intensive home care
20 services.

21 (22) \$425,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$790,000 of the general fund--federal appropriation are
23 provided solely to continue children's health coverage outreach and
24 education efforts under RCW 74.09.470. These efforts shall rely on
25 existing relationships and systems developed with local public health
26 agencies, health care providers, public schools, the women, infants,
27 and children program, the early childhood education and assistance
28 program, child care providers, newborn visiting nurses, and other
29 community-based organizations. The department shall seek
30 public-private partnerships and federal funds that are or may become
31 available to provide on-going support for outreach and education
32 efforts under the federal children's health insurance program
33 reauthorization act of 2009.

34 (23) The department, in conjunction with the office of financial
35 management, shall implement a prorated inpatient payment policy.

36 (24) The department will pursue a competitive procurement process
37 for antihemophilic products, emphasizing evidence-based medicine and

1 protection of patient access without significant disruption in
2 treatment.

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

7 (26) The department shall reduce reimbursement for over-the-counter
8 medications while maintaining reimbursement for those over-the-counter
9 medications that can replace more costly prescription medications.

10 (27) The department shall seek public-private partnerships and
11 federal funds that are or may become available to implement health
12 information technology projects under the federal American recovery and
13 reinvestment act of 2009.

14 (28) The department shall target funding for maternity support
15 services towards pregnant women with factors that lead to higher rates
16 of poor birth outcomes, including hypertension, a preterm or low birth
17 weight birth in the most recent previous birth, a cognitive deficit or
18 developmental disability, substance abuse, severe mental illness,
19 unhealthy weight or failure to gain weight, tobacco use, or African
20 American or Native American race. The department shall prioritize
21 evidence-based practices for delivery of maternity support services.
22 To the extent practicable, the department shall develop a mechanism to
23 increase federal funding for maternity support services by leveraging
24 local public funding for those services.

25 (29) \$260,036,000 of the hospital safety net assessment fund--state
26 appropriation and \$255,448,000 of the general fund--federal
27 appropriation are provided solely for the implementation of Engrossed
28 Second Substitute House Bill No. 2956 (hospital safety net assessment).
29 If the bill is not enacted by June 30, 2010, the amounts provided in
30 this subsection shall lapse.

31 (30) \$79,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$53,000 of the general fund--federal appropriation are
33 provided solely to implement Substitute House Bill No. 1845 (medical
34 support obligations).

35 (31) \$63,000 of the general fund--state appropriation for fiscal
36 year 2010, \$583,000 of the general fund--state appropriation for fiscal
37 year 2011, and \$864,000 of the general fund--federal appropriation are
38 provided solely to implement Engrossed House Bill No. 2194

1 (extraordinary medical placement for offenders). The department shall
2 work in partnership with the department of corrections to identify
3 services and find placements for offenders who are released through the
4 extraordinary medical placement program. The department shall
5 collaborate with the department of corrections to identify and track
6 cost savings to the department of corrections, including medical cost
7 savings, and to identify and track expenditures incurred by the aging
8 and disability services program for community services and by the
9 medical assistance program for medical expenses. A joint report
10 regarding the identified savings and expenditures shall be provided to
11 the office of financial management and the appropriate fiscal
12 committees of the legislature by November 30, 2010. If this bill is
13 not enacted by June 30, 2009, the amounts provided in this subsection
14 shall lapse.

15 (32) \$73,000 of the general fund--state appropriation for fiscal
16 year 2011 and \$50,000 of the general fund--federal appropriation is
17 provided solely for supplemental services that will be provided to
18 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of
19 2010 (Substitute Senate Bill No. 6639).

20 (33) Sufficient amounts are provided in this section to provide
21 full benefit dual eligible beneficiaries with medicare part D
22 prescription drug copayment coverage in accordance with RCW 74.09.520
23 until December 31, 2010.

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

30 (35) \$331,000 of the general fund--state appropriation for fiscal
31 year 2010, \$331,000 of the general fund--state appropriation for fiscal
32 year 2011, and \$1,228,000 of the general fund--federal appropriation
33 are provided solely for the department to support the activities of the
34 Washington poison center. The department shall seek federal authority
35 to receive matching funds from the federal government through the
36 children's health insurance program.

37 (36) \$528,000 of the general fund--state appropriation and

1 \$2,955,000 of the general fund--federal appropriation are provided
2 solely for the implementation of the lifeline program under chapter 8,
3 Laws of 2010 1st sp. sess. (security lifeline act).

4 (37) Reductions in dental services are to be achieved by focusing
5 on the fastest growing areas of dental care. Reductions in
6 preventative care, particularly for children, will be avoided to the
7 extent possible.

8 (38) \$1,307,000 of the general fund--state appropriation for fiscal
9 year 2011 and \$1,770,000 of the general fund--federal appropriation are
10 provided solely to continue to provide dental services in calendar year
11 2011 for qualifying adults with developmental disabilities. Services
12 shall include preventive, routine, and emergent dental care, and
13 support for continued operation of the dental education in care of
14 persons with disabilities (DECOD) program at the University of
15 Washington.

16 (39) The department shall develop the capability to implement apple
17 health for kids express lane eligibility enrollments for children
18 receiving basic food assistance by June 30, 2011.

19 (40)(a) The department, in coordination with the health care
20 authority, shall actively continue to negotiate a medicaid section 1115
21 waiver with the federal centers for medicare and medicaid services that
22 would provide federal matching funds for services provided to persons
23 enrolled in the basic health plan under chapter 70.47 RCW and the
24 medical care services program under RCW 74.09.035.

25 (b) If the waiver in (a) of this subsection is granted, the
26 department and the health care authority may implement the waiver if it
27 allows the program to remain within appropriated levels, after
28 providing notice of its terms and conditions to the relevant policy and
29 fiscal committees of the legislature in writing thirty days prior to
30 the planned implementation date of the waiver.

31 (41) \$704,000 of the general fund--state appropriation for fiscal
32 year 2010, \$812,000 of the general fund--state appropriation for fiscal
33 year 2011, and \$1,516,000 of the general fund--federal appropriation
34 are provided solely for maintaining employer-sponsored insurance
35 program staff, coordination of benefits unit staff, the payment
36 integrity audit team, and family planning nursing.

37 (42) Every effort shall be made to maintain current employment
38 levels and achieve administrative savings through vacancies and

1 employee attrition. Efficiencies shall be implemented as soon as
2 possible in order to minimize actual reduction in force. The
3 department shall implement a management strategy that minimizes
4 disruption of service and negative impacts on employees.

5 (43) \$1,199,000 of the general fund--private/local appropriation
6 for fiscal year 2011 and \$1,671,000 of the general fund--federal
7 appropriation are provided solely to support medical airlift services.

8 (44) \$5,000,000 of the general fund--state appropriation for fiscal
9 year 2011 and \$7,191,000 of the general fund--federal appropriation are
10 provided solely for payments to federally qualified health clinics and
11 rural health centers under a new alternative payment methodology that
12 ~~((the department shall develop in consultation with the legislature and
13 the office of financial management))~~ reimburses the clinics and centers
14 at rates that are five percent higher than the rates that would be
15 provided under the federal prospective payment system.

16 (45) \$33,000 of the general fund--state appropriation for fiscal
17 year 2011 and \$61,000 of the general fund--federal appropriation are
18 provided solely to continue operation by a nonprofit organization of a
19 toll-free line that assists families to learn about and enroll in apple
20 health for kids, which provides publicly funded medical and dental care
21 for families with incomes below 300 percent of the federal poverty
22 level.

23 (46) \$150,000 of the general fund--state appropriation for fiscal
24 year 2011 and \$150,000 of the general fund--federal appropriation are
25 provided solely for initiation of a prescriptive practices improvement
26 collaborative focusing upon atypical antipsychotics and other
27 medications commonly used in the treatment of severe and persistent
28 mental illnesses among adults. The project shall promote collaboration
29 among community mental health centers, other major prescribers of
30 atypical antipsychotic medications to adults enrolled in state medical
31 assistance programs, and psychiatrists, pharmacists, and other
32 specialists at the University of Washington department of psychiatry
33 and/or other research universities. The collaboration shall include
34 patient-specific prescriber consultations by psychiatrists and
35 pharmacists specializing in treatment of severe and persistent mental
36 illnesses among adults; production of profiles to assist prescribers
37 and clinics track their prescriptive practices and their patients'
38 medication use and adherence relative to evidence-based practice

1 guidelines, other prescribers, and patients at other clinics; and
2 in-service seminars at which participants can share and increase their
3 knowledge of evidence-based and other effective prescriptive practices.

4 (47) \$75,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$75,000 of the general fund--federal appropriation are
6 provided solely to assist with development and implementation of
7 evidence-based strategies regarding the appropriate, safe, and
8 effective role of C-section surgeries and early induced labor in births
9 and neonatal care. The strategies shall be identified and implemented
10 in consultation with clinical research specialists, physicians,
11 hospitals, advanced registered nurse practitioners, and organizations
12 concerned with maternal and child health.

13 **Sec. 1110.** 2011 c 5 s 209 (uncodified) is amended to read as
14 follows:

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

17	General Fund--State Appropriation (FY 2010)	\$10,327,000
18	General Fund--State Appropriation (FY 2011)	(\$9,443,000)
19		<u>\$9,438,000</u>
20	General Fund--Federal Appropriation	\$107,848,000
21	Telecommunications Devices for the Hearing and	
22	Speech Impaired--State Appropriation	\$6,056,000
23	TOTAL APPROPRIATION	(\$133,674,000)
24		<u>\$133,669,000</u>

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

27 (1) The vocational rehabilitation program shall coordinate closely
28 with the economic services program to serve lifeline clients under
29 chapter 8, Laws of 2010 1st sp. sess. who are referred for eligibility
30 determination and vocational rehabilitation services, and shall make
31 every effort, within the requirements of the federal rehabilitation act
32 of 1973, to serve these clients.

33 (2) \$80,000 of the telecommunications devices for the hearing and
34 speech impaired account--state appropriation is provided solely for the
35 office of deaf and hard of hearing to enter into an interagency
36 agreement with the department of services for the blind to support

1 contracts for services that provide employment support and help with
2 life activities for deaf-blind individuals in King county.

3 **Sec. 1111.** 2011 c 5 s 210 (uncodified) is amended to read as
4 follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
6 **PROGRAM**

7	General Fund--State Appropriation (FY 2010)	\$48,827,000
8	General Fund--State Appropriation (FY 2011)	(\$48,536,000)
9		<u>\$49,131,000</u>
10	TOTAL APPROPRIATION	(\$97,363,000)
11		<u>\$97,958,000</u>

12 **Sec. 1112.** 2011 c 5 s 211 (uncodified) is amended to read as
13 follows:

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

16	General Fund--State Appropriation (FY 2010)	\$33,579,000
17	General Fund--State Appropriation (FY 2011)	(\$27,745,000)
18		<u>\$25,308,000</u>
19	General Fund--Federal Appropriation	(\$51,304,000)
20		<u>\$49,594,000</u>
21	General Fund--Private/Local Appropriation	\$1,121,000
22	Institutional Impact Account--State Appropriation	\$22,000
23	TOTAL APPROPRIATION	(\$113,771,000)
24		<u>\$109,624,000</u>

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

32 (1) \$333,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$300,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the Washington state mentors
35 program to continue its public-private partnerships to provide

1 technical assistance and training to mentoring programs that serve
2 at-risk youth.

3 (2) \$445,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$445,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for funding of the teamchild
6 project through the governor's juvenile justice advisory committee.

7 (3) \$178,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$178,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for the juvenile detention
10 alternatives initiative.

11 (4) Amounts appropriated in this section reflect a reduction to the
12 family policy council. The family policy council shall reevaluate
13 staffing levels and administrative costs to ensure to the extent
14 possible a maximum ratio of grant moneys provided and administrative
15 costs.

16 (5) Amounts appropriated in this section reflect a reduction to the
17 council on children and families. The council on children and families
18 shall reevaluate staffing levels and administrative costs to ensure to
19 the extent possible a maximum ratio of grant moneys provided and
20 administrative costs.

21 **Sec. 1113.** 2011 c 5 s 212 (uncodified) is amended to read as
22 follows:

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

25	General Fund--State Appropriation (FY 2010)	\$61,985,000
26	General Fund--State Appropriation (FY 2011)	(\$63,793,000)
27		<u>\$65,210,000</u>
28	General Fund--Federal Appropriation	(\$56,855,000)
29		<u>\$56,321,000</u>
30	TOTAL APPROPRIATION	(\$182,633,000)
31		<u>\$183,516,000</u>

32 **Sec. 1114.** 2011 c 5 s 213 (uncodified) is amended to read as
33 follows:

34 **FOR THE STATE HEALTH CARE AUTHORITY**

35	General Fund--State Appropriation (FY 2010)	\$208,258,000
36	General Fund--State Appropriation (FY 2011)	(\$108,749,000)

1		<u>\$111,221,000</u>
2	General Fund--Federal Appropriation	((\$31,975,000))
3		<u>\$35,215,000</u>
4	State Health Care Authority Administration Account--	
5	State Appropriation	\$34,880,000
6	Medical Aid Account--State Appropriation	\$527,000
7	Basic Health Plan Stabilization Account--State	
8	Appropriation	\$6,000,000
9	TOTAL APPROPRIATION	((\$390,389,000))
10		<u>\$396,101,000</u>

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

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

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

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

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

8 (4)(a) In order to maximize the funding appropriated for the basic
9 health plan, the health care authority is directed to make
10 modifications that will reduce the total number of subsidized enrollees
11 to approximately 65,000 by January 1, 2010. In addition to the reduced
12 enrollment, other modifications may include changes in enrollee premium
13 obligations, changes in benefits, enrollee cost-sharing, and
14 termination of the enrollment of individuals concurrently enrolled in
15 a medical assistance program as provided in Substitute House Bill No.
16 2341.

17 (b) The health care authority shall coordinate with the department
18 of social and health services to negotiate a medicaid section 1115
19 waiver with the federal centers for medicare and medicaid services that
20 would provide matching funds for services provided to persons enrolled
21 in the basic health plan under chapter 70.47 RCW.

22 (c) If the waiver in (b) of this subsection is granted, the health
23 care authority may implement the waiver if it allows the program to
24 remain within appropriated levels, after providing notice of its terms
25 and conditions to the relevant policy and fiscal committees of the
26 legislature in writing thirty days prior to the planned implementation
27 date of the waiver.

28 (5) \$250,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$250,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for the implementation of
31 Substitute Senate Bill No. 5360 (community collaboratives). If the
32 bill is not enacted by June 30, 2009, the amounts provided in this
33 section shall lapse.

34 (6) The authority shall seek public-private partnerships and
35 federal funds that are or may become available to implement health
36 information technology projects under the federal American recovery and
37 reinvestment act of 2009.

1 (7) \$20,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$63,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the implementation of chapter
4 220, Laws of 2010 (accountable care organizations).

5 (8) As soon as practicable after February 28, 2011, enrollment in
6 the subsidized basic health plan shall be limited to only include
7 persons who qualify as subsidized enrollees as defined in RCW 70.47.020
8 and who (a) qualify for services under 1115 medicaid demonstration
9 project number 11-W-00254/10; or (b) are foster parents licensed under
10 chapter 74.15 RCW.

11 (9) \$1,500,000 of the general fund--federal appropriation is
12 provided solely for planning and implementation of a health benefit
13 exchange under the federal patient protection and affordable care act.
14 Within the amounts provided in this subsection, funds used by the
15 authority for information technology projects are conditioned on the
16 authority satisfying the requirements of section 902, chapter 564, Laws
17 of 2009.

18 **Sec. 1115.** 2011 c 5 s 214 (uncodified) is amended to read as
19 follows:

20 **FOR THE HUMAN RIGHTS COMMISSION**

21	General Fund--State Appropriation (FY 2010)	\$2,638,000
22	General Fund--State Appropriation (FY 2011)	(\$2,353,000)
23		<u>\$2,350,000</u>
24	General Fund--Federal Appropriation	\$1,584,000
25	TOTAL APPROPRIATION	(\$6,575,000)
26		<u>\$6,572,000</u>

27 **Sec. 1116.** 2011 c 5 s 215 (uncodified) is amended to read as
28 follows:

29 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

30	General Fund--State Appropriation (FY 2010)	\$17,273,000
31	General Fund--State Appropriation (FY 2011)	(\$16,721,000)
32		<u>\$16,803,000</u>
33	General Fund--Federal Appropriation	\$143,000
34	General Fund--Private/Local Appropriation	(\$1,378,000)
35		<u>\$1,282,000</u>
36	Death Investigations Account--State Appropriation	\$148,000

1 to three percent of the amount provided in this subsection for the cost
2 of administration. Any funds not disbursed for address and residency
3 verification or retained for administration may be allocated to local
4 prosecutors for the prosecution costs associated with failing-
5 to-register offenses.

6 (3) \$30,000 of the general fund--state appropriation for fiscal
7 year 2010 is provided solely for the implementation of Second
8 Substitute House Bill No. 2078 (persons with developmental disabilities
9 in correctional facilities or jails). If the bill is not enacted by
10 June 30, 2009, the amount provided in this subsection shall lapse.

11 (4) (~~(\$171,000)~~) \$75,000 of the general fund--local appropriation
12 is provided solely to purchase ammunition for the basic law enforcement
13 academy. Jurisdictions with one hundred or more full-time commissioned
14 officers shall reimburse to the criminal justice training commission
15 the costs of ammunition, based on the average cost of ammunition per
16 cadet, for cadets that they enroll in the basic law enforcement
17 academy.

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

20 **Sec. 1117.** 2011 c 5 s 216 (uncodified) is amended to read as
21 follows:

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

23	General Fund--State Appropriation (FY 2010)	\$24,975,000
24	General Fund--State Appropriation (FY 2011)	((\$18,120,000))
25		<u>\$17,876,000</u>
26	General Fund--Federal Appropriation	\$11,316,000
27	Asbestos Account--State Appropriation	\$923,000
28	Electrical License Account--State Appropriation	\$36,977,000
29	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
30	Worker and Community Right-to-Know Account--	
31	State Appropriation	\$1,987,000
32	Public Works Administration Account--State	
33	Appropriation	\$6,021,000
34	Manufactured Home Installation Training Account--	
35	State Appropriation	((\$143,000))
36		<u>\$135,000</u>
37	Accident Account--State Appropriation	\$250,509,000

1	Accident Account--Federal Appropriation	\$13,621,000
2	Medical Aid Account--State Appropriation	\$249,232,000
3	Medical Aid Account--Federal Appropriation	\$3,186,000
4	Plumbing Certificate Account--State Appropriation	\$1,704,000
5	Pressure Systems Safety Account--State Appropriation	\$4,144,000
6	TOTAL APPROPRIATION	(\$622,886,000)
7		<u>\$622,634,000</u>

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

10 (1) Pursuant to RCW 43.135.055, the department is authorized to
11 increase fees related to factory assembled structures, contractor
12 registration, electricians, plumbers, asbestos removal, boilers,
13 elevators, and manufactured home installers. These increases are
14 necessary to support expenditures authorized in this section,
15 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
16 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

17 (2) \$424,000 of the accident account--state appropriation and
18 \$76,000 of the medical aid account--state appropriation are provided
19 solely for implementation of a community agricultural worker safety
20 grant at the department of agriculture. The department shall enter
21 into an interagency agreement with the department of agriculture to
22 implement the grant.

23 (3) \$4,850,000 of the medical aid account--state appropriation is
24 provided solely to continue the program of safety and health as
25 authorized by RCW 49.17.210 to be administered under rules adopted
26 pursuant to chapter 34.05 RCW, provided that projects funded involve
27 workplaces insured by the medical aid fund, and that priority is given
28 to projects fostering accident prevention through cooperation between
29 employers and employees or their representatives.

30 (4) \$150,000 of the medical aid account--state appropriation is
31 provided solely for the department to contract with one or more
32 independent experts to evaluate and recommend improvements to the
33 rating plan under chapter 51.18 RCW, including analyzing how risks are
34 pooled, the effect of including worker premium contributions in
35 adjustment calculations, incentives for accident and illness
36 prevention, return-to-work practices, and other sound risk-management
37 strategies that are consistent with recognized insurance principles.

1 (5) The department shall continue to conduct utilization reviews of
2 physical and occupational therapy cases at the 24th visit. The
3 department shall continue to report performance measures and targets
4 for these reviews on the agency web site. The reports are due
5 September 30th for the prior fiscal year and must include the amount
6 spent and the estimated savings per fiscal year.

7 (6) The appropriations in this section reflect reductions in the
8 appropriations for the department of labor and industries'
9 administrative expenses. It is the intent of the legislature that
10 these reductions shall be achieved, to the greatest extent possible, by
11 reducing administrative costs only.

12 (7) \$500,000 of the accident account--state appropriation is
13 provided solely for the department to contract with one or more
14 independent experts to oversee and assist the department's
15 implementation of improvements to the rating plan under chapter 51.18
16 RCW, in collaboration with the department and with the department's
17 work group of retrospective rating and workers' compensation
18 stakeholders. The independent experts will validate the impact of
19 recommended changes on retrospective rating participants and
20 nonparticipants, confirm implementation technology changes, and provide
21 other implementation assistance as determined by the department.

22 (8) \$194,000 of the accident account--state appropriation and
23 \$192,000 of the medical aid account--state appropriation are provided
24 solely for implementation of Senate Bill No. 5346 (health care
25 administrative procedures).

26 (9) \$131,000 of the accident account--state appropriation and
27 \$128,000 of the medical aid account--state appropriation are provided
28 solely for implementation of Senate Bill No. 5613 (stop work orders).

29 (10) \$68,000 of the accident account--state appropriation and
30 \$68,000 of the medical aid account--state appropriation are provided
31 solely for implementation of Senate Bill No. 5688 (registered domestic
32 partners).

33 (11) \$320,000 of the accident account--state appropriation and
34 \$147,000 of the medical aid account--state appropriation are provided
35 solely for implementation of Senate Bill No. 5873 (apprenticeship
36 utilization).

37 (12) \$73,000 of the general fund--state appropriation for fiscal
38 year 2010, \$66,000 of the general fund--state appropriation for fiscal

1 year 2011, \$606,000 of the accident account--state appropriation, and
2 \$600,000 of the medical aid account--state appropriation are provided
3 solely for the implementation of House Bill No. 1555 (underground
4 economy).

5 (13) \$574,000 of the accident account--state appropriation and
6 \$579,000 of the medical account--state appropriation are provided
7 solely for the implementation of House Bill No. 1402 (industrial
8 insurance appeals).

9 (14) Within statutory guidelines, the boiler program shall explore
10 opportunities to increase program efficiency. Strategies may include
11 the consolidation of routine multiple inspections to the same site and
12 trip planning to ensure the least number of miles traveled.

13 (15) \$16,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$50,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the crime victims compensation
16 program to pay claims for mental health services for crime victim
17 compensation program clients who have an established relationship with
18 a mental health provider and subsequently obtain coverage under the
19 medicaid program or the medical care services program under chapter
20 74.09 RCW. Prior to making such payment, the program must have
21 determined that payment for the specific treatment or provider is not
22 available under the medicaid or medical care services program. In
23 addition, the program shall make efforts to contact any healthy options
24 or medical care services health plan in which the client may be
25 enrolled to help the client obtain authorization to pay the claim on an
26 out-of-network basis.

27 (16) \$48,000 of the accident account--state appropriation and
28 \$48,000 of the medical aid account--state appropriation are provided
29 solely for the implementation of Substitute House Bill No. 2789
30 (issuance of subpoenas for purposes of agency investigations of
31 underground economic activity). If the bill is not enacted by June 30,
32 2010, the amount provided in this subsection shall lapse.

33 (17) \$71,000 of the general fund--state appropriation for fiscal
34 year 2011 is provided solely for implementation of Senate Bill No. 6349
35 (farm internship program). If the bill is not enacted by June 30,
36 2010, the amount provided in this subsection shall lapse.

37 (18) \$127,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$133,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the department to provide
 2 benefits in excess of the cap established by sections 1 and 2, chapter
 3 122, Laws of 2010. These benefits shall be paid for claimants who were
 4 determined eligible for and who were receiving crime victims'
 5 compensation benefits because they were determined to be permanently
 6 and totally disabled, as defined by RCW 51.08.160, prior to April 1,
 7 2010. The director shall establish, by May 1, 2010, a process to aid
 8 crime victims' compensation recipients in identifying and applying for
 9 appropriate alternative benefit programs.

10 (19) \$155,000 of the public works administration account--state
 11 appropriation is provided solely for the implementation of Engrossed
 12 House Bill No. 2805 (offsite prefabricated items). If the bill is not
 13 enacted by June 30, 2010, the amount provided in this subsection shall
 14 lapse.

15 **Sec. 1118.** 2011 c 5 s 217 (uncodified) is amended to read as
 16 follows:

17 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

18	General Fund--State Appropriation (FY 2010)	\$1,882,000
19	General Fund--State Appropriation (FY 2011)	(\$1,659,000)
20		<u>\$1,657,000</u>
21	TOTAL APPROPRIATION	(\$3,541,000)
22		<u>\$3,539,000</u>

23 **Sec. 1119.** 2011 c 5 s 218 (uncodified) is amended to read as
 24 follows:

25 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

26 (1) HEADQUARTERS

27	General Fund--State Appropriation (FY 2010)	\$1,913,000
28	General Fund--State Appropriation (FY 2011)	(\$1,865,000)
29		<u>\$1,755,000</u>
30	Charitable, Educational, Penal, and Reformatory	
31	Institutions Account--State Appropriation	\$10,000
32	TOTAL APPROPRIATION	(\$3,788,000)
33		<u>\$3,678,000</u>

34 The appropriations in this subsection are subject to the following
 35 conditions and limitations: In addition to other reductions, the
 36 appropriations in this section reflect reductions targeted specifically

1 to state government administrative costs. These administrative
2 reductions shall be achieved, to the greatest extent possible, by
3 reducing those administrative costs that do not affect direct client
4 services or direct service delivery or programs.

5 (2) FIELD SERVICES

6	General Fund--State Appropriation (FY 2010)	\$4,885,000
7	General Fund--State Appropriation (FY 2011)	\$4,964,000
8	General Fund--Federal Appropriation	\$2,382,000
9	General Fund--Private/Local Appropriation	\$4,512,000
10	Veterans Innovations Program Account--State	
11	Appropriation	\$897,000
12	Veteran Estate Management Account--Private/Local	
13	Appropriation	\$1,072,000
14	TOTAL APPROPRIATION	\$18,712,000

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

17 (a) The department shall collaborate with the department of social
18 and health services to identify and assist eligible general assistance
19 unemployable clients to access the federal department of veterans
20 affairs benefits.

21 (b) \$648,000 of the veterans innovations program account--state
22 appropriation is provided solely for the department to continue support
23 for returning combat veterans through the veterans innovation program,
24 including emergency financial assistance through the defenders' fund
25 and long-term financial assistance through the competitive grant
26 program.

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

33 (3) INSTITUTIONAL SERVICES

34	General Fund--State Appropriation (FY 2010)	\$3,318,000
35	(General Fund--State Appropriation (FY 2011)	\$1,793,000)
36	General Fund--Federal Appropriation	(\$50,931,000)
37		<u>\$52,965,000</u>

1 General Fund--Private/Local Appropriation ((~~\$34,189,000~~))
2 \$34,791,000
3 TOTAL APPROPRIATION ((~~\$90,231,000~~))
4 \$91,074,000

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

7 (a) In addition to other reductions, the appropriations in this
8 section reflect reductions targeted specifically to state government
9 administrative costs. These administrative reductions shall be
10 achieved, to the greatest extent possible, by reducing those
11 administrative costs that do not affect direct client services or
12 direct service delivery or programs.

13 (b) The reductions in this subsection shall be achieved through
14 savings from contract revisions and shall not impact the availability
15 of goods and services for residents of the three state veterans homes.

16 **Sec. 1120.** 2011 c 5 s 219 (uncodified) is amended to read as
17 follows:

18 **FOR THE DEPARTMENT OF HEALTH**

19 General Fund--State Appropriation (FY 2010) \$98,414,000
20 General Fund--State Appropriation (FY 2011) ((~~\$72,427,000~~))
21 \$72,269,000
22 General Fund--Federal Appropriation ((~~\$564,379,000~~))
23 \$567,818,000
24 General Fund--Private/Local Appropriation \$162,237,000
25 Hospital Data Collection Account--State Appropriation \$218,000
26 Health Professions Account--State Appropriation \$82,850,000
27 Aquatic Lands Enhancement Account--State Appropriation \$603,000
28 Emergency Medical Services and Trauma Care Systems
29 Trust Account--State Appropriation \$13,206,000
30 Safe Drinking Water Account--State Appropriation \$2,731,000
31 Drinking Water Assistance Account--Federal
32 Appropriation \$22,862,000
33 Waterworks Operator Certification--State
34 Appropriation \$1,522,000
35 Drinking Water Assistance Administrative Account--
36 State Appropriation \$326,000
37 State Toxics Control Account--State Appropriation \$4,348,000

1 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
2 is authorized to establish and raise fees in fiscal year 2011 as
3 necessary to meet the actual costs of conducting business and the
4 appropriation levels in this section. This authorization applies to
5 fees for the review of sewage tank designs, fees related to regulation
6 and inspection of farmworker housing, and fees associated with the
7 following professions: Acupuncture, dental, dentist, mental health
8 counselor, nursing, nursing assistant, optometry, radiologic
9 technologist, recreational therapy, respiratory therapy, social worker,
10 cardiovascular invasive specialist, and practitioners authorized under
11 chapter 18.240 RCW.

12 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is
13 authorized to establish fees by the amount necessary to fully support
14 the cost of activities related to the administration of long-term care
15 worker certification. The department is further authorized to increase
16 fees by the amount necessary to implement the regulatory requirements
17 of the following bills: House Bill No. 1414 (health care assistants),
18 House Bill No. 1740 (dental residency licenses), and House Bill No.
19 1899 (retired active physician licenses).

20 (4) \$764,000 of the health professions account--state appropriation
21 is provided solely for the medical quality assurance commission to
22 maintain disciplinary staff and associated costs sufficient to reduce
23 the backlog of disciplinary cases and to continue to manage the
24 disciplinary caseload of the commission.

25 (5) \$57,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$54,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for the midwifery licensure and
28 regulatory program to offset a reduction in revenue from fees. The
29 department shall convene the midwifery advisory committee on a
30 quarterly basis to address issues related to licensed midwifery. The
31 appropriations in this section assume that the current application and
32 renewal fee for midwives shall be increased by fifty dollars and all
33 other fees for midwives be adjusted accordingly.

34 (6) Funding for the human papillomavirus vaccine shall not be
35 included in the department's universal vaccine purchase program in
36 fiscal year 2010. Remaining funds for the universal vaccine purchase
37 program shall be used to continue the purchase of all other vaccines

1 included in the program until May 1, 2010, at which point state funding
2 for the universal vaccine purchase program shall be discontinued.

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

11 (8) The department shall eliminate outreach activities for the
12 health care directives registry and use the remaining amounts to
13 maintain the contract for the registry and minimal staffing necessary
14 to administer the basic entry functions for the registry.

15 (9) Funding in this section reflects a temporary reduction of
16 resources for the 2009-11 fiscal biennium for the state board of health
17 to conduct health impact reviews.

18 (10) Pursuant to RCW 43.135.055 and 43.70.125, the department is
19 authorized to adopt rules to establish a fee schedule to apply to
20 applicants for initial certification surveys of health care facilities
21 for purposes of receiving federal health care program reimbursement.
22 The fees shall only apply when the department has determined that
23 federal funding is not sufficient to compensate the department for the
24 cost of conducting initial certification surveys. The fees for initial
25 certification surveys may be established as follows: Up to \$1,815 for
26 ambulatory surgery centers, up to \$2,015 for critical access hospitals,
27 up to \$980 for end stage renal disease facilities, up to \$2,285 for
28 home health agencies, up to \$2,285 for hospice agencies, up to \$2,285
29 for hospitals, up to \$520 for rehabilitation facilities, up to \$690 for
30 rural health clinics, and up to \$7,000 for transplant hospitals.

31 (11) Funding for family planning grants for fiscal year 2011 is
32 reduced in the expectation that federal funding shall become available
33 to expand coverage of services for individuals through programs at the
34 department of social and health services. In the event that such
35 funding is not provided, the legislature intends to continue funding
36 through a supplemental appropriation at fiscal year 2010 levels.
37 \$4,360,000 of the general fund--state appropriation is provided solely

1 for the department of health-funded family planning clinic grants due
2 to federal funding not becoming available.

3 (12) \$16,000,000 of the tobacco prevention and control
4 account--state appropriation is provided solely for local health
5 jurisdictions to conduct core public health functions as defined in RCW
6 43.70.514.

7 (13) \$100,000 of the health professions account appropriation is
8 provided solely for implementation of Substitute House Bill No. 1414
9 (health care assistants). If the bill is not enacted by June 30, 2009,
10 the amount provided in this subsection shall lapse.

11 (14) \$42,000 of the health professions account--state appropriation
12 is provided solely to implement Substitute House Bill No. 1740
13 (dentistry license issuance). If the bill is not enacted by June 30,
14 2009, the amount provided in this section shall lapse.

15 (15) \$23,000 of the health professions account--state appropriation
16 is provided solely to implement Second Substitute House Bill No. 1899
17 (retired active physician licenses). If the bill is not enacted by
18 June 30, 2009, the amount provided in this section shall lapse.

19 (16) \$12,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$67,000 of the general fund--private/local appropriation
21 are provided solely to implement House Bill No. 1510 (birth
22 certificates). If the bill is not enacted by June 30, 2009, the amount
23 provided in this section shall lapse.

24 (17) \$31,000 of the health professions account is provided for the
25 implementation of Second Substitute Senate Bill No. 5850 (human
26 trafficking). If the bill is not enacted by June 2009, the amount
27 provided in this subsection shall lapse.

28 (18) \$282,000 of the health professions account is provided for the
29 implementation of Substitute Senate Bill No. 5752 (dentists cost
30 recovery). If the bill is not enacted by June 2009, the amount
31 provided in this subsection shall lapse.

32 (19) \$106,000 of the health professions account is provided for the
33 implementation of Substitute Senate Bill No. 5601 (speech language
34 assistants). If the bill is not enacted by June 2009, the amount
35 provided in this subsection shall lapse.

36 (20) Subject to existing resources, the department of health is
37 encouraged to examine, in the ordinary course of business, current and

1 prospective programs, treatments, education, and awareness of
2 cardiovascular disease that are needed for a thriving and healthy
3 Washington.

4 (21) \$390,000 of the health professions account--state
5 appropriation is provided solely to implement chapter 169, Laws of 2010
6 (nursing assistants). The amount provided in this subsection is from
7 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

8 (22) \$10,000 of the health professions account--state appropriation
9 for fiscal year 2010 and \$40,000 of the health professions
10 account--state appropriation for fiscal year 2011 are provided solely
11 for the department to study cost effective options for collecting
12 demographic data related to the health care professions workforce to be
13 submitted to the legislature by December 1, 2010.

14 (23) \$66,000 of the health professions account--state appropriation
15 is provided solely to implement chapter 209, Laws of 2010 (pain
16 management).

17 (24) \$10,000 of the health professions account--state appropriation
18 is provided solely to implement chapter 92, Laws of 2010
19 (cardiovascular invasive specialists).

20 (25) \$23,000 of the general fund--state appropriation is provided
21 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,
22 etc.).

23 (26) The department is authorized to coordinate a tobacco cessation
24 media campaign using all appropriate media with the purpose of
25 maximizing the use of quit-line services and youth smoking prevention.

26 (27) It is the intent of the legislature that the reductions in
27 appropriations to the AIDS/HIV programs shall be achieved, to the
28 greatest extent possible, by reducing those state government
29 administrative costs that do not affect direct client services or
30 direct service delivery or programs. The agency shall, to the greatest
31 extent possible, reduce spending in those areas that shall have the
32 least impact on implementing these programs.

33 (28) \$400,000 of the state toxics control account--state
34 appropriation is provided solely for granting to a willing local public
35 entity to provide emergency water supplies or water treatment for
36 households with individuals at high public health risk from nitrate-
37 contaminated wells in the lower Yakima basin.

1 (29) \$100,000 of the state toxics control account--state
2 appropriation is provided solely for an interagency contract to the
3 department of ecology to grant to agencies involved in improving
4 groundwater quality in the lower Yakima Valley. These agencies will
5 develop a local plan for improving water quality and reducing nitrate
6 contamination. The department of ecology will report to the
7 appropriate committees of the legislature and to the office of
8 financial management no later than December 1, 2010, summarizing
9 progress towards developing and implementing this plan.

10 (30) In accordance with RCW 43.135.055, the department is
11 authorized to adopt and increase all fees set forth in and previously
12 authorized in section 221(2), chapter 37, Laws of 2010 1st sp.s.

13 NEW SECTION. **Sec. 1121.** A new section is added to 2009 c 564
14 (uncodified) to read as follows:

15 **FOR THE DEPARTMENT OF CORRECTIONS**

16 The appropriations to the department of corrections in this act
17 shall be expended for the programs and in the amounts specified herein.
18 However, after May 1, 2011, after approval by the director of financial
19 management and unless specifically prohibited by this act, the
20 department may transfer general fund--state appropriations for fiscal
21 year 2011 between programs. The department shall not transfer funds,
22 and the director of financial management shall not approve the
23 transfer, unless the transfer is consistent with the objective of
24 conserving, to the maximum extent possible, the expenditure of state
25 funds and not federal funds. The director of financial management
26 shall notify the appropriate fiscal committees of the senate and house
27 of representatives in writing seven days prior to approving any
28 deviations from appropriation levels. The written notification shall
29 include a narrative explanation and justification of the changes, along
30 with expenditures and allotments by budget unit and appropriation, both
31 before and after any allotment modifications or transfers.

32 **Sec. 1122.** 2011 c 5 s 220 (uncodified) is amended to read as
33 follows:

34 **FOR THE DEPARTMENT OF CORRECTIONS**

35 (1) ADMINISTRATION AND SUPPORT SERVICES
36 General Fund--State Appropriation (FY 2010) \$55,772,000

1 General Fund--State Appropriation (FY 2011) (~~(\$51,929,000)~~)
2 \$48,131,000
3 TOTAL APPROPRIATION (~~(\$107,701,000)~~)
4 \$103,903,000

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

7 (a) Within funds appropriated in this section, the department shall
8 seek contracts for chemical dependency vendors to provide chemical
9 dependency treatment of offenders in corrections facilities, including
10 corrections centers and community supervision facilities, which have
11 demonstrated effectiveness in treatment of offenders and are able to
12 provide data to show a successful treatment rate.

13 (b) \$35,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$35,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the support of a statewide
16 council on mentally ill offenders that includes as its members
17 representatives of community-based mental health treatment programs,
18 current or former judicial officers, and directors and commanders of
19 city and county jails and state prison facilities. The council will
20 investigate and promote cost-effective approaches to meeting the
21 long-term needs of adults and juveniles with mental disorders who have
22 a history of offending or who are at-risk of offending, including their
23 mental health, physiological, housing, employment, and job training
24 needs.

25 (2) CORRECTIONAL OPERATIONS

26 General Fund--State Appropriation (FY 2010) \$458,503,000
27 General Fund--State Appropriation (FY 2011) (~~(\$562,084,000)~~)
28 \$568,568,000
29 General Fund--Federal Appropriation (~~(\$186,651,000)~~)
30 \$186,720,000
31 Washington Auto Theft Prevention Authority Account--
32 State Appropriation \$5,936,000
33 State Efficiency and Restructuring Account--State
34 Appropriation \$34,522,000
35 TOTAL APPROPRIATION (~~(\$1,247,696,000)~~)
36 \$1,254,249,000

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 accomplish personnel reductions with the
10 least possible impact on correctional custody staff, community custody
11 staff, and correctional industries. For the purposes of this
12 subsection, correctional custody staff means employees responsible for
13 the direct supervision of offenders.

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

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

29 (e) A political subdivision which is applying for funding to
30 mitigate one-time impacts associated with construction or expansion of
31 a correctional institution, consistent with WAC 137-12A-030, may apply
32 for the mitigation funds in the fiscal biennium in which the impacts
33 occur or in the immediately succeeding fiscal biennium.

34 (f) Within amounts provided in this subsection, the department,
35 jointly with the department of social and health services, shall
36 identify the number of offenders released through the extraordinary
37 medical placement program, the cost savings to the department of
38 corrections, including estimated medical cost savings, and the costs

1 for medical services in the community incurred by the department of
2 social and health services. The department and the department of
3 social and health services shall jointly report to the office of
4 financial management and the appropriate fiscal committees of the
5 legislature by November 30, 2010.

6 (g) \$11,863,000 of the general fund--state appropriation for fiscal
7 year 2010, \$7,953,000 of the general fund--state appropriation for
8 fiscal year 2011, and \$2,336,000 of the general fund--private/local
9 appropriation are provided solely for in-prison evidence-based programs
10 and for the reception diagnostic center program as part of the offender
11 re-entry initiative.

12 (h) The appropriations in this subsection are based on savings
13 assumed from the closure of the McNeil Island corrections center, the
14 Ahtanum View corrections center, and the Pine Lodge corrections center
15 for women.

16 (3) COMMUNITY SUPERVISION

17	General Fund--State Appropriation (FY 2010)	\$150,729,000
18	General Fund--State Appropriation (FY 2011)	(\$134,840,000)
19		<u>\$133,549,000</u>
20	TOTAL APPROPRIATION	(\$285,569,000)
21		<u>\$284,278,000</u>

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

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

29 (b) \$2,083,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$2,083,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
32 (state institutions/release). If the bill is not enacted by June 30,
33 2009, the amounts provided in this subsection shall lapse.

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

37 (d) \$2,791,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$2,680,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for evidence-based community
2 programs and for community justice centers as part of the offender
3 re-entry initiative.

4 (e) \$418,300 of the general fund--state appropriation for fiscal
5 year 2010 is provided solely for the purposes of settling all claims in
6 *Hilda Solis, Secretary of Labor, United States Department of Labor v.*
7 *State of Washington, Department of Corrections*, United States District
8 Court, Western District of Washington, Cause No. C08-cv-05362-RJB. The
9 expenditure of this amount is contingent on the release of all claims
10 in the case, and total settlement costs shall not exceed the amount
11 provided in this subsection. If settlement is not fully executed by
12 June 30, 2010, the amount provided in this subsection shall lapse.

13 (f) \$984,000 of the general fund--state appropriation for fiscal
14 year 2011 is provided solely for supplemental services that will be
15 provided to offenders in lieu of a prison sentence, pursuant to chapter
16 224, Laws of 2010 (confinement alternatives).

17 (4) CORRECTIONAL INDUSTRIES

18	General Fund--State Appropriation (FY 2010)	\$2,574,000
19	General Fund--State Appropriation (FY 2011)	(\$2,441,000)
20		<u>\$2,642,000</u>
21	TOTAL APPROPRIATION	(\$5,015,000)
22		<u>\$5,216,000</u>

23 The appropriations in this subsection are subject to the following
24 conditions and limitations: \$132,000 of the general fund--state
25 appropriation for fiscal year 2010 and \$132,000 of the general
26 fund--state appropriation for fiscal year 2011 are provided solely for
27 transfer to the jail industries board. The board shall use the amounts
28 provided only for administrative expenses, equipment purchases, and
29 technical assistance associated with advising cities and counties in
30 developing, promoting, and implementing consistent, safe, and efficient
31 offender work programs.

32 (5) INTERAGENCY PAYMENTS

33	General Fund--State Appropriation (FY 2010)	\$40,728,000
34	General Fund--State Appropriation (FY 2011)	(\$38,629,000)
35		<u>\$38,995,000</u>
36	TOTAL APPROPRIATION	(\$79,357,000)
37		<u>\$79,723,000</u>

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

3 (a) The state prison institutions may use funds appropriated in
4 this subsection to rent uniforms from correctional industries in
5 accordance with existing legislative mandates.

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

10 (6) Funding in this section may not be used to purchase radios or
11 base station repeaters related to the movement to narrowband
12 frequencies, or for reprogramming existing narrowband radios.

13 **Sec. 1123.** 2011 c 5 s 221 (uncodified) is amended to read as
14 follows:

15 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

16	General Fund--State Appropriation (FY 2010)	\$2,504,000
17	General Fund--State Appropriation (FY 2011)	(\$2,160,000)
18		<u>\$2,158,000</u>
19	General Fund--Federal Appropriation	(\$18,116,000)
20		<u>\$18,416,000</u>
21	General Fund--Private/Local Appropriation	\$30,000
22	TOTAL APPROPRIATION	(\$22,810,000)
23		<u>\$23,108,000</u>

24 **Sec. 1124.** 2011 c 5 s 222 (uncodified) is amended to read as
25 follows:

26 **FOR THE SENTENCING GUIDELINES COMMISSION**

27	General Fund--State Appropriation (FY 2010)	\$962,000
28	General Fund--State Appropriation (FY 2011)	(\$844,000)
29		<u>\$843,000</u>
30	TOTAL APPROPRIATION	(\$1,806,000)
31		<u>\$1,805,000</u>

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

34 (1) Within the amounts appropriated in this section, the sentencing
35 guidelines commission, in partnership with the courts, shall develop a
36 plan to implement an evidence-based system of community custody for

1 adult felons that will include the consistent use of evidence-based
2 risk and needs assessment tools, programs, supervision modalities, and
3 monitoring of program integrity. The plan for the evidence-based
4 system of community custody shall include provisions for identifying
5 cost-effective rehabilitative programs; identifying offenders for whom
6 such programs would be cost-effective; monitoring the system for cost-
7 effectiveness; and reporting annually to the legislature. In
8 developing the plan, the sentencing guidelines shall consult with: The
9 Washington state institute for public policy; the legislature; the
10 department of corrections; local governments; prosecutors; defense
11 attorneys; victim advocate groups; law enforcement; the Washington
12 federation of state employees; and other interested entities. The
13 sentencing guidelines commission shall report its recommendations to
14 the governor and the legislature by December 1, 2009.

15 (2)(a) Except as provided in subsection (b), during the 2009-11
16 biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d)
17 and (h) shall be prepared within the available funds and may be delayed
18 or suspended at the discretion of the commission.

19 (b) The commission shall submit the analysis described in section
20 15 of Engrossed Substitute Senate Bill No. 5288 no later than December
21 1, 2011.

22 (3) Within the amounts appropriated in this section, the sentencing
23 guidelines commission shall survey the practices of other states
24 relating to offenders who violate any conditions of their community
25 custody. In conducting the survey, the sentencing guidelines
26 commission shall perform a review of the research studies to determine
27 if a mandatory minimum confinement policy is an evidence-based
28 practice, investigate the implementation of such a policy in other
29 states, and estimate the fiscal impacts of implementing such a policy
30 in Washington state. The sentencing guidelines commission shall report
31 its findings to the governor and the legislature by December 1, 2010.

32 **Sec. 1125.** 2011 c 5 s 223 (uncodified) is amended to read as
33 follows:

34 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

35	General Fund--State Appropriation (FY 2010)	\$2,054,000
36	General Fund--State Appropriation (FY 2011)	(\$4,735,000)
37		<u>\$4,719,000</u>

1	General Fund--Federal Appropriation	(\$324,135,000)
2		<u>\$327,109,000</u>
3	General Fund--Private/Local Appropriation	\$33,640,000
4	Unemployment Compensation Administration Account--	
5	Federal Appropriation	(\$348,000,000)
6		<u>\$370,397,000</u>
7	Administrative Contingency Account--State Appropriation . . .	\$345,000
8	Employment Service Administrative Account--State	
9	Appropriation	\$37,775,000
10	TOTAL APPROPRIATION	(\$750,684,000)
11		<u>\$776,039,000</u>

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

14 (1) \$59,829,000 of the unemployment compensation administration
15 account--federal appropriation is provided from amounts made available
16 to the state by section 903 (d) and (f) of the social security act
17 (Reed act). This amount is authorized to continue current unemployment
18 insurance functions and department services to employers and job
19 seekers.

20 (2) \$17,327,000 of the unemployment compensation administration
21 account--federal appropriation is provided from amounts made available
22 to the state by section 903(d) and (f) of the social security act (Reed
23 act). This amount is authorized to fund the replacement of the
24 unemployment insurance tax information system (TAXIS) for the
25 employment security department. This section is subject to section 902
26 of this act. After the effective date of this section, the employment
27 security department may not incur further obligations for the
28 replacement of the unemployment insurance tax information system
29 (TAXIS). Nothing in this act prohibits the department from meeting
30 obligations incurred prior to the effective date of this section.

31 (3) \$110,000 of the unemployment compensation administration
32 account--federal appropriation is provided solely for implementation of
33 Senate Bill No. 5804 (leaving part time work voluntarily).

34 (4) \$1,263,000 of the unemployment compensation administration
35 account--federal appropriation is provided solely for implementation of
36 Senate Bill No. 5963 (unemployment insurance).

37 (5) \$159,000 of the unemployment compensation account--federal

1 appropriation is provided solely for the implementation of House Bill
2 No. 1555 (underground economy) from funds made available to the state
3 by section 903(d) of the social security act (Reed act).

4 (6) \$295,000 of the administrative contingency--state appropriation
5 for fiscal year 2010 is provided solely for the implementation of House
6 Bill No. 2227 (evergreen jobs act).

7 (7) \$2,000,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$4,682,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for the implementation of Senate
10 Bill No. 5809 (WorkForce employment and training).

11 (8) \$444,000 of the unemployment compensation administration
12 account--federal appropriation is provided solely for the
13 implementation of Substitute Senate Bill No. 6524 (unemployment
14 insurance penalties and contribution rates) from funds made available
15 to the state by section 903 (d) or (f) of the social security act (Reed
16 12 act). If the bill is not enacted by June 30, 2010, the amount
17 provided in this subsection shall lapse.

18 (9) \$232,000 of the unemployment compensation administration
19 account--federal appropriation from funds made available to the state
20 by section 903(c) or (f) of the social security act (Reed act) is
21 provided solely for the implementation of Substitute House Bill No.
22 2789 (underground economic activity). If the bill is not enacted by
23 June 30, 2010, the amount provided in this subsection shall lapse.

24 (10) \$577,000 of the unemployment compensation administration
25 account--federal appropriation is from amounts available to the state
26 by section 903 (d), (f), and (g) of the Social Security Act (Reed Act).
27 This amount is provided solely for implementation of chapter 4, Laws of
28 2011 (unemployment insurance program).

29 (11) \$11,000 of the unemployment compensation administration
30 account--federal appropriation is from amounts available to the state
31 by section 903 (d), (f), and (g) of the Social Security Act (Reed Act).
32 This amount is provided solely for implementation of chapter 4, Laws of
33 2011 (unemployment insurance program).

(End of part)

PART XII
NATURAL RESOURCES

Sec. 1201. 2011 c 5 s 301 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2010)	\$58,552,000
General Fund--State Appropriation (FY 2011)	(\$46,925,000)
	<u>\$46,392,000</u>
General Fund--Federal Appropriation	\$82,079,000
General Fund--Private/Local Appropriation	\$16,688,000
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	(\$3,649,000)
	<u>\$3,640,000</u>
Flood Control Assistance Account--State Appropriation	\$1,943,000
State Emergency Water Projects Revolving Account-- State Appropriation	\$240,000
Waste Reduction/Recycling/Litter Control--State Appropriation	(\$12,467,000)
	<u>\$12,440,000</u>
State Drought Preparedness Account--State Appropriation	\$4,000,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$424,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$508,000
Water Rights Tracking System Account--State Appropriation	\$116,000
Site Closure Account--State Appropriation	\$922,000
Wood Stove Education and Enforcement Account--State Appropriation	\$582,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,663,000
State Toxics Control Account--State Appropriation	(\$106,642,000)
	<u>\$106,391,000</u>
State Toxics Control Account--Private/Local	

1	Appropriation	\$379,000
2	Local Toxics Control Account--State	
3	Appropriation	((\$24,690,000))
4		<u>\$24,670,000</u>
5	Water Quality Permit Account--State	
6	Appropriation	((\$37,018,000))
7		<u>\$36,899,000</u>
8	Underground Storage Tank Account--State	
9	Appropriation	((\$3,270,000))
10		<u>\$3,259,000</u>
11	Biosolids Permit Account--State Appropriation	\$1,866,000
12	Hazardous Waste Assistance Account--State	
13	Appropriation	((\$5,880,000))
14		<u>\$5,858,000</u>
15	Air Pollution Control Account--State Appropriation	\$1,565,000
16	Oil Spill Prevention Account--State	
17	Appropriation	((\$10,599,000))
18		<u>\$10,568,000</u>
19	Air Operating Permit Account--State	
20	Appropriation	((\$2,758,000))
21		<u>\$2,748,000</u>
22	Freshwater Aquatic Weeds Account--State Appropriation	\$1,693,000
23	Oil Spill Response Account--State Appropriation	\$7,077,000
24	Metals Mining Account--State Appropriation	\$14,000
25	Water Pollution Control Revolving Account--State	
26	Appropriation	\$535,000
27	Water Pollution Control Revolving Account--Federal	
28	Appropriation	\$2,210,000
29	Water Rights Processing Account--State Appropriation	\$68,000
30	TOTAL APPROPRIATION	((\$437,036,000))
31		<u>\$436,003,000</u>

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

- 34 (1) \$170,000 of the oil spill prevention account--state
35 appropriation is provided solely for a contract with the University of
36 Washington's sea grant program to continue an educational program
37 targeted to small spills from commercial fishing vessels, ferries,
38 cruise ships, ports, and marinas.

1 (2) \$240,000 of the woodstove education and enforcement
2 account--state appropriation is provided solely for citizen outreach
3 efforts to improve understanding of burn curtailments, the proper use
4 of wood heating devices, and public awareness of the adverse health
5 effects of woodsmoke pollution.

6 (3) \$3,000,000 of the general fund--private/local appropriation is
7 provided solely for contracted toxic-site cleanup actions at sites
8 where multiple potentially liable parties agree to provide funding.

9 (4) \$3,600,000 of the local toxics account--state appropriation is
10 provided solely for the standby emergency rescue tug stationed at Neah
11 Bay.

12 (5) \$811,000 of the state toxics account--state appropriation is
13 provided solely for oversight of toxic cleanup at facilities that
14 treat, store, and dispose of hazardous wastes.

15 (6) \$1,456,000 of the state toxics account--state appropriation is
16 provided solely for toxic cleanup at sites where willing parties
17 negotiate prepayment agreements with the department and provide
18 necessary funding.

19 (7) \$558,000 of the state toxics account--state appropriation and
20 \$3,000,000 of the local toxics account--state appropriation are
21 provided solely for grants and technical assistance to Puget Sound-area
22 local governments engaged in updating shoreline master programs.

23 (8) \$950,000 of the state toxics control account--state
24 appropriation is provided solely for measuring water and habitat
25 quality to determine watershed health and assist salmon recovery,
26 beginning in fiscal year 2011.

27 (9) RCW 70.105.280 authorizes the department to assess reasonable
28 service charges against those facilities that store, treat, incinerate,
29 or dispose of dangerous or extremely hazardous waste that involves both
30 a nonradioactive hazardous component and a radioactive component.
31 Service charges may not exceed the costs to the department in carrying
32 out the duties in RCW 70.105.280. The current service charges do not
33 meet the costs of the department to carry out its duties. Pursuant to
34 RCW 43.135.055 and 70.105.280, the department is authorized to increase
35 the service charges no greater than 18 percent for fiscal year 2010 and
36 no greater than 15 percent for fiscal year 2011. Such service charges
37 shall include all costs of public participation grants awarded to
38 qualified entities by the department pursuant to RCW 70.105D.070(5) for

1 facilities at which such grants are recognized as a component of a
2 community relations or public participation plan authorized or required
3 as an element of a consent order, federal facility agreement or agreed
4 order entered into or issued by the department pursuant to any federal
5 or state law governing investigation and remediation of releases of
6 hazardous substances. Public participation grants funded by such
7 service charges shall be in addition to, and not in place of, any other
8 grants made pursuant to RCW 70.105D.070(5). Costs for the public
9 participation grants shall be billed individually to the mixed waste
10 facility associated with the grant.

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

17 (11) \$63,000 of the state toxics control account--state
18 appropriation is provided solely for implementation of Substitute
19 Senate Bill No. 5797 (solid waste handling permits). If the bill is
20 not enacted by June 30, 2009, the amount provided in this subsection
21 shall lapse.

22 (12) \$225,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$181,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for implementation of Engrossed
25 Second Substitute Bill No. 5560 (agency climate leadership). If the
26 bill is not enacted by June 30, 2009, the amounts provided in this
27 subsection shall lapse.

28 (13) \$150,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$141,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for watershed planning
31 implementation grants to continue ongoing efforts to develop and
32 implement water agreements in the Nooksack Basin and the Bertrand
33 watershed. These amounts are intended to support project
34 administration; monitoring; negotiations in the Nooksack watershed
35 between tribes, the department, and affected water users; continued
36 implementation of a flow augmentation project; plan implementation in
37 the Fishtrap watershed; and the development of a water bank.

1 (14) \$215,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$220,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely to provide watershed planning
4 implementation grants for WRIA 32 to implement Substitute House Bill
5 No. 1580 (pilot local water management program). If the bill is not
6 enacted by June 30, 2009, the amounts provided in this subsection shall
7 lapse.

8 (15) \$200,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$187,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for the purpose of supporting the
11 trust water rights program and processing trust water right transfer
12 applications that improve instream flow.

13 (16)(a) The department shall convene a stock water working group
14 that includes: Legislators, four members representing agricultural
15 interests, three members representing environmental interests, the
16 attorney general or designee, the director of the department of ecology
17 or designee, the director of the department of agriculture or designee,
18 and affected federally recognized tribes shall be invited to send
19 participants.

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

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

26 (17) \$73,000 of the water quality permit account--state
27 appropriation is provided solely to implement Substitute House Bill No.
28 1413 (water discharge fees). If the bill is not enacted by June 30,
29 2009, the amount provided in this subsection shall lapse.

30 (18) The department shall continue to work with the Columbia Snake
31 River irrigators' association to determine how seasonal water operation
32 and maintenance conservation can be utilized. In implementing this
33 proviso, the department shall also consult with the Columbia River
34 policy advisory group as appropriate.

35 (19) The department shall track any changes in costs, wages, and
36 benefits that would have resulted if House Bill No. 1716 (public
37 contract living wages), as introduced in the 2009 regular session of
38 the legislature, were enacted and made applicable to contracts and

1 related subcontracts entered into, renewed, or extended during the
2 2009-11 biennium. The department shall submit a report to the house of
3 representatives commerce and labor committee and the senate labor,
4 commerce, and consumer protection committee by December 1, 2011. The
5 report shall include data on any aggregate changes in wages and
6 benefits that would have resulted during the 2009-11 biennium.

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

22 (21) \$140,000 of the freshwater aquatic algae control
23 account--state appropriation is provided solely for grants to cities,
24 counties, tribes, special purpose districts, and state agencies for
25 capital and operational expenses used to manage and study excessive
26 saltwater algae with an emphasis on the periodic accumulation of sea
27 lettuce on Puget Sound beaches.

28 (22) By December 1, 2009, the department in consultation with local
29 governments shall conduct a remedial action grant financing
30 alternatives report. The report shall address options for financing the
31 remedial action grants identified in the department's report, entitled
32 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing
33 Plan" and shall include but not be limited to the following: (a)
34 Capitalizing cleanup costs using debt insurance; (b) capitalizing
35 cleanup costs using prefunded cost-cap insurance; (c) other contractual
36 instruments with local governments; and (d) an assessment of overall
37 economic benefits of the remedial action grants funded using the
38 instruments identified in this section.

1 (23) \$220,000 of the site closure account--state appropriation is
2 provided solely for litigation expenses associated with the lawsuit
3 filed by energy solutions, inc., against the Northwest interstate
4 compact on low-level radioactive waste management and its executive
5 director.

6 (24) \$68,000 of the water rights processing account--state
7 appropriation is provided solely for implementation of Engrossed Second
8 Substitute Senate Bill No. 6267 (water rights processing). If the bill
9 is not enacted by June 30, 2010, the amount provided in this subsection
10 shall lapse.

11 (25) \$10,000 of the state toxics control account--state
12 appropriation is provided solely for implementation of Engrossed
13 Substitute Senate Bill No. 5543 (mercury-containing lights). If the
14 bill is not enacted by June 30, 2010, the amount provided in this
15 subsection shall lapse.

16 (26) \$300,000 of the state toxics control account--state
17 appropriation is provided solely for piloting and evaluating two
18 coordinated, multijurisdictional permitting teams for nontransportation
19 projects.

20 (27)(a) \$4,000,000 of the state drought preparedness account--state
21 appropriation is provided solely for response to a drought declaration
22 pursuant to chapter 43.83B RCW. If such a drought declaration occurs,
23 the department of ecology may provide funding to public bodies as
24 defined in RCW 43.83B.050 in connection with projects and measures
25 designed to alleviate drought conditions that may affect public health
26 and safety, drinking water supplies, agricultural activities, or fish
27 and wildlife survival.

28 (b) Projects or measures for which funding will be provided must be
29 connected with a water system, water source, or water body that is
30 receiving, or has been projected to receive, less than seventy-five
31 percent of normal water supply, as the result of natural drought
32 conditions. This reduction in water supply must be such that it is
33 causing, or will cause, undue hardship for the entities or fish or
34 wildlife depending on the water supply. The department shall issue
35 guidelines outlining grant program and matching fund requirements
36 within ten days of a drought declaration.

37 (28) In accordance with RCW 43.135.055, the department is

1 authorized to increase the fees set forth in and previously authorized
2 in section 302(10), chapter 564, Laws of 2009.

3 (29) In accordance with RCW 43.135.055, the department is
4 authorized to adopt and increase the fees set forth in and previously
5 authorized in sections 3, 5, 7, and 12, chapter 285, Laws of 2010.

6 **Sec. 1202.** 2011 c 5 s 302 (uncodified) is amended to read as
7 follows:

8 **FOR THE STATE PARKS AND RECREATION COMMISSION**

9	General Fund--State Appropriation (FY 2010)	\$23,176,000
10	General Fund--State Appropriation (FY 2011)	(\$18,309,000)
11		<u>\$18,275,000</u>
12	General Fund--Federal Appropriation	\$6,892,000
13	General Fund--Private/Local Appropriation	\$73,000
14	Winter Recreation Program Account--State Appropriation . . .	\$1,556,000
15	Off Road Vehicle Account--State Appropriation	\$239,000
16	Snowmobile Account--State Appropriation	\$4,842,000
17	Aquatic Lands Enhancement Account--State Appropriation	\$368,000
18	Recreation Resources Account--State Appropriation	\$9,469,000
19	NOVA Program Account--State Appropriation	\$9,164,000
20	Parks Renewal and Stewardship Account--State	
21	Appropriation	\$72,975,000
22	Parks Renewal and Stewardship Account--Private/Local	
23	Appropriation	\$300,000
24	TOTAL APPROPRIATION	(\$147,363,000)
25		<u>\$147,329,000</u>

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

28 (1) \$79,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$74,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for a grant for the operation of
31 the Northwest avalanche center.

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

35 (3) With the passage of Substitute House Bill No. 2339 (state parks
36 system donation), the legislature finds that it has provided sufficient
37 funds to ensure that all state parks remain open during the 2009-11

1 biennium. The commission shall not close state parks unless the bill
2 is not enacted by June 30, 2009, or revenue collections are
3 insufficient to fund the ongoing operation of state parks. By January
4 10, 2010, the commission shall provide a report to the legislature on
5 their budget and resources related to operating parks for the remainder
6 of the biennium.

7 (4) The commission shall work with the department of general
8 administration to evaluate the commission's existing leases with the
9 intention of increasing net revenue to state parks. The commission
10 shall provide to the office of financial management and the legislative
11 fiscal committees no later than September 30, 2009, a list of leases
12 the commission proposes be managed by the department of general
13 administration.

14 **Sec. 1203.** 2011 c 5 s 303 (uncodified) is amended to read as
15 follows:

16 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

17	General Fund--State Appropriation (FY 2010)	\$1,486,000
18	General Fund--State Appropriation (FY 2011)	(((\$1,312,000))
19		<u>\$1,311,000</u>
20	General Fund--Federal Appropriation	\$10,427,000
21	General Fund--Private/Local Appropriation	\$250,000
22	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
23	Firearms Range Account--State Appropriation	\$39,000
24	Recreation Resources Account--State Appropriation	\$2,738,000
25	NOVA Program Account--State Appropriation	\$1,059,000
26	TOTAL APPROPRIATION	(((\$17,589,000))
27		<u>\$17,588,000</u>

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

30 (1) \$204,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$194,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for the implementation of
33 Substitute House Bill No. 2157 (salmon recovery). If the bill is not
34 enacted by June 30, 2009, the amounts provided in this subsection shall
35 lapse.

36 (2) The recreation and conservation office, under the direction of
37 the salmon recovery funding board, shall assess watershed and regional-

1 scale capacity issues relating to the support and implementation of
2 salmon recovery. The assessment shall examine priority setting and
3 incentives to further promote coordination to ensure that effective and
4 efficient mechanisms for delivery of salmon recovery funding board
5 funds are being utilized. The salmon recovery funding board shall
6 distribute its operational funding to the appropriate entities based on
7 this assessment.

8 (3) The recreation and conservation office shall negotiate an
9 agreement with the Puget Sound partnership to consolidate or share
10 certain administrative functions currently performed by each agency
11 independently. The agencies shall proportionately share the costs of
12 such shared functions. Examples of shared functions may include, but
13 are not limited to, support for personnel, information technology,
14 grant and contract management, invasive species work, legislative
15 coordination, and policy and administrative support of various boards
16 and councils.

17 **Sec. 1204.** 2010 2nd sp.s. c 1 s 305 (uncodified) is amended to
18 read as follows:

19 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

20	General Fund--State Appropriation (FY 2010)	\$1,108,000
21	General Fund--State Appropriation (FY 2011)	(\$1,035,000)
22		<u>\$1,034,000</u>
23	TOTAL APPROPRIATION	(\$2,143,000)
24		<u>\$2,142,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations: \$46,000 of the general fund--state
27 appropriation for fiscal year 2010 is provided solely for tenant
28 improvement costs associated with moving the office to a new location.

29 **Sec. 1205.** 2010 2nd sp.s. c 1 s 306 (uncodified) is amended to
30 read as follows:

31 **FOR THE CONSERVATION COMMISSION**

32	General Fund--State Appropriation (FY 2010)	\$7,556,000
33	General Fund--State Appropriation (FY 2011)	(\$6,751,000)
34		<u>\$6,750,000</u>
35	General Fund--Federal Appropriation	\$1,178,000
36	TOTAL APPROPRIATION	(\$15,485,000)

The appropriations in this section are subject to the following conditions and limitations: In order to maintain a high degree of customer service and accountability for conservation districts, \$125,000 is to support the conservation commission's administrative activities related to the processing of conservation district invoices and budgeting.

Sec. 1206. 2011 c 5 s 304 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2010), General Fund--State Appropriation (FY 2011), General Fund--Federal Appropriation, General Fund--Private/Local Appropriation, Off Road Vehicle Account--State Appropriation, Aquatic Lands Enhancement Account--State Appropriation, Recreational Fisheries Enhancement--State Appropriation, Warm Water Game Fish Account--State Appropriation, Eastern Washington Pheasant Enhancement Account--State Appropriation, Aquatic Invasive Species Enforcement Account--State Appropriation, Aquatic Invasive Species Prevention Account--State Appropriation, Wildlife Account--State Appropriation, Wildlife Account--Federal Appropriation, Wildlife Account--Private/Local Appropriation, Game Special Wildlife Account--State Appropriation, Game Special Wildlife Account--Federal Appropriation, Game Special Wildlife Account--Private/Local Appropriation, Wildlife Rehabilitation Account--State Appropriation, Regional Fisheries Salmonid Recovery Account--Federal Appropriation, Oil Spill Prevention Account--State Appropriation.

1 Oyster Reserve Land Account--State Appropriation \$916,000
2 TOTAL APPROPRIATION ((~~\$323,689,000~~))
3 \$324,182,000

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

6 (1) \$294,000 of the aquatic lands enhancement account--state
7 appropriation is provided solely for the implementation of hatchery
8 reform recommendations defined by the hatchery scientific review group.

9 (2) \$355,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$422,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the department to implement a
12 pilot project with the Confederated Tribes of the Colville Reservation
13 to develop expanded recreational fishing opportunities on Lake Rufus
14 Woods and its northern shoreline and to conduct joint enforcement of
15 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
16 state and tribal intergovernmental agreements developed under the
17 Columbia River water supply program. For the purposes of the pilot
18 project:

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

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

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

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

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

35 (3) Prior to submitting its 2011-2013 biennial operating and
36 capital budget request related to state fish hatcheries to the office
37 of financial management, the department shall contract with the
38 hatchery scientific review group (HSRG) to review this request. This

1 review shall: (a) Determine if the proposed requests are consistent
2 with HSRG recommendations; (b) prioritize the components of the
3 requests based on their contributions to protecting wild salmonid
4 stocks and meeting the recommendations of the HSRG; and (c) evaluate
5 whether the proposed requests are being made in the most cost effective
6 manner. The department shall provide a copy of the HSRG review to the
7 office of financial management with their agency budget proposal.

8 (4) Within existing funds, the department shall continue
9 implementing its capital program action plan dated September 1, 2007,
10 including the purchase of the necessary maintenance and support costs
11 for the capital programs and engineering tools. The department shall
12 report to the office of financial management and the appropriate
13 committees of the legislature, its progress in implementing the plan,
14 including improvements instituted in its capital program, by September
15 30, 2010.

16 (5) \$1,232,000 of the state wildlife account--state appropriation
17 is provided solely to implement Substitute House Bill No. 1778 (fish
18 and wildlife). If the bill is not enacted by June 30, 2009, the amount
19 provided in this subsection shall lapse.

20 (6) \$400,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$400,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for a state match to support the
23 Puget Sound nearshore partnership between the department and the U.S.
24 army corps of engineers.

25 (7) \$50,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$50,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for removal of derelict gear in
28 Washington waters.

29 (8) The department of fish and wildlife shall dispose of all Cessna
30 aircraft it currently owns. The proceeds from the aircraft shall be
31 deposited into the state wildlife account. Disposal of the aircraft
32 must occur no later than June 30, 2010. The department shall
33 coordinate with the department of natural resources on the installation
34 of fire surveillance equipment into its Partenavia aircraft. The
35 department shall make its Partenavia aircraft available to the
36 department of natural resources on a cost-reimbursement basis for its
37 use in coordinating fire suppression efforts. The two agencies shall

1 develop an interagency agreement that defines how they will share
2 access to the plane.

3 (9) \$50,000 of the general fund--state appropriation for fiscal
4 year 2010 is provided solely for an electron project fish passage study
5 consistent with the recommendations and protocols contained in the 2008
6 electron project downstream fish passage final report.

7 (10) \$60,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$60,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for implementation of Engrossed
10 Second Substitute Bill No. 5560 (agency climate leadership). If the
11 bill is not enacted by June 30, 2009, the amounts provided in this
12 subsection shall lapse.

13 (11) If sufficient new revenues are not identified to continue
14 hatchery operations, within the constraints of legally binding tribal
15 agreements, the department shall dispose of, by removal, sale, lease,
16 reversion, or transfer of ownership, the following hatcheries:
17 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.
18 Disposal of the hatcheries must occur by June 30, 2011, and any
19 proceeds received from disposal shall be deposited in the state
20 wildlife account. Within available funds, the department shall provide
21 quarterly reports on the progress of disposal to the office of
22 financial management and the appropriate fiscal committees of the
23 legislature. The first report shall be submitted no later than
24 September 30, 2009.

25 (12) \$100,000 of the eastern Washington pheasant enhancement
26 account--state appropriation is provided solely for the department to
27 support efforts to enhance permanent and temporary pheasant habitat on
28 public and private lands in Grant, Franklin, and Adams counties. The
29 department may support efforts by entities including conservation
30 districts, nonprofit organizations, and landowners, and must require
31 such entities to provide significant nonstate matching resources, which
32 may be in the form of funds, material, or labor.

33 (13) Within the amounts appropriated in this section, the
34 department of fish and wildlife shall develop a method for allocating
35 its administrative and overhead costs proportionate to program fund
36 use. As part of its 2011-2013 biennial operating budget, the
37 department shall submit a decision package that rebalances expenditure
38 authority for all agency funds based upon proportionate contributions.

1 (14) Within the amounts appropriated in this section, the
2 department shall identify additional opportunities for partnerships in
3 order to keep fish hatcheries operational. Such partnerships shall aim
4 to maintain fish production and salmon recovery with less reliance on
5 state operating funds.

6 (15) Within the amounts appropriated in this section, the
7 department shall work with stakeholders to develop a long-term funding
8 model that sustains the department's work of conserving species and
9 habitat, providing sustainable recreational and commercial
10 opportunities and using sound business practices. The funding model
11 analysis shall assess the appropriate uses of each fund source and
12 whether the department's current and projected revenue levels are
13 adequate to sustain its current programs. The department shall report
14 its recommended funding model including supporting analysis and
15 stakeholder participation summary to the office of financial management
16 and the appropriate committees of the legislature by October 1, 2010.

17 (16) By October 1, 2010, the department shall enter into an
18 interagency agreement with the department of natural resources for land
19 management services for the department's wildlife conservation and
20 recreation lands. Land management services may include but are not
21 limited to records management, real estate services such as surveying,
22 and land acquisition and disposal services. The interagency agreement
23 shall describe business processes, service delivery expectations, cost,
24 and timing. In the agreement, the department shall define its roles
25 and responsibilities. A draft agreement shall be submitted to the
26 office of financial management and the appropriate fiscal committees of
27 the legislature by July 1, 2010.

28 (17) Prior to opening game management unit 490 to public hunting,
29 the department shall complete an environmental impact statement that
30 includes an assessment of how public hunting activities will impact the
31 ongoing protection of the public water supply.

32 (18) The department must work with appropriate stakeholders to
33 facilitate the disposition of salmon to best utilize the resource,
34 increase revenues to regional fisheries enhancement groups, and enhance
35 the provision of nutrients to food banks. By November 1, 2010, the
36 department must provide a report to the appropriate committees of the
37 legislature summarizing these discussions, outcomes, and
38 recommendations. After November 1, 2010, the department shall not

1 solicit or award a surplus salmon disposal contract without first
2 giving due consideration to implementing the recommendations developed
3 during the stakeholder process.

4 (19) \$50,000 of the general fund--state appropriation for fiscal
5 year 2011 is provided solely for increased fish production at Voight
6 Creek hatchery.

7 **Sec. 1207.** 2011 c 5 s 305 (uncodified) is amended to read as
8 follows:

9 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

10	General Fund--State Appropriation (FY 2010)	\$48,822,000
11	General Fund--State Appropriation (FY 2011)	(\$37,321,000)
12		<u>\$37,302,000</u>
13	General Fund--Federal Appropriation	\$28,784,000
14	General Fund--Private/Local Appropriation	\$2,369,000
15	Forest Development Account--State Appropriation	\$41,640,000
16	Off Road Vehicle Account--State Appropriation	\$4,406,000
17	Surveys and Maps Account--State Appropriation	\$2,332,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation	\$8,315,000
20	Resources Management Cost Account--State	
21	Appropriation	\$78,704,000
22	Surface Mining Reclamation Account--State	
23	Appropriation	\$3,494,000
24	Disaster Response Account--State Appropriation	\$5,000,000
25	Forest and Fish Support Account--State Appropriation	\$8,000,000
26	Aquatic Land Dredged Material Disposal Site	
27	Account--State Appropriation	\$1,333,000
28	Natural Resources Conservation Areas Stewardship	
29	Account--State Appropriation	\$184,000
30	State Toxics Control Account--State Appropriation	\$720,000
31	Air Pollution Control Account--State Appropriation	\$478,000
32	NOVA Program Account--State Appropriation	\$974,000
33	Derelict Vessel Removal Account--State Appropriation	\$1,749,000
34	Agricultural College Trust Management Account--	
35	State Appropriation	\$1,941,000
36	TOTAL APPROPRIATION	(\$276,566,000)
37		<u>\$276,547,000</u>

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

3 (1) \$1,355,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$327,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for deposit into the agricultural
6 college trust management account and are provided solely to manage
7 approximately 70,700 acres of Washington State University's
8 agricultural college trust lands.

9 (2) \$22,670,000 of the general fund--state appropriation for fiscal
10 year 2010, \$15,089,000 of the general fund--state appropriation for
11 fiscal year 2011, and \$5,000,000 of the disaster response account--
12 state appropriation are provided solely for emergency fire suppression.
13 None of the general fund and disaster response account amounts provided
14 in this subsection may be used to fund agency indirect and
15 administrative expenses. Agency indirect and administrative costs
16 shall be allocated among the agency's remaining accounts and
17 appropriations. The department of natural resources shall submit a
18 quarterly report to the office of financial management and the
19 legislative fiscal committees detailing information on current and
20 planned expenditures from the disaster response account. This work
21 shall be done in coordination with the military department.

22 (3) \$5,000,000 of the forest and fish support account--state
23 appropriation is provided solely for adaptive management, monitoring,
24 and participation grants to tribes. If federal funding for this
25 purpose is reinstated, the amount provided in this subsection shall
26 lapse.

27 (4) \$600,000 of the derelict vessel removal account--state
28 appropriation is provided solely for removal of derelict and abandoned
29 vessels that have the potential to contaminate Puget Sound.

30 (5) \$666,000 of the general fund--federal appropriation is provided
31 solely to implement House Bill No. 2165 (forest biomass energy
32 project). If the bill is not enacted by June 30, 2009, the amount
33 provided in this subsection shall lapse.

34 (6) \$5,000 of the general fund--state appropriation for fiscal year
35 2010 and \$5,000 of the general fund--state appropriation for fiscal
36 year 2011 are provided solely to implement Substitute House Bill No.
37 1038 (specialized forest products). If the bill is not enacted by June
38 30, 2009, the amounts provided in this subsection shall lapse.

1 (7) \$440,000 of the state general fund--state appropriation for
2 fiscal year 2010 and \$440,000 of the state general fund--state
3 appropriation for fiscal year 2011 are provided solely for forest work
4 crews that support correctional camps and are contingent upon
5 continuing operations of Naselle youth camp at the level provided in
6 fiscal year 2008. The department shall consider using up to \$2,000,000
7 of the general fund--federal appropriation to support and utilize
8 correctional camp crews to implement natural resource projects approved
9 by the federal government for federal stimulus funding.

10 (8) The department of natural resources shall dispose of the King
11 Air aircraft it currently owns. Before disposal and within existing
12 funds, the department shall transfer specialized equipment for fire
13 surveillance to the department of fish and wildlife's Partenavia
14 aircraft. Disposal of the aircraft must occur no later than June 30,
15 2010, and the proceeds from the sale of the aircraft shall be deposited
16 into the forest and fish support account.

17 (9) \$30,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$28,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for implementation of Engrossed
20 Second Substitute Bill No. 5560 (agency climate leadership). If the
21 bill is not enacted by June 30, 2009, the amounts provided in this
22 subsection shall lapse.

23 (10) \$1,030,000 of the aquatic lands enhancement account--state
24 appropriation for fiscal year 2011 is provided solely for continuing
25 scientific studies already underway as part of the adaptive management
26 process. Funds may not be used to initiate new studies unless the
27 department secures new federal funding for the adaptive management
28 process.

29 (11) Within available funds, the department of natural resources
30 shall review the statutory method for determining aquatic lands lease
31 rates for private marinas, public marinas not owned and operated by
32 port districts, yacht clubs, and other entities leasing state land for
33 boat moorage. The review shall consider alternative methods for
34 determining rents for these entities for a fair distribution of rent,
35 consistent with the department management mandates for state aquatic
36 lands.

37 (12) \$37,000 of the general fund--state appropriation for fiscal
38 year 2011 and \$100,000 of the aquatic lands enhancement account--state

1 appropriation are provided solely to install up to twenty mooring buoys
2 in Eagle Harbor and to remove abandoned boats, floats, and other
3 trespassing structures.

4 (13) By October 1, 2010, the department shall enter into an
5 interagency agreement with the department of fish and wildlife for
6 providing land management services on the department of fish and
7 wildlife's wildlife conservation and recreation lands. Land management
8 services may include but are not limited to records management, real
9 estate services such as surveying, and land acquisition and disposal
10 services. The interagency agreement shall describe business processes,
11 service delivery expectations, cost, and timing. A draft agreement
12 shall be submitted to the office of financial management and the
13 appropriate fiscal committees of the legislature by July 1, 2010.

14 (14) \$41,000 of the forest development account--state
15 appropriation, \$44,000 of the resources management cost account--state
16 appropriation, and \$2,000 of the agricultural college trust management
17 account--state appropriation are provided solely for the implementation
18 of Second Substitute House Bill No. 2481 (DNR forest biomass
19 agreements). If the bill is not enacted by June 30, 2010, the amount
20 provided in this subsection shall lapse.

21 **Sec. 1208.** 2011 c 5 s 306 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF AGRICULTURE**

24	General Fund--State Appropriation (FY 2010)	\$12,320,000
25	General Fund--State Appropriation (FY 2011)	(\$15,391,000)
26		<u>\$15,366,000</u>
27	General Fund--Federal Appropriation	\$21,047,000
28	General Fund--Private/Local Appropriation	\$193,000
29	Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,564,000
30	State Toxics Control Account--State Appropriation	\$4,724,000
31	Water Quality Permit Account--State Appropriation	\$61,000
32	TOTAL APPROPRIATION	(\$56,300,000)
33		<u>\$56,275,000</u>

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

36 (1) \$350,000 of the aquatic lands enhancement account appropriation

1 is provided solely for funding to the Pacific county noxious weed
2 control board to eradicate remaining spartina in Willapa Bay.

3 (2) \$19,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$6,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely to implement Substitute Senate
6 Bill No. 5797 (solid waste handling permits). If the bill is not
7 enacted by June 30, 2009, the amounts provided in this subsection shall
8 lapse.

9 (3) The department is authorized to establish or increase the
10 following fees in the 2009-11 biennium as necessary to meet the actual
11 costs of conducting business: Christmas tree grower licensing, nursery
12 dealer licensing, plant pest inspection and testing, and commission
13 merchant licensing.

14 (4) \$5,179,000 of the general fund--state appropriation for fiscal
15 year 2011 and \$2,782,000 of the general fund--federal appropriation are
16 provided solely for implementation of Substitute Senate Bill No. 6341
17 (food assistance/department of agriculture). Within amounts
18 appropriated in this subsection, \$65,000 of the general fund--state
19 appropriation for fiscal year 2011 is provided solely for a contract
20 with a food distribution program for communities in the southwestern
21 portion of the state and for workers impacted by timber and salmon
22 fishing closures and reductions. The department may not charge
23 administrative overhead or expenses to this contract. If the bill is
24 not enacted by June 30, 2010, the amounts provided in this subsection
25 shall lapse.

26 (5) The department shall, if public or private funds are available,
27 partner with eligible public and private entities with experience in
28 food collection and distribution to review funding sources for eight
29 full-time volunteers in the AmeriCorps VISTA program to conduct
30 outreach to local growers, agricultural donors, and community
31 volunteers. Public and private partners shall also be utilized to
32 coordinate gleaning unharvested tree fruits and fresh produce for
33 distribution to individuals throughout Washington state.

34 (6) When reducing laboratory activities and functions, the
35 department shall not impact any research or analysis pertaining to
36 bees.

1 **Sec. 1209.** 2011 c 5 s 307 (uncodified) is amended to read as
2 follows:

3 **FOR THE PUGET SOUND PARTNERSHIP**

4	General Fund--State Appropriation (FY 2010)	\$3,143,000
5	General Fund--State Appropriation (FY 2011)	(\$2,528,000)
6		<u>\$2,525,000</u>
7	General Fund--Federal Appropriation	\$8,096,000
8	Aquatic Lands Enhancement Account--State Appropriation	\$493,000
9	State Toxics Control Account--State Appropriation	\$794,000
10	TOTAL APPROPRIATION	(\$15,054,000)
11		<u>\$15,051,000</u>

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

14 (1) \$305,000 of the general fund--state appropriation for fiscal
15 year 2010 is provided solely for measuring water and habitat quality to
16 determine watershed health and assist salmon recovery.

17 (2) \$794,000 of the state toxics control account--state
18 appropriation is provided solely for activities that contribute to
19 Puget Sound protection and recovery, including provision of independent
20 advice and assessment of the state's oil spill prevention,
21 preparedness, and response programs, including review of existing
22 activities and recommendations for any necessary improvements. The
23 partnership may carry out this function through an existing committee,
24 such as the ecosystem coordination board or the leadership council, or
25 may appoint a special advisory council. Because this is a unique
26 statewide program, the partnership may invite participation from
27 outside the Puget Sound region.

28 (3) Within the amounts appropriated in this section, the Puget
29 Sound partnership shall facilitate an ongoing monitoring consortium to
30 integrate monitoring efforts for storm water, water quality, watershed
31 health, and other indicators to enhance monitoring efforts in Puget
32 Sound.

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

36 (5) \$839,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$608,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided solely to support public education and

1 volunteer programs. The partnership is directed to distribute the
2 majority of funding as grants to local organizations, local
3 governments, and education, communication, and outreach network
4 partners. The partnership shall track progress for this activity
5 through the accountability system of the Puget Sound partnership.

6 (6) The Puget Sound partnership shall negotiate an agreement with
7 the recreation and conservation office to consolidate or share certain
8 administrative functions currently performed by each agency
9 independently. The agencies shall proportionately share the costs of
10 such shared functions. Examples of shared functions may include, but
11 are not limited to, support for personnel, information technology,
12 grant and contract management, invasive species work, legislative
13 coordination, and policy and administrative support of various boards
14 and councils.

(End of part)

PART XIII
TRANSPORTATION

Sec. 1301. 2011 c 5 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2010)	\$1,436,000
General Fund--State Appropriation (FY 2011)	(\$1,322,000)
	<u>\$1,320,000</u>
Architects' License Account--State Appropriation	\$923,000
Professional Engineers' Account--State	
Appropriation	\$3,568,000
Real Estate Commission Account--State Appropriation	\$9,987,000
Master License Account--State Appropriation	\$15,718,000
Uniform Commercial Code Account--State Appropriation	\$3,090,000
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	\$1,683,000
Business and Professions Account--State Appropriation	\$15,188,000
Real Estate Research Account--State Appropriation	\$471,000
Geologists' Account--State Appropriation	\$53,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	(\$53,746,000)
	<u>\$53,744,000</u>

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

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

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

(3) \$358,000 of the business and professions account--state appropriation is provided solely to implement Senate Bill No. 6126

1 (professional athletics). If the bill is not enacted by June 30, 2009,
2 the amount provided in this subsection shall lapse.

3 (4) \$151,000 of the real estate research account appropriation is
4 provided solely to implement chapter 156, Laws of 2010 (real estate
5 broker licensure fees).

6 (5) \$158,000 of the architects' license account--state
7 appropriation is provided solely to implement chapter 129, Laws of 2010
8 (architect licensing).

9 (6) \$60,000 of the master license account--state appropriation is
10 provided solely to implement chapter 174, Laws of 2010 (vaccine
11 association). The amount provided in this subsection shall be from fee
12 revenue authorized in chapter 174, Laws of 2010.

13 **Sec. 1302.** 2011 c 5 s 402 (uncodified) is amended to read as
14 follows:

15 **FOR THE STATE PATROL**

16	General Fund--State Appropriation (FY 2010)	\$38,977,000
17	General Fund--State Appropriation (FY 2011)	(\$33,292,000)
18		<u>\$32,813,000</u>
19	General Fund--Federal Appropriation	\$15,793,000
20	General Fund--Private/Local Appropriation	\$4,986,000
21	Death Investigations Account--State Appropriation	\$5,580,000
22	Enhanced 911 Account--State Appropriation	\$603,000
23	County Criminal Justice Assistance Account--State	
24	Appropriation	\$3,146,000
25	Municipal Criminal Justice Assistance Account--State	
26	Appropriation	\$1,255,000
27	Fire Service Trust Account--State Appropriation	\$131,000
28	Disaster Response Account--State Appropriation	\$8,002,000
29	Fire Service Training Account--State Appropriation	\$8,821,000
30	Aquatic Invasive Species Enforcement Account--State	
31	Appropriation	\$54,000
32	State Toxics Control Account--State Appropriation	\$509,000
33	Fingerprint Identification Account--State	
34	Appropriation	\$10,454,000
35	TOTAL APPROPRIATION	(\$131,603,000)
36		<u>\$131,124,000</u>

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

3 (1) \$200,000 of the fire service training account--state
4 appropriation is provided solely for two FTEs in the office of the
5 state director of fire protection to exclusively review K-12
6 construction documents for fire and life safety in accordance with the
7 state building code. It is the intent of this appropriation to provide
8 these services only to those districts that are located in counties
9 without qualified review capabilities.

10 (2) \$8,000,000 of the disaster response account--state
11 appropriation is provided solely for Washington state fire service
12 resource mobilization costs incurred in response to an emergency or
13 disaster authorized under RCW 43.43.960 and 43.43.964. The state
14 patrol shall submit a report quarterly to the office of financial
15 management and the legislative fiscal committees detailing information
16 on current and planned expenditures from this account. This work shall
17 be done in coordination with the military department.

18 (3) The 2010 legislature will review the use of king air planes by
19 the executive branch and the adequacy of funding in this budget
20 regarding maintaining and operating the planes to successfully
21 accomplish their mission.

22 (4) The appropriations in this section reflect reductions in the
23 appropriations for the agency's administrative expenses. It is the
24 intent of the legislature that these reductions shall be achieved, to
25 the greatest extent possible, by reducing those administrative costs
26 that do not affect direct client services or direct service delivery or
27 programs.

28 (5) \$400,000 of the fire service training account--state
29 appropriation is provided solely for the firefighter apprenticeship
30 training program.

31 (6) \$48,000 of the fingerprint identification account--state
32 appropriation is provided solely to implement Substitute House Bill No.
33 1621 (consumer loan companies). If the bill is not enacted by June 30,
34 2009, the amounts provided in this subsection shall lapse.

35 (7) In accordance with RCW 43.43.942, 46.52.085, and 43.135.055,
36 the state patrol is authorized to increase the following fees in fiscal
37 year 2011 as necessary to meet the actual costs of conducting business

1 and the appropriation levels in this section: Collision records
2 requests; fire training academy courses; and fire training academy dorm
3 accommodations.

4 (8) \$24,000 of the fingerprint identification account--state
5 appropriation is provided solely for implementation of chapter 47, Laws
6 of 2010 (criminal background checks).

(End of part)

PART XIV
EDUCATION

Sec. 1401. 2011 c 5 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2010)	\$35,415,000
General Fund--State Appropriation (FY 2011)	(\$30,196,000)
	<u>\$30,336,000</u>
General Fund--Federal Appropriation	\$87,081,000
TOTAL APPROPRIATION	(\$152,692,000)
	<u>\$152,832,000</u>

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

(1) A maximum of \$23,096,000 of the general fund--state appropriation for fiscal year 2010 and \$20,070,000 of the general fund--state appropriation for fiscal year 2011 is for state agency operations.

(a) \$11,226,000 of the general fund--state appropriation for fiscal year 2010 and \$9,709,000 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 the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with WAC 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, monthly, accurate monthly headcount and FTE enrollments for students in alternative learning experience (ALE) programs as well as information about resident and serving districts.

1 (iii) Within amounts provided in this subsection (1)(a), the state
2 superintendent of public instruction shall share best practices with
3 school districts regarding strategies for increasing efficiencies and
4 economies of scale in school district noninstructional operations
5 through shared service arrangements and school district cooperatives,
6 as well as other practices.

7 (b) \$25,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided to the office of the superintendent of public
9 instruction solely to convene a science, technology, engineering, and
10 mathematics (STEM) working group to develop a comprehensive plan with
11 a shared vision, goals, and measurable objectives to improve policies
12 and practices to ensure that a pathway is established for elementary
13 schools, middle schools, high schools, postsecondary degree programs,
14 and careers in the areas of STEM, including improving practices for
15 recruiting, preparing, hiring, retraining, and supporting teachers and
16 instructors while creating pathways to boost student success, close the
17 achievement gap, and prepare every student to be college and career
18 ready. The working group shall be composed of the director of STEM at
19 the office of the superintendent of public instruction who shall be the
20 chair of the working group, and at least one representative from the
21 state board of education, professional educator standards board, state
22 board of community and technical colleges, higher education
23 coordinating board, workforce training and education coordinating
24 board, the achievement gap oversight and accountability committee, and
25 others with appropriate expertise. The working group shall develop a
26 comprehensive plan and a report with recommendations, including a
27 timeline for specific actions to be taken, which is due to the governor
28 and the appropriate committees of the legislature by December 1, 2010.

29 (c) \$920,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$491,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for research and development
32 activities associated with the development of options for new school
33 finance systems, including technical staff, reprogramming, and analysis
34 of alternative student funding formulae. Within this amount is
35 \$150,000 for the state board of education for further development of
36 accountability systems, and \$150,000 for the professional educator
37 standards board for continued development of teacher certification and
38 evaluation systems.

1 (d) \$965,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$887,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the operation and expenses of
4 the state board of education, including basic education assistance
5 activities.

6 (e) \$5,366,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$3,103,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely to the professional educator
9 standards board for the following:

10 (i) \$1,070,000 in fiscal year 2010 and \$985,000 in fiscal year 2011
11 are for the operation and expenses of the Washington professional
12 educator standards board;

13 (ii) \$4,106,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$1,936,000 of the general fund--state appropriation for
15 fiscal year 2011 are for conditional scholarship loans and mentor
16 stipends provided through the alternative routes to certification
17 program administered by the professional educator standards board,
18 including the pipeline for paraeducators program and the retooling to
19 teach conditional loan programs. Funding within this subsection
20 (1)(f)(ii) is also provided for the recruiting Washington teachers
21 program.

22 (iii) \$102,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided for the implementation of Second Substitute
24 Senate Bill No. 5973 (student achievement gap). \$94,000 of the general
25 fund--state appropriation for fiscal year 2011 is provided solely for
26 the ongoing work of the achievement gap oversight and accountability
27 committee and implementation of the committee's recommendations.

28 (f) \$1,349,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$144,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for replacement of the
31 apportionment system, which includes the processes that collect school
32 district budget and expenditure information, staffing characteristics,
33 and the student enrollments that drive the funding process.

34 (g) \$1,140,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$1,227,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the creation of a statewide
37 data base of longitudinal student information. This amount is

1 conditioned on the department satisfying the requirements in section
2 902 of this act.

3 (h) \$75,000 of the general fund--state appropriation for fiscal
4 year 2010 is provided solely to promote the financial literacy of
5 students. The effort will be coordinated through the financial
6 education public-private partnership. It is expected that
7 nonappropriated funds available to the public-private partnership will
8 be sufficient to continue financial literacy activities.

9 (i) To the maximum extent possible, in adopting new agency rules or
10 making any changes to existing rules or policies related to the fiscal
11 provisions in the administration of part V of this act, the office of
12 the superintendent of public instruction shall attempt to request
13 approval through the normal legislative budget process.

14 (j) \$44,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$45,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the implementation of
17 Substitute Senate Bill No. 5248 (enacting the interstate compact on
18 educational opportunity for military children).

19 (k) \$700,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$700,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for the implementation of
22 Substitute Senate Bill No. 5410 (online learning).

23 (l) \$25,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$12,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for project citizen, a program
26 sponsored by the national conference of state legislatures and the
27 center for civic education to promote participation in government by
28 middle school students.

29 (m) \$2,518,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely for the implementation of Substitute House
31 Bill No. 2776 (K-12 education funding). If the bill is not enacted by
32 June 30, 2010, the amount provided in this subsection shall lapse.

33 (n) \$89,000 of the general fund--state appropriation for fiscal
34 year 2011 is provided solely for the implementation of Engrossed Second
35 Substitute House Bill No. 3026 (state and federal civil rights laws).
36 If the bill is not enacted by June 30, 2010, the amount provided in
37 this subsection shall lapse.

1 (o) Beginning in the 2010-11 school year, the superintendent of
2 public instruction shall require all districts receiving general
3 apportionment funding for alternative learning experience (ALE)
4 programs as defined in WAC 392-121-182 to provide separate financial
5 accounting of expenditures for the ALE programs offered in district or
6 with a provider, including but not limited to private companies and
7 multidistrict cooperatives.

8 (p) \$55,000 of the general fund--state appropriation for fiscal
9 year 2011 is provided to the office of the superintendent of public
10 instruction solely to convene a technical working group to establish
11 standards, guidelines, and definitions for what constitutes a basic
12 education program for highly capable students and the appropriate
13 funding structure for such a program, and to submit recommendations to
14 the legislature for consideration. The working group may convene
15 advisory subgroups on specific topics as necessary to assure
16 participation and input from a broad array of diverse stakeholders.
17 The working group must consult with and seek input from nationally
18 recognized experts; researchers and academics on the unique
19 educational, emotional, and social needs of highly capable students and
20 how to identify such students; representatives of national
21 organizations and associations for educators of or advocates for highly
22 capable students; school district representatives who are educators,
23 counselors, and classified school employees involved with highly
24 capable programs; parents of students who have been identified as
25 highly capable; representatives from the federally recognized tribes;
26 and representatives of cultural, linguistic, and racial minority groups
27 and the community of persons with disabilities. The working group
28 shall make recommendations to the quality education council and to
29 appropriate committees of the legislature by December 1, 2010. The
30 recommendations shall take into consideration that access to the
31 program for highly capable students is not an individual entitlement
32 for any particular student. The recommendations shall seek to minimize
33 underrepresentation of any particular demographic or socioeconomic
34 group by better identification, not lower standards or quotas, and
35 shall include the following:

36 (i) Standardized state-level identification procedures, standards,
37 criteria, and benchmarks, including a definition or definitions of a

1 highly capable student. Students who are both highly capable and are
2 students of color, are poor, or have a disability must be addressed;

3 (ii) Appropriate programs and services that have been shown by
4 research and practice to be effective with highly capable students but
5 maintain options and flexibility for school districts, where possible;

6 (iii) Program administration, management, and reporting
7 requirements for school districts;

8 (iv) Appropriate educator qualifications, certification
9 requirements, and professional development and support for educators
10 and other staff who are involved in programs for highly capable
11 students;

12 (v) Self-evaluation models to be used by school districts to
13 determine the effectiveness of the program and services provided by the
14 school district for highly capable programs;

15 (vi) An appropriate state-level funding structure; and

16 (vii) Other topics deemed to be relevant by the working group.

17 (q) \$1,000,000 of the general fund--state appropriation for fiscal
18 year 2011 is provided solely for contracting with a college scholarship
19 organization with expertise in conducting outreach to students
20 concerning eligibility for the Washington college bound scholarship
21 consistent with chapter 405, Laws of 2007.

22 (r) \$24,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided solely for implementation of Substitute Senate
24 Bill No. 6759 (requiring a plan for a voluntary program of early
25 learning as a part of basic education). If the bill is not enacted by
26 June 30, 2010, the amounts provided in this subsection (1)(r) shall
27 lapse.

28 (s) \$950,000 of the general fund--state appropriation for fiscal
29 year 2010 (~~(is)~~) and \$150,000 of the general fund--state appropriation
30 for fiscal year 2011 are provided solely for office of the attorney
31 general costs related to *McCleary v. State of Washington*.

32 (2) \$12,320,000 of the general fund--state appropriation for fiscal
33 year 2010, \$10,127,000 of the general fund--state appropriation for
34 fiscal year 2011, and \$55,890,000 of the general fund--federal
35 appropriation are for statewide programs.

36 (a) HEALTH AND SAFETY

37 (i) \$2,541,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$2,381,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a corps of nurses located at
2 educational service districts, as determined by the superintendent of
3 public instruction, to be dispatched to the most needy schools to
4 provide direct care to students, health education, and training for
5 school staff.

6 (ii) \$100,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$94,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for a school safety training
9 program provided by the criminal justice training commission. The
10 commission, in collaboration with the school safety center advisory
11 committee, shall provide the school safety training for all school
12 administrators and school safety personnel, including school safety
13 personnel hired after the effective date of this section.

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

17 (iv) \$96,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$90,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for the school safety center in
20 the office of the superintendent of public instruction subject to the
21 following conditions and limitations:

22 (A) The safety center shall: Disseminate successful models of
23 school safety plans and cooperative efforts; provide assistance to
24 schools to establish a comprehensive safe school plan; select models of
25 cooperative efforts that have been proven successful; act as an
26 information dissemination and resource center when an incident occurs
27 in a school district either in Washington or in another state;
28 coordinate activities relating to school safety; review and approve
29 manuals and curricula used for school safety models and training; and
30 develop and maintain a school safety information web site.

31 (B) The school safety center advisory committee shall develop a
32 training program, using the best practices in school safety, for all
33 school safety personnel.

34 (v) \$70,000 of the general fund--state appropriation for fiscal
35 year 2010 is provided solely for the youth suicide prevention program.

36 (vi) \$50,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$47,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a nonviolence and leadership
2 training program provided by the institute for community leadership.

3 (b) TECHNOLOGY

4 (i) \$1,842,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$1,635,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for K-20 telecommunications
7 network technical support in the K-12 sector to prevent system failures
8 and avoid interruptions in school utilization of the data processing
9 and video-conferencing capabilities of the network. These funds may be
10 used to purchase engineering and advanced technical support for the
11 network.

12 (ii) \$1,475,000 of the general fund--state appropriation for fiscal
13 year 2010, \$1,045,000 of the general fund--state appropriation for
14 fiscal year 2011, and \$435,000 of the general fund--federal
15 appropriation are provided solely for implementing a comprehensive data
16 system to include financial, student, and educator data. The office of
17 the superintendent of public instruction will convene a data governance
18 group to create a comprehensive needs-requirement document, conduct a
19 gap analysis, and define operating rules and a governance structure for
20 K-12 data collections.

21 (c) GRANTS AND ALLOCATIONS

22 (i) \$1,329,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$664,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for the special services pilot
25 project to include up to seven participating districts. The office of
26 the superintendent of public instruction shall allocate these funds to
27 the district or districts participating in the pilot program according
28 to the provisions of RCW 28A.630.016.

29 (ii) \$750,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$750,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the Washington state achievers
32 scholarship program. The funds shall be used to support community
33 involvement officers that recruit, train, and match community volunteer
34 mentors with students selected as achievers scholars.

35 (iii) \$25,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for developing and disseminating
37 curriculum and other materials documenting women's role in World War
38 II.

1 (iv) \$175,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$87,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for incentive grants for districts
4 and pilot projects to develop preapprenticeship programs. Incentive
5 grant awards up to \$10,000 each shall be used to support the program's
6 design, school/business/labor agreement negotiations, and recruiting
7 high school students for preapprenticeship programs in the building
8 trades and crafts.

9 (v) \$2,898,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$2,924,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the dissemination of the
12 navigation 101 curriculum to all districts. The funding shall support
13 electronic student planning tools and software for analyzing the impact
14 of navigation 101 on student performance, as well as grants to a
15 maximum of one hundred school districts each year, based on progress
16 and need for the implementation of the navigation 101 program. The
17 implementation grants shall be awarded to a cross-section of school
18 districts reflecting a balance of geographic and demographic
19 characteristics. Within the amounts provided, the office of the
20 superintendent of public instruction will create a navigation 101
21 accountability model to analyze the impact of the program.

22 (vi) \$627,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$225,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for implementation of a statewide
25 program for comprehensive dropout prevention, intervention, and
26 retrieval.

27 (vii) \$40,000 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely for program initiatives to address the
29 educational needs of Latino students and families. Using the full
30 amounts of the appropriations under this subsection (2)(c)(vii), the
31 office of the superintendent of public instruction shall contract with
32 the Seattle community coalition of compana quetzal to provide for three
33 initiatives: (A) Early childhood education; (B) parent leadership
34 training; and (C) high school success and college preparation programs.

35 (viii) \$60,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for a pilot project to encourage bilingual
37 high school students to pursue public school teaching as a profession.
38 Using the full amounts of the appropriation under this subsection, the

1 office of the superintendent of public instruction shall contract with
 2 the Latino/a educational achievement project (LEAP) to work with school
 3 districts to identify and mentor not fewer than fifty bilingual
 4 students in their junior year of high school, encouraging them to
 5 become bilingual instructors in schools with high English language
 6 learner populations. Students shall be mentored by bilingual teachers
 7 and complete a curriculum developed and approved by the participating
 8 districts.

9 (ix) \$145,000 of the general fund--state appropriation for fiscal
 10 year 2010 and \$37,000 of the general fund--state appropriation for
 11 fiscal year 2011 are provided solely to the office of the
 12 superintendent of public instruction to enhance the reading skills of
 13 students with dyslexia by implementing the findings of the dyslexia
 14 pilot program. Funds shall be used to provide information and training
 15 to classroom teachers and reading specialists, for development of a
 16 dyslexia handbook, and to take other statewide actions to improve the
 17 reading skills of students with dyslexia. The training program shall
 18 be delivered regionally through the educational service districts.

19 (x) \$97,000 of the general fund--state appropriation for fiscal
 20 year 2010 and \$48,000 of the general fund--state appropriation for
 21 fiscal year 2011 are provided solely to support vocational student
 22 leadership organizations.

23 (xi) \$100,000 of the general fund--state appropriation for fiscal
 24 year 2011 is provided solely for drop-out prevention programs at the
 25 office of the superintendent of public instruction including the jobs
 26 for America's graduates (JAG) program.

27 **Sec. 1402.** 2011 c 5 s 502 (uncodified) is amended to read as
 28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
 30 **APPORTIONMENT**

31	General Fund--State Appropriation (FY 2010)	\$5,126,153,000
32	General Fund--State Appropriation (FY 2011)	(\$4,887,369,000)
33		<u>\$4,623,555,000</u>
34	General Fund--Federal Appropriation	\$208,098,000
35	TOTAL APPROPRIATION	(\$10,221,620,000)
36		<u>\$9,957,806,000</u>

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

3 (1)(a) Each general fund fiscal year appropriation includes such
4 funds as are necessary to complete the school year ending in the fiscal
5 year and for prior fiscal year adjustments.

6 (b) The appropriations in this section include federal funds
7 provided through section 101 of Public Law No. 111-226 (education jobs
8 fund), which shall be used to support general apportionment program
9 funding. In distributing general apportionment allocations under this
10 section for the 2010-11 school year, the superintendent shall include
11 the entire allocation from the federal funds provided through section
12 101 of Public Law No. 111-226 (education jobs fund) as part of each
13 district's general apportionment allocation.

14 (2) Allocations for certificated staff salaries for the 2009-10 and
15 2010-11 school years shall be determined using formula-generated staff
16 units calculated pursuant to this subsection. Staff allocations for
17 small school enrollments in (e) through (g) of this subsection shall be
18 reduced for vocational full-time equivalent enrollments. Staff
19 allocations for small school enrollments in grades K-6 shall be the
20 greater of that generated under (a) of this subsection, or under (d)
21 and (e) of this subsection. Certificated staffing allocations shall be
22 as follows:

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

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

29 (ii)(A)(I) For districts that enroll fewer than 25 percent of their
30 total full-time equivalent student enrollment in grades K through three
31 in digital or online learning programs as defined in WAC 392-121-182,
32 as in effect on November 1, 2009: For the 2009-10 school year, fifty-
33 three and two-tenths certificated instructional staff units per
34 thousand full-time equivalent students in grades K through three and,
35 for the portion of the 2010-11 school year from September 1, 2010,
36 through January 31, 2011, fifty and seventy-five one-hundredths
37 certificated instructional staff units per thousand full-time
38 equivalent students in grades K through three.

1 (II) For all other districts for the 2009-10 school year, a minimum
2 of forty-nine certificated instructional staff units per 1,000
3 full-time equivalent (FTE) students in grades K through three, with
4 additional certificated instructional staff units to equal the
5 documented staffing level in grades K through three, up to a maximum of
6 fifty-three and two-tenths certificated instructional staff units per
7 1,000 FTE students.

8 For the portion of the 2010 school year from September 1, 2010,
9 through January 31, 2011, a minimum of forty-nine certificated
10 instructional staff units per thousand full-time equivalent students in
11 grades K through three, with additional certificated instructional
12 staff units to equal the documented staffing level in grades K through
13 three, up to a maximum of fifty and seventy-five one-hundredths
14 certificated instructional staff units per thousand full-time
15 equivalent students in grades K through three.

16 (B)(I) For districts that enroll fewer than 25 percent of their
17 total full-time equivalent student enrollment in grade four in digital
18 or online learning programs defined in WAC 392-121-182 as in effect on
19 November 1, 2009: For the 2009-10 school year, fifty-three and
20 two-tenths certificated instructional staff units per thousand full-
21 time equivalent students in grade four, and for the portion of the
22 2010-11 school year from September 1, 2010, through January 31, 2011,
23 forty-six and twenty-seven one-hundredths certificated instructional
24 staff units per thousand full-time equivalent students in grade four.

25 (II) For all other districts:

26 For the 2009-10 school year, a minimum of forty-six certificated
27 instructional staff units per 1,000 full-time equivalent (FTE) students
28 in grade four, and additional certificated instructional staff units to
29 equal the documented staffing level in grade four, up to a maximum of
30 fifty-three and two-tenths certificated instructional staff units per
31 1,000 FTE students.

32 For the portion of the 2010-11 school year from September 1, 2010,
33 through January 31, 2011, a minimum of forty-six certificated
34 instructional staff units per 1,000 full-time equivalent (FTE) students
35 in grade four, and additional certificated instructional staff units to
36 equal the documented staffing level in grade four, up to a maximum of
37 forty-six and twenty-seven one-hundredths certificated instructional
38 staff units per 1,000 FTE students;

1 (iii) For the portion of the 2010-11 school year beginning February
2 1, 2010:

3 (A) Forty-nine certificated instructional staff units per thousand
4 full-time equivalent students in grades kindergarten through three;

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

7 (iv) All allocations for instructional staff units per thousand
8 full-time equivalent students above forty-nine in grades kindergarten
9 through three and forty-six in grade four shall occur in apportionments
10 in the monthly periods prior to February 1, 2011;

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

13 (vi) Certificated staff allocations in this subsection (2)(a)
14 exceeding the statutory minimums established in RCW 28A.150.260 shall
15 not be considered part of basic education;

16 (b) For school districts with a minimum enrollment of 250 full-time
17 equivalent students whose full-time equivalent student enrollment count
18 in a given month exceeds the first of the month full-time equivalent
19 enrollment count by 5 percent, an additional state allocation of 110
20 percent of the share that such increased enrollment would have
21 generated had such additional full-time equivalent students been
22 included in the normal enrollment count for that particular month;

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

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

28 (B) Middle school vocational STEM programs approved by the
29 superintendent of public instruction, a maximum of 0.92 certificated
30 instructional staff units and 0.8 certificated administrative staff
31 units for each 19.5 full-time equivalent vocational students; and

32 (C) Skills center programs meeting the standards for skills center
33 funding established in January 1999 by the superintendent of public
34 instruction with a waiver allowed for skills centers in current
35 operation that are not meeting this standard until the 2010-11 school
36 year, 0.92 certificated instructional staff units and 0.08 certificated
37 administrative units for each 16.67 full-time equivalent vocational
38 students;

1 (ii) Vocational full-time equivalent enrollment shall be reported
2 on the same monthly basis as the enrollment for students eligible for
3 basic support, and payments shall be adjusted for reported vocational
4 enrollments on the same monthly basis as those adjustments for
5 enrollment for students eligible for basic support; and

6 (iii) Indirect cost charges by a school district to
7 vocational-secondary programs and vocational middle-school shall not
8 exceed 15 percent of the combined basic education and vocational
9 enhancement allocations of state funds;

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

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

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

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

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

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

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

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

10 (ii) For all other small high schools under this subsection, nine
11 certificated instructional staff units and one-half of a certificated
12 administrative staff unit for the first sixty average annual full time
13 equivalent students, and additional staff units based on a ratio of
14 0.8732 certificated instructional staff units and 0.1268 certificated
15 administrative staff units per each additional forty-three and one-half
16 average annual full time equivalent students.

17 Units calculated under (f)(ii) of this subsection shall be reduced
18 by certificated staff units at the rate of forty-six certificated
19 instructional staff units and four certificated administrative staff
20 units per thousand vocational full-time equivalent students;

21 (g) For each nonhigh school district having an enrollment of more
22 than seventy annual average full-time equivalent students and less than
23 one hundred eighty students, operating a grades K-8 program or a grades
24 1-8 program, an additional one-half of a certificated instructional
25 staff unit; and

26 (h) For each nonhigh school district having an enrollment of more
27 than fifty annual average full-time equivalent students and less than
28 one hundred eighty students, operating a grades K-6 program or a grades
29 1-6 program, an additional one-half of a certificated instructional
30 staff unit.

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

34 (a) For enrollments generating certificated staff unit allocations
35 under subsection (2)(e) through (h) of this section, one classified
36 staff unit for each 2.94 certificated staff units allocated under such
37 subsections;

1 (b) For all other enrollment in grades K-12, including vocational
2 full-time equivalent enrollments, one classified staff unit for each
3 58.75 average annual full-time equivalent students; and

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

8 (4) Fringe benefit allocations shall be calculated at a rate of
9 14.43 percent in the 2009-10 school year and 14.43 percent in the
10 2010-11 school year for certificated salary allocations provided under
11 subsection (2) of this section, and a rate of 16.59 percent in the
12 2009-10 school year and 16.59 percent in the 2010-11 school year for
13 classified salary allocations provided under subsection (3) of this
14 section.

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

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

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

26 (6)(a) For nonemployee-related costs associated with each
27 certificated staff unit allocated under subsection (2)(a), (b), and (d)
28 through (g) of this section, there shall be provided a maximum of
29 \$10,179 per certificated staff unit in the 2009-10 school year and a
30 maximum of \$10,424 per certificated staff unit in the 2010-11 school
31 year.

32 (b) For nonemployee-related costs associated with each vocational
33 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
34 section, there shall be provided a maximum of \$24,999 per certificated
35 staff unit in the 2009-10 school year and a maximum of \$25,399 per
36 certificated staff unit in the 2010-11 school year.

37 (c) For nonemployee-related costs associated with each vocational
38 certificated staff unit allocated under subsection (2)(c)(i)(B) of this

1 section, there shall be provided a maximum of \$19,395 per certificated
2 staff unit in the 2009-10 school year and a maximum of \$19,705 per
3 certificated staff unit in the 2010-11 school year.

4 (7) Allocations for substitute costs for classroom teachers shall
5 be distributed at a maintenance rate of \$607.44 for the 2009-10 and
6 2010-11 school years per allocated classroom teachers exclusive of
7 salary increase amounts provided in section 504 of this act. Solely
8 for the purposes of this subsection, allocated classroom teachers shall
9 be equal to the number of certificated instructional staff units
10 allocated under subsection (2) of this section, multiplied by the ratio
11 between the number of actual basic education certificated teachers and
12 the number of actual basic education certificated instructional staff
13 reported statewide for the prior school year.

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

23 (9) Funding in this section is sufficient to provide additional
24 service year credits to educational staff associates pursuant to
25 chapter 403, Laws of 2007.

26 (10)(a) The superintendent may distribute a maximum of \$5,452,000
27 outside the basic education formula during fiscal years 2010 and 2011
28 as follows:

29 (i) For fire protection for school districts located in a fire
30 protection district as now or hereafter established pursuant to chapter
31 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010
32 and a maximum of \$576,000 may be expended in fiscal year 2011;

33 (ii) For summer vocational programs at skills centers, a maximum of
34 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of
35 \$600,000 for the 2011 fiscal year;

36 (iii) A maximum of \$403,000 may be expended for school district
37 emergencies; and

1 (iv) A maximum of \$485,000 for fiscal year 2010 and \$436,000 for
2 fiscal year 2011 may be expended for programs providing skills training
3 for secondary students who are enrolled in extended day school-to-work
4 programs, as approved by the superintendent of public instruction. The
5 funds shall be allocated at a rate not to exceed \$500 per full-time
6 equivalent student enrolled in those programs.

7 (b) Funding in this section is sufficient to fund a maximum of 1.6
8 FTE enrollment for skills center students pursuant to chapter 463, Laws
9 of 2007.

10 (11) For purposes of RCW 84.52.0531, the increase per full-time
11 equivalent student is 4.0 percent from the 2008-09 school year to the
12 2009-10 school year and 4.0 percent from the 2009-10 school year to the
13 2010-11 school year.

14 (12) If two or more school districts consolidate and each district
15 was receiving additional basic education formula staff units pursuant
16 to subsection (2)(b) through (g) of this section, the following shall
17 apply:

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

22 (b) For the fourth through eighth school years following
23 consolidation, the difference between the basic education formula staff
24 units received by the districts for the school year prior to
25 consolidation and the basic education formula staff units after
26 consolidation pursuant to subsection (2)(a) through (h) of this section
27 shall be reduced in increments of twenty percent per year.

28 (13) General apportionment payments to the Steilacoom historical
29 school district shall reflect changes to operation of the Harriet
30 Taylor elementary school consistent with the timing of reductions in
31 correctional facility capacity and staffing.

32 (14) (~~(\$2,500,000)~~) \$15,500,000 of the general fund--state
33 appropriation for fiscal year 2011 is provided solely for the
34 superintendent for financial contingency funds for eligible school
35 districts. Of the amount provided in this subsection, \$2,500,000 is
36 for school districts needing financial assistance as a result of budget
37 reductions included in this act. Of the amount provided in this
38 subsection, \$13,000,000 is for school districts needing financial

1 assistance as a result of delaying a portion of the June apportionment
2 payment. The financial contingency funds shall be allocated to
3 eligible districts in the form of an advance of their respective
4 general apportionment allocations.

5 (a) Eligibility:

6 The superintendent shall determine a district's eligibility for
7 receipt of financial contingency funds, and districts shall be eligible
8 only if the following conditions are met:

9 (i) A petition is submitted by the school district as provided in
10 RCW 28A.510.250 and WAC 392-121-436; and

11 (ii) The district's projected general fund balance for the month of
12 March is less than one-half of one percent of its budgeted general fund
13 expenditures as submitted to the superintendent for the 2010-11 school
14 year on the F-196 report.

15 (b) Calculations:

16 The superintendent shall calculate the financial contingency
17 allocation to each district as the lesser of:

18 (i) The amount set forth in the school district's resolution;

19 (ii) An amount not to exceed 10 percent of the total amount to
20 become due and apportionable to the district from September 1st through
21 August 31st of the current school year;

22 (iii) The highest negative monthly cash and investment balance of
23 the general fund between the date of the resolution and May 31st of the
24 school year based on projections approved by the county treasurer and
25 the educational service district.

26 (c) Repayment:

27 For any amount allocated to a district in state fiscal year 2011,
28 the superintendent shall deduct in state fiscal year 2012 from the
29 district's general apportionment the amount of the emergency
30 contingency allocation and any earnings by the school district on the
31 investment of a temporary cash surplus due to the emergency contingency
32 allocation. Repayments or advances will be accomplished by a reduction
33 in the school district's apportionment payments on or before June 30th
34 of the school year following the distribution of the emergency
35 contingency allocation. All disbursements, repayments, and outstanding
36 allocations to be repaid of the emergency contingency pool shall be
37 reported to the office of financial management and the appropriate

1 fiscal committees of the legislature on July 1st and January 1st of
2 each year.

3 **Sec. 1403.** 2010 1st sp.s. c 37 s 504 (uncodified) is amended to
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
6 **COMPENSATION ADJUSTMENTS**

7	General Fund--State Appropriation (FY 2010)	(\$4,414,000)
8	General Fund--State Appropriation (FY 2011)	((\$1,806,000))
9		<u>(\$1,539,000)</u>
10	General Fund--Federal Appropriation	(\$1,000)
11	TOTAL APPROPRIATION	((\$6,221,000))
12		<u>(\$5,954,000)</u>

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

15 (1)(a) Additional salary adjustments as necessary to fund the base
16 salaries for certificated instructional staff as listed for each
17 district in LEAP Document 2, defined in section 503(2)(b) of this act.
18 Allocations for these salary adjustments shall be provided to all
19 districts that are not grandfathered to receive salary allocations
20 above the statewide salary allocation schedule, and to certain
21 grandfathered districts to the extent necessary to ensure that salary
22 allocations for districts that are currently grandfathered do not fall
23 below the statewide salary allocation schedule.

24 (b) Additional salary adjustments to certain districts as necessary
25 to fund the per full-time-equivalent salary allocations for
26 certificated administrative staff as listed for each district in LEAP
27 Document 2, defined in section 503(2)(b) of this act. These
28 adjustments shall ensure a minimum salary allocation for certificated
29 administrative staff of \$57,986 in the 2009-10 school year and \$57,986
30 in the 2010-11 school year.

31 (c) Additional salary adjustments to certain districts as necessary
32 to fund the per full-time-equivalent salary allocations for classified
33 staff as listed for each district in LEAP Document 2, defined in
34 section 503(2)(b) of this act. These salary adjustments ensure a
35 minimum salary allocation for classified staff of \$31,865 in the 2009-
36 10 school year and \$31,865 in the 2010-11 school year.

1 (d) The appropriations in this subsection (1) include associated
2 incremental fringe benefit allocations at rates 13.79 percent for the
3 2009-10 school year and 13.79 percent for the 2010-11 school year for
4 certificated staff and 13.09 percent for the 2009-10 school year and
5 13.09 percent for the 2010-11 school year for classified staff.

6 (e) The appropriations in this section include the increased or
7 decreased portion of salaries and incremental fringe benefits for all
8 relevant state-funded school programs in part V of this act. Changes
9 for general apportionment (basic education) are based on the salary
10 allocation schedules and methodology in sections 502 and 503 of this
11 act. Changes for special education result from changes in each
12 district's basic education allocation per student. Changes for
13 educational service districts and institutional education programs are
14 determined by the superintendent of public instruction using the
15 methodology for general apportionment salaries and benefits in sections
16 502 and 503 of this act. The appropriations in this section provide
17 incremental fringe benefit alterations based on formula adjustments as
18 follows:

	School Year	
	2009-10	2010-11
19 Pupil Transportation (per weighted pupil mile)	\$0	\$0
20 Highly Capable (per formula student)	(\$1.49)	(\$2.98)
21 Transitional Bilingual Education (per eligible bilingual student)	(\$3.93)	(\$7.86)
22 Learning Assistance (per formula student)	(\$1.18)	(\$2.36)

23 (f) The appropriations in this section include no salary
24 adjustments for substitute teachers.

25 (2) \$44,213,000 is provided for adjustments to insurance benefit
26 allocations. The maintenance rate for insurance benefit allocations is
27 \$732.00 per month for the 2009-10 and 2010-11 school years. The
28 appropriations in this section provide for a rate increase to \$745.00
29 per month for the 2009-10 school year and \$768.00 per month for the
30 2010-11 school year. The adjustments to health insurance benefits are
31 at the following rates:
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	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
Highly Capable (per formula student)	\$0.79	\$2.22
Transitional Bilingual Education (per eligible bilingual student)	\$2.11	\$5.83
Learning Assistance (per formula student)	\$0.54	\$1.49

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

Sec. 1404. 2011 c 5 s 503 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION	
General Fund--State Appropriation (FY 2010)	\$317,116,000
General Fund--State Appropriation (FY 2011)	(\$296,408,000)
	<u>\$297,393,000</u>
TOTAL APPROPRIATION	(\$613,524,000)
	<u>\$614,509,000</u>

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

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

(2) A maximum of \$878,000 of this fiscal year 2010 appropriation and a maximum of \$803,000 of the fiscal year 2011 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) Allocations for transportation of students shall be based on reimbursement rates of \$48.15 per weighted mile in the 2009-10 school year and \$48.37 per weighted mile in the 2010-11 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one

1 radius mile shall be based on weighted miles as determined by
2 superintendent of public instruction multiplied by the per mile
3 reimbursement rates for the school year pursuant to the formulas
4 adopted by the superintendent of public instruction. Allocations for
5 transportation of students living within one radius mile shall be based
6 on the number of enrolled students in grades kindergarten through five
7 living within one radius mile of their assigned school multiplied by
8 the per mile reimbursement rate for the school year multiplied by 1.29.

9 (4) The office of the superintendent of public instruction shall
10 provide reimbursement funding to a school district only after the
11 superintendent of public instruction determines that the school bus was
12 purchased from the list established pursuant to RCW 28A.160.195(2) or
13 a comparable competitive bid process based on the lowest price quote
14 based on similar bus categories to those used to establish the list
15 pursuant to RCW 28A.160.195.

16 (5) The superintendent of public instruction shall base
17 depreciation payments for school district buses on the pre-sales tax
18 five-year average of lowest bids in the appropriate category of bus.
19 In the final year on the depreciation schedule, the depreciation
20 payment shall be based on the lowest bid in the appropriate bus
21 category for that school year.

22 (6) Funding levels in this section reflect reductions from the
23 implementation of Substitute House Bill No. 1292 (authorizing waivers
24 from the one hundred eighty-day school year requirement in order to
25 allow four-day school weeks).

26 **Sec. 1405.** 2011 c 5 s 504 (uncodified) is amended to read as
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
29 **PROGRAMS**

30	General Fund--State Appropriation (FY 2010)	\$3,159,000
31	General Fund--State Appropriation (FY 2011)	\$7,111,000
32	General Fund--Federal Appropriation	(\$448,588,000)
33		<u>\$505,188,000</u>
34	TOTAL APPROPRIATION	(\$458,858,000)
35		<u>\$515,458,000</u>

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 is provided for state matching money for federal child
3 nutrition programs.

4 (2) \$100,000 of the general fund--state appropriation for fiscal
5 year 2010 is provided for summer food programs for children in low-
6 income areas.

7 (3) \$59,000 of the general fund--state appropriation for fiscal
8 year 2010 is provided solely to reimburse school districts for school
9 breakfasts served to students enrolled in the free or reduced price
10 meal program pursuant to chapter 287, Laws of 2005 (requiring school
11 breakfast programs in certain schools).

12 (4) \$7,111,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely for state matching money for federal child
14 nutrition programs, and may support the meals for kids program through
15 the following allowable uses:

16 (a) Elimination of breakfast copays for eligible public school
17 students and lunch copays for eligible public school students in grades
18 kindergarten through third grade who are eligible for reduced price
19 lunch;

20 (b) Assistance to school districts and authorized public and
21 private nonprofit organizations for supporting summer food service
22 programs, and initiating new summer food service programs in low-income
23 areas; and

24 (c) Reimbursements to school districts for school breakfasts served
25 to students eligible for free and reduced price lunch, pursuant to
26 chapter 287, Laws of 2005.

27 **Sec. 1406.** 2011 c 5 s 505 (uncodified) is amended to read as
28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
30 **PROGRAMS**

31	General Fund--State Appropriation (FY 2010)	\$632,136,000
32	General Fund--State Appropriation (FY 2011)	(\$626,099,000)
33		<u>\$627,316,000</u>
34	General Fund--Federal Appropriation	(\$664,601,000)
35		<u>\$675,618,000</u>
36	Education Legacy Trust Account--State	
37	Appropriation	\$756,000

1 TOTAL APPROPRIATION ((~~\$1,923,592,000~~))
2 \$1,935,826,000

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

5 (1) Funding for special education programs is provided on an excess
6 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
7 that special education students as a class receive their full share of
8 the general apportionment allocation accruing through sections 502 and
9 504 of this act. To the extent a school district cannot provide an
10 appropriate education for special education students under chapter
11 28A.155 RCW through the general apportionment allocation, it shall
12 provide services through the special education excess cost allocation
13 funded in this section.

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

15 (i) Special education students are basic education students first;

16 (ii) As a class, special education students are entitled to the
17 full basic education allocation; and

18 (iii) Special education students are basic education students for
19 the entire school day.

20 (b) The superintendent of public instruction shall continue to
21 implement the full cost method of excess cost accounting, as designed
22 by the committee and recommended by the superintendent, pursuant to
23 section 501(1)(k), chapter 372, Laws of 2006.

24 (3) Each fiscal year appropriation includes such funds as are
25 necessary to complete the school year ending in the fiscal year and for
26 prior fiscal year adjustments.

27 (4) The superintendent of public instruction shall distribute state
28 funds to school districts based on two categories: (a) The first
29 category includes (i) children birth through age two who are eligible
30 for the optional program for special education eligible developmentally
31 delayed infants and toddlers, and (ii) students eligible for the
32 mandatory special education program and who are age three or four, or
33 five and not yet enrolled in kindergarten; and (b) the second category
34 includes students who are eligible for the mandatory special education
35 program and who are age five and enrolled in kindergarten and students
36 age six through 21.

37 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent
38 shall make allocations to each district based on the sum of:

1 (i) A district's annual average headcount enrollment of students
2 ages birth through four and those five year olds not yet enrolled in
3 kindergarten, as defined in subsection (4) of this section, multiplied
4 by the district's average basic education allocation per full-time
5 equivalent student, multiplied by 1.15; and

6 (ii) A district's annual average full-time equivalent basic
7 education enrollment multiplied by the funded enrollment percent
8 determined pursuant to subsection (6)(b) of this section, multiplied by
9 the district's average basic education allocation per full-time
10 equivalent student multiplied by 0.9309.

11 (b) For purposes of this subsection, "average basic education
12 allocation per full-time equivalent student" for a district shall be
13 based on the staffing ratios required by RCW 28A.150.260 and shall not
14 include enhancements, secondary vocational education, or small schools
15 in the 2009-10 school year. In the 2010-11 school year, the per
16 student allocation under this subsection (5)(b) shall include the same
17 factors as in the 2009-10 school year, but shall also include the
18 classified staff enhancements included in section 502(3)(b).

19 (6) The definitions in this subsection apply throughout this
20 section.

21 (a) "Annual average full-time equivalent basic education
22 enrollment" means the resident enrollment including students enrolled
23 through choice (RCW 28A.225.225) and students from nonhigh districts
24 (RCW 28A.225.210) and excluding students residing in another district
25 enrolled as part of an interdistrict cooperative program (RCW
26 28A.225.250).

27 (b) "Enrollment percent" means the district's resident special
28 education annual average enrollment, excluding the birth through age
29 four enrollment and those five year olds not yet enrolled in
30 kindergarten, as a percent of the district's annual average full-time
31 equivalent basic education enrollment.

32 Each district's general fund--state funded special education
33 enrollment shall be the lesser of the district's actual enrollment
34 percent or 12.7 percent.

35 (7) At the request of any interdistrict cooperative of at least 15
36 districts in which all excess cost services for special education
37 students of the districts are provided by the cooperative, the maximum
38 enrollment percent shall be calculated in accordance with subsection

1 (6)(b) of this section, and shall be calculated in the aggregate rather
2 than individual district units. For purposes of this subsection, the
3 average basic education allocation per full-time equivalent student
4 shall be calculated in the aggregate rather than individual district
5 units.

6 (8) To the extent necessary, \$19,512,000 of the general fund--state
7 appropriation and \$29,574,000 of the general fund--federal
8 appropriation are provided for safety net awards for districts with
9 demonstrated needs for special education funding beyond the amounts
10 provided in subsection (5) of this section. If the federal safety net
11 awards based on the federal eligibility threshold exceed the federal
12 appropriation in this subsection (8) in any fiscal year, the
13 superintendent shall expend all available federal discretionary funds
14 necessary to meet this need. Safety net funds shall be awarded by the
15 state safety net oversight committee subject to the following
16 conditions and limitations:

17 (a) The committee shall consider unmet needs for districts that can
18 convincingly demonstrate that all legitimate expenditures for special
19 education exceed all available revenues from state funding formulas.
20 In the determination of need, the committee shall also consider
21 additional available revenues from federal sources. Differences in
22 program costs attributable to district philosophy, service delivery
23 choice, or accounting practices are not a legitimate basis for safety
24 net awards. In the determination of need, the committee shall require
25 that districts demonstrate that they are maximizing their eligibility
26 for all state and federal revenues related to services for special
27 education-eligible students. Awards associated with (b) and (c) of
28 this subsection shall not exceed the total of a district's specific
29 determination of need.

30 (b) The committee shall then consider the extraordinary high cost
31 needs of one or more individual special education students.
32 Differences in costs attributable to district philosophy, service
33 delivery choice, or accounting practices are not a legitimate basis for
34 safety net awards.

35 (c) Using criteria developed by the committee, the committee shall
36 then consider extraordinary costs associated with communities that draw
37 a larger number of families with children in need of special education

1 services. The safety net awards to school districts shall be adjusted
2 to reflect amounts awarded under (b) of this subsection.

3 (d) The maximum allowable indirect cost for calculating safety net
4 eligibility may not exceed the federal restricted indirect cost rate
5 for the district plus one percent.

6 (e) Safety net awards must be adjusted for any audit findings or
7 exceptions related to special education funding.

8 (f) Safety net awards shall be adjusted based on the percent of
9 potential medicaid eligible students billed as calculated by the
10 superintendent in accordance with chapter 318, Laws of 1999. The state
11 safety net oversight committee shall ensure that safety net
12 documentation and awards are based on current medicaid revenue amounts.

13 (g) Beginning with the 2010-11 school year award cycle, the office
14 of the superintendent of public instruction shall make award
15 determinations for state safety net funding in August of each school
16 year. Determinations on school district eligibility for state safety
17 net awards shall be based on analysis of actual expenditure data from
18 the current school year.

19 (9) The superintendent of public instruction may adopt such rules
20 and procedures as are necessary to administer the special education
21 funding and safety net award process. Prior to revising any standards,
22 procedures, or rules, the superintendent shall consult with the office
23 of financial management and the fiscal committees of the legislature.

24 (10) The safety net oversight committee appointed by the
25 superintendent of public instruction shall consist of:

26 (a) One staff from the office of superintendent of public
27 instruction;

28 (b) Staff of the office of the state auditor who shall be nonvoting
29 members of the committee; and

30 (c) One or more representatives from school districts or
31 educational service districts knowledgeable of special education
32 programs and funding.

33 (11) The office of the superintendent of public instruction shall
34 review and streamline the application process to access safety net
35 funds, provide technical assistance to school districts, and annually
36 survey school districts regarding improvement to the process.

37 (12) A maximum of \$678,000 may be expended from the general
38 fund--state appropriations to fund 5.43 full-time equivalent teachers

1 and 2.1 full-time equivalent aides at children's orthopedic hospital
2 and medical center. This amount is in lieu of money provided through
3 the home and hospital allocation and the special education program.

4 (13) The superintendent shall maintain the percentage of federal
5 flow-through to school districts at 85 percent. In addition to other
6 purposes, school districts may use increased federal funds for
7 high-cost students, for purchasing regional special education services
8 from educational service districts, and for staff development
9 activities particularly relating to inclusion issues.

10 (14) A school district may carry over from one year to the next
11 year up to 10 percent of the general fund--state funds allocated under
12 this program; however, carryover funds shall be expended in the special
13 education program.

14 (15) \$262,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$251,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for two additional full-time
17 equivalent staff to support the work of the safety net committee and to
18 provide training and support to districts applying for safety net
19 awards.

20 (16) \$50,000 of the general fund--state appropriation for fiscal
21 year 2010, \$50,000 of the general fund--state appropriation for fiscal
22 2011, and \$100,000 of the general fund--federal appropriation shall be
23 expended to support a special education ombudsman program within the
24 office of superintendent of public instruction.

25 **Sec. 1407.** 2010 1st sp.s. c 37 s 509 (uncodified) is amended to
26 read as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
28 **ASSISTANCE**

29	General Fund--State Appropriation (FY 2010)	\$93,141,000
30	General Fund--State Appropriation (FY 2011)	(\$286,911,000)
31		<u>\$285,980,000</u>
32	General Fund--Federal Appropriation	\$157,043,000
33	TOTAL APPROPRIATION	(\$537,095,000)
34		<u>\$536,164,000</u>

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

1 (1) \$157,043,000 of the general fund--federal appropriation for
2 fiscal year 2010 is provided solely for American recovery and
3 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
4 state reductions for local effort assistance payments.

5 (2) \$21,808,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for implementation of Substitute House
7 Bill No. 2893 (school levies). If the bill is not enacted by June 30,
8 2010, the amount provided in this subsection shall lapse.

9 **Sec. 1408.** 2010 1st sp.s. c 37 s 510 (uncodified) is amended to
10 read as follows:

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

13	General Fund--State Appropriation (FY 2010)	\$18,059,000
14	General Fund--State Appropriation (FY 2011)	(\$19,006,000)
15		<u>\$20,063,000</u>
16	TOTAL APPROPRIATION	(\$37,065,000)
17		<u>\$38,122,000</u>

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

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

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

28 (3) State funding for each institutional education program shall be
29 based on the institution's annual average full-time equivalent student
30 enrollment. Staffing ratios for each category of institution shall
31 remain the same as those funded in the 1995-97 biennium.

32 (4) The funded staffing ratios for education programs for juveniles
33 age 18 or less in department of corrections facilities shall be the
34 same as those provided in the 1997-99 biennium.

35 (5) \$228,000 of the general fund--state appropriation for fiscal
36 year 2010 and ~~(\$228,000)~~ \$509,000 of the general fund--state
37 appropriation for fiscal year 2011 are provided solely to maintain at

1 least one certificated instructional staff and related support services
2 at an institution whenever the K-12 enrollment is not sufficient to
3 support one full-time equivalent certificated instructional staff to
4 furnish the educational program. The following types of institutions
5 are included: Residential programs under the department of social and
6 health services for developmentally disabled juveniles, programs for
7 juveniles under the department of corrections, and programs for
8 juveniles under the juvenile rehabilitation administration.

9 (6) Ten percent of the funds allocated for each institution may be
10 carried over from one year to the next.

11 **Sec. 1409.** 2011 c 5 s 507 (uncodified) is amended to read as
12 follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
14 **CAPABLE STUDENTS**

15	General Fund--State Appropriation (FY 2010)	\$9,189,000
16	General Fund--State Appropriation (FY 2011)	(\$9,162,000)
17		<u>\$9,137,000</u>
18	TOTAL APPROPRIATION	(\$18,351,000)
19		<u>\$18,326,000</u>

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

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

25 (2) Allocations for school district programs for highly capable
26 students shall be distributed at a maximum rate of \$401.08 per funded
27 student for the 2009-10 school year and \$401.08 per funded student for
28 the 2010-11 school year, exclusive of salary and benefit adjustments
29 pursuant to section 504 of this act. For the 2009-10 and 2010-11
30 school years, the number of funded students shall be a maximum of 2.314
31 percent of each district's full-time equivalent basic education
32 enrollment.

33 (3) \$90,000 of the fiscal year 2010 appropriation and \$81,000 of
34 the fiscal year 2011 appropriation are provided for the Washington
35 destination imagination network and future problem-solving programs.

36 (4) \$170,000 of the fiscal year 2010 appropriation and \$153,000 of

1 the fiscal year 2011 appropriation are provided for the centrum program
2 at Fort Worden state park.

3 **Sec. 1410.** 2011 c 5 s 508 (uncodified) is amended to read as
4 follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
6 **PROGRAMS**

7	General Fund--State Appropriation (FY 2010)	\$93,642,000
8	General Fund--State Appropriation (FY 2011)	(\$85,691,000)
9		<u>\$83,143,000</u>
10	General Fund--Federal Appropriation	(\$154,627,000)
11		<u>\$245,841,000</u>
12	Education Legacy Trust Account--State	
13	Appropriation	(\$98,981,000)
14		<u>\$98,610,000</u>
15	TOTAL APPROPRIATION	(\$432,941,000)
16		<u>\$521,236,000</u>

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

19 (1) \$35,804,000 of the general fund--state appropriation for fiscal
20 year 2010, \$31,850,000 of the general fund--state appropriation for
21 fiscal year 2011, \$1,350,000 of the education legacy trust
22 account--state appropriation, and \$17,869,000 of the general
23 fund--federal appropriation are provided solely for development and
24 implementation of the Washington state assessment system, including:
25 (i) Development and implementation of retake assessments for high
26 school students who are not successful in one or more content areas;
27 and (ii) development and implementation of alternative assessments or
28 appeals procedures to implement the certificate of academic
29 achievement. The superintendent of public instruction shall report
30 quarterly on the progress on development and implementation of
31 alternative assessments or appeals procedures. Within these amounts,
32 the superintendent of public instruction shall contract for the early
33 return of 10th grade student assessment results, on or around June 10th
34 of each year.

35 (2) \$3,249,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$3,249,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the design of the state
2 assessment system and the implementation of end of course assessments
3 for high school math.

4 (3) Within amounts provided in subsections (1) and (2) of this
5 section, the superintendent of public instruction, in consultation with
6 the state board of education, shall develop a statewide high school
7 end-of-course assessment measuring student achievement of the state
8 science standards in biology to be implemented statewide in the 2011-12
9 school year. By December 1, 2010, the superintendent of public
10 instruction shall recommend whether additional end-of-course
11 assessments in science should be developed and in which content areas.
12 Any recommendation for additional assessments must include an
13 implementation timeline and the projected cost to develop and
14 administer the assessments.

15 (4) \$1,014,000 of the education legacy trust account appropriation
16 is provided solely for allocations to districts for salaries and
17 benefits for the equivalent of two additional professional development
18 days for fourth and fifth grade teachers during the 2008-2009 school
19 year. The allocations shall be made based on the calculations of
20 certificated instructional staff units for fourth and fifth grade
21 provided in section 502 of this act and on the calculations of
22 compensation provided in sections 503 and 504 of this act. Districts
23 may use the funding to support additional days for professional
24 development as well as job-embedded forms of professional development.

25 (5) \$3,241,000 of the education legacy trust fund appropriation is
26 provided solely for allocations to districts for salaries and benefits
27 for the equivalent of three additional professional development days
28 for middle and high school math and science teachers during the 2008-
29 2009 school year, as well as specialized training for one math and
30 science teacher in each middle school and high school during the 2008-
31 2009 school year. Districts may use the funding to support additional
32 days for professional development as well as job-embedded forms of
33 professional development.

34 (6) \$3,773,000 of the education legacy trust account--state
35 appropriation is provided solely for a math and science instructional
36 coaches program pursuant to chapter 396, Laws of 2007. Funding shall
37 be used to provide grants to schools and districts to provide salaries,
38 benefits, and professional development activities for up to twenty-five

1 instructional coaches in middle and high school math and twenty-five
2 instructional coaches in middle and high school science in each year of
3 the biennium; and up to \$300,000 may be used by the office of the
4 superintendent of public instruction to administer and coordinate the
5 program.

6 (7) \$1,740,000 of the general fund--state appropriation for fiscal
7 year 2010 (~~and \$1,775,000 of the general fund--state appropriation for~~
8 ~~fiscal year 2011 are~~) is provided solely to allow approved middle and
9 junior high school career and technical education programs to receive
10 enhanced vocational funding. The office of the superintendent of
11 public instruction shall provide allocations to districts for middle
12 and junior high school students in accordance with the funding formulas
13 provided in section 502 of this act. If Second Substitute Senate Bill
14 No. 5676 is enacted the allocations are formula-driven, otherwise the
15 office of the superintendent shall consider the funding provided in
16 this subsection as a fixed amount, and shall adjust funding to stay
17 within the amounts provided in this subsection. Beginning in school
18 year 2010-11, middle and junior high vocational programs will be funded
19 out of general apportionment.

20 (8) \$139,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$93,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for (a) staff at the office of the
23 superintendent of public instruction to coordinate and promote efforts
24 to develop integrated math, science, technology, and engineering
25 programs in schools and districts across the state; and (b) grants of
26 \$2,500 to provide twenty middle and high school teachers each year
27 professional development training for implementing integrated math,
28 science, technology, and engineering program in their schools.

29 (9) \$1,473,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$197,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the Washington state
32 leadership and assistance for science education reform (LASER) regional
33 partnership activities coordinated at the Pacific science center,
34 including instructional material purchases, teacher and principal
35 professional development, and school and community engagement events.
36 Funding shall be distributed to the various LASER activities in a
37 manner proportional to LASER program spending during the 2007-2009
38 biennium.

1 (10) (~~(\$88,981,000)~~) \$88,610,000 of the education legacy trust
2 account--state appropriation is provided solely for grants for
3 voluntary full-day kindergarten at the highest poverty schools, as
4 provided in chapter 400, Laws of 2007. The office of the
5 superintendent of public instruction shall provide allocations to
6 districts for recipient schools in accordance with the funding formulas
7 provided in section 502 of this act. Each kindergarten student who
8 enrolls for the voluntary full-day program in a recipient school shall
9 count as one-half of one full-time equivalent student for the purpose
10 of making allocations under this subsection. Although the allocations
11 are formula-driven, the office of the superintendent shall consider the
12 funding provided in this subsection as a fixed amount, and shall limit
13 the number of recipient schools so as to stay within the amounts
14 appropriated each fiscal year in this subsection. The funding provided
15 in this subsection is estimated to provide full-day kindergarten
16 programs for 20 percent of kindergarten enrollment. Funding priority
17 shall be given to schools with the highest poverty levels, as measured
18 by prior year free and reduced priced lunch eligibility rates in each
19 school. Additionally, as a condition of funding, school districts must
20 agree to provide the full-day program to the children of parents who
21 request it in each eligible school. For the purposes of calculating a
22 school district levy base, funding provided in this subsection shall be
23 considered a state block grant program under RCW 84.52.0531.

24 (a) Of the amounts provided in this subsection, a maximum of
25 \$272,000 may be used for administrative support of the full-day
26 kindergarten program within the office of the superintendent of public
27 instruction.

28 (b) Student enrollment pursuant to this program shall not be
29 included in the determination of a school district's overall K-12 FTE
30 for the allocation of student achievement programs and other funding
31 formulas unless specifically stated.

32 (11) \$700,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$450,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the development of a
35 leadership academy for school principals and administrators. The
36 superintendent of public instruction shall contract with an independent
37 organization to design, field test, and implement a state-of-the-art
38 education leadership academy that will be accessible throughout the

1 state. Initial development of the content of the academy activities
2 shall be supported by private funds. Semiannually the independent
3 organization shall report on amounts committed by foundations and
4 others to support the development and implementation of this program.
5 Leadership academy partners, with varying roles, shall include the
6 state level organizations for school administrators and principals, the
7 superintendent of public instruction, the professional educator
8 standards board, and others as the independent organization shall
9 identify.

10 (12) \$105,754,000 of the general fund--federal appropriation is
11 provided for preparing, training, and recruiting high quality teachers
12 and principals under Title II of the no child left behind act.

13 (13) \$1,960,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$761,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely to the office of the
16 superintendent of public instruction for focused assistance. The
17 office of the superintendent of public instruction shall conduct
18 educational audits of low-performing schools and enter into performance
19 agreements between school districts and the office to implement the
20 recommendations of the audit and the community. Funding in this
21 subsection shall be used for focused assistance programs for individual
22 schools or school districts. The office of the superintendent of
23 public instruction shall report to the fiscal committees of the
24 legislature by September 1, 2011, providing an accounting of the uses
25 of focused assistance funds during the 2009-11 fiscal biennium,
26 including a list of schools served and the types of services provided.

27 (14) \$1,667,000 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely to eliminate the lunch co-pay for students
29 in grades kindergarten through third grade that are eligible for
30 reduced price lunch.

31 (15) \$5,285,000 of the general fund--state appropriation for fiscal
32 year 2010 is provided solely for: (a) The meals for kids program under
33 RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-
34 pay for students eligible for reduced price lunch; and (c) for
35 additional assistance for school districts initiating a summer food
36 service program.

37 (16) \$1,003,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$528,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the Washington reading corps.
2 The superintendent shall allocate reading corps members to low-
3 performing schools and school districts that are implementing
4 comprehensive, proven, research-based reading programs. Two or more
5 schools may combine their Washington reading corps programs. Grants
6 provided under this section may be used by school districts for
7 expenditures from September 2009 through August 31, 2011.

8 (17) \$3,269,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$3,594,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for grants to school districts to
11 provide a continuum of care for children and families to help children
12 become ready to learn. Grant proposals from school districts shall
13 contain local plans designed collaboratively with community service
14 providers. If a continuum of care program exists in the area in which
15 the school district is located, the local plan shall provide for
16 coordination with existing programs to the greatest extent possible.
17 Grant funds shall be allocated pursuant to RCW 70.190.040.

18 (18) \$1,861,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$1,836,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for improving technology
21 infrastructure, monitoring and reporting on school district technology
22 development, promoting standards for school district technology,
23 promoting statewide coordination and planning for technology
24 development, and providing regional educational technology support
25 centers, including state support activities, under chapter 28A.650 RCW.

26 (19) \$225,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$150,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the operation of the center
29 for the improvement of student learning pursuant to RCW 28A.300.130.

30 (20) \$246,000 of the education legacy trust account--state
31 appropriation is provided solely for costs associated with the office
32 of the superintendent of public instruction's statewide director of
33 technology position.

34 (21)(a) \$28,715,000 of the general fund--state appropriation for
35 fiscal year 2010 and (~~(\$36,168,000)~~) \$35,395,000 of the general fund--
36 state 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 \$5,000 per
5 teacher beginning in the 2007-08 school year and adjusted for inflation
6 in each school year thereafter in which Initiative 732 cost of living
7 adjustments are provided;

8 (ii) An additional \$5,000 annual bonus shall be paid to national
9 board certified teachers who teach in either: (A) High schools where
10 at least 50 percent of student headcount enrollment is eligible for
11 federal free or reduced price lunch, (B) middle schools where at least
12 60 percent of student headcount enrollment is eligible for federal free
13 or reduced price lunch, or (C) elementary schools where at least 70
14 percent of student headcount enrollment is eligible for federal free or
15 reduced price lunch;

16 (iii) The superintendent of public instruction shall adopt rules to
17 ensure that national board certified teachers meet the qualifications
18 for bonuses under (a)(ii) of this subsection for less than one full
19 school year receive bonuses in a pro-rated manner; and

20 (iv) During the 2009-10 and 2010-11 school years, and within the
21 available state and federal appropriations, certificated instructional
22 staff who have met the eligibility requirements and have applied for
23 certification from the national board for professional teaching
24 standards may receive a conditional two thousand dollars or the amount
25 set by the office of the superintendent of public instruction to
26 contribute toward the current assessment fee, not including the initial
27 up-front candidacy payment. The fee shall be an advance on the first
28 annual bonus under RCW 28A.405.415. The assessment fee for national
29 certification is provided in addition to compensation received under a
30 district's salary schedule adopted in accordance with RCW 28A.405.200
31 and shall not be included in calculations of a district's average
32 salary and associated salary limitation under RCW 28A.400.200.
33 Recipients who fail to receive certification after three years are
34 required to repay the assessment fee, not including the initial up-
35 front candidacy payment, as set by the national board for professional
36 teaching standards and administered by the office of the superintendent
37 of public instruction. The office of the superintendent of public

1 instruction shall adopt rules to define the terms for initial grant of
2 the assessment fee and repayment, including applicable fees.

3 (b) Included in the amounts provided in this subsection are amounts
4 for mandatory fringe benefits.

5 (22) \$2,475,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$456,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for secondary career and technical
8 education grants pursuant to chapter 170, Laws of 2008. This funding
9 may additionally be used to support FIRST Robotics programs. In fiscal
10 year 2011, if equally matched by private donations, \$300,000 of the
11 appropriation shall be used to support FIRST Robotics programs,
12 including FIRST Robotics professional development.

13 (23) \$75,000 of the general fund--state appropriation for fiscal
14 year 2011 is provided solely for the implementation of House Bill No.
15 2621 (K-12 school resource programs). If the bill is not enacted by
16 June 30, 2010, the amount provided in this subsection shall lapse.

17 (24) \$300,000 of the general fund--state appropriation for fiscal
18 year 2010 is provided solely for the local farms-healthy kids program
19 as described in chapter 215, Laws of 2008. The program is suspended in
20 the 2011 fiscal year, and not eliminated.

21 (25) \$2,348,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$1,000,000 of the general fund--state appropriation for
23 fiscal year 2011 are provided solely for a beginning educator support
24 program. School districts and/or regional consortia may apply for
25 grant funding beginning in the 2009-10 school year. The superintendent
26 shall implement this program in 5 to 15 school districts and/or
27 regional consortia. The program provided by a district and/or regional
28 consortia shall include: A paid orientation; assignment of a qualified
29 mentor; development of a professional growth plan for each beginning
30 teacher aligned with professional certification; release time for
31 mentors and new teachers to work together, and teacher observation time
32 with accomplished peers. \$250,000 may be used to provide state-wide
33 professional development opportunities for mentors and beginning
34 educators. The superintendent of public instruction shall adopt rules
35 to establish and operate a research-based beginning educator support
36 program no later than August 31, 2009. OSPI must evaluate the
37 program's progress and may contract for this work. A report to the

1 legislature about the beginning educator support program is due
2 November 1, 2010.

3 (26) \$390,000 of the education legacy trust account--state
4 appropriation is provided solely for the development and implementation
5 of diagnostic assessments, consistent with the recommendations of the
6 Washington assessment of student learning work group.

7 (27) Funding within this section is provided for implementation of
8 Engrossed Substitute Senate Bill No. 5414 (statewide assessments and
9 curricula).

10 (28) \$530,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$265,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the leadership internship
13 program for superintendents, principals, and program administrators.

14 (29) Funding for the community learning center program, established
15 in RCW 28A.215.060, and providing grant funding for the 21st century
16 after-school program, is suspended and not eliminated.

17 (30) \$2,357,000 of the general fund--state appropriation for fiscal
18 year 2011 is provided solely for implementation of Engrossed Second
19 Substitute Senate Bill No. 6696 (education reform). Of the amount
20 provided, \$142,000 is provided to the professional educators' standards
21 board and \$120,000 is provided to the system of the educational service
22 districts, to fulfill their respective duties under the bill.

23 **Sec. 1411.** 2010 1st sp.s. c 37 s 514 (uncodified) is amended to
24 read as follows:

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

27	General Fund--State Appropriation (FY 2010)	\$76,419,000
28	General Fund--State Appropriation (FY 2011)	(\$77,672,000)
29		<u>\$79,912,000</u>
30	General Fund--Federal Appropriation	\$65,263,000
31	TOTAL APPROPRIATION	(\$219,354,000)
32		<u>\$221,594,000</u>

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

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

1 (2) The superintendent shall distribute a maximum of \$901.46 per
2 eligible bilingual student in the 2009-10 school year and \$901.46 in
3 the 2010-11 school year, exclusive of salary and benefit adjustments
4 provided in section 504 of this act.

5 (3) The superintendent may withhold up to 1.5 percent of the school
6 year allocations to school districts in subsection (2) of this section,
7 and adjust the per eligible pupil rates in subsection (2) of this
8 section accordingly, solely for the central provision of assessments as
9 provided in RCW 28A.180.090 (1) and (2).

10 (4) \$70,000 of the amounts appropriated in this section are
11 provided solely to track current and former transitional bilingual
12 program students.

13 (5) The general fund--federal appropriation in this section is
14 provided for migrant education under Title I Part C and English
15 language acquisition, and language enhancement grants under Title III
16 of the elementary and secondary education act.

17 **Sec. 1412.** 2010 1st sp.s. c 37 s 515 (uncodified) is amended to
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
20 **ASSISTANCE PROGRAM**

21	General Fund--State Appropriation (FY 2010)	\$103,865,000
22	General Fund--State Appropriation (FY 2011)	(\$110,312,000)
23		<u>\$114,240,000</u>
24	General Fund--Federal Appropriation	(\$553,925,000)
25		<u>\$580,425,000</u>
26	Education Legacy Trust Account--State Appropriation	\$47,980,000
27	TOTAL APPROPRIATION	(\$816,082,000)
28		<u>\$846,510,000</u>

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

31 (1) The general fund--state appropriations in this section are
32 subject to the following conditions and limitations:

33 (a) The appropriations include such funds as are necessary to
34 complete the school year ending in the fiscal year and for prior fiscal
35 year adjustments.

36 (b) Funding for school district learning assistance programs shall
37 be allocated at maximum rates of \$281.71 per funded student for the

1 2009-10 school year and \$283.00 per funded student for the 2010-11
2 school year exclusive of salary and benefit adjustments provided under
3 section 504 of this act.

4 (c) A school district's funded students for the learning assistance
5 program shall be the sum of the following as appropriate:

6 (i) The district's full-time equivalent enrollment in grades K-12
7 for the prior school year multiplied by the district's percentage of
8 October headcount enrollment in grades K-12 eligible for free or
9 reduced price lunch in the prior school year; and

10 (ii) If, in the prior school year, the district's percentage of
11 October headcount enrollment in grades K-12 eligible for free or
12 reduced price lunch exceeded forty percent, subtract forty percent from
13 the district's percentage and multiply the result by the district's K-
14 12 annual average full-time equivalent enrollment for the prior school
15 year.

16 (d) In addition to the amounts allocated in (b) and (c) of this
17 subsection, an additional amount shall be allocated to school districts
18 with high concentrations of poverty and English language learner
19 students, subject to the following rules and conditions:

20 (i) To qualify for additional funding under this subsection, a
21 district's October headcount enrollment in grades kindergarten through
22 grade twelve must have at least twenty percent enrolled in the
23 transitional bilingual instruction program based on an average of the
24 program headcount taken in October and May of the prior school year;
25 and must also have at least forty percent eligible for free or reduced
26 price lunch based on October headcount enrollment in grades
27 kindergarten through twelve in the prior school year.

28 (ii) Districts meeting the specifications in (d)(i) of this
29 subsection shall receive additional funded students for the learning
30 assistance program at the rates specified in subsection (1)(b) of this
31 section. The number of additional funded student units shall be
32 calculated by subtracting twenty percent from the district's percent
33 transitional bilingual instruction program enrollment as defined in
34 (d)(i) of this subsection, and the resulting percent shall be
35 multiplied by the district's kindergarten through twelve annual average
36 full-time equivalent enrollment for the prior school year.

37 (2) Allocations made pursuant to subsection (1) of this section
38 shall be adjusted to reflect ineligible applications identified through

1 the annual income verification process required by the national school
2 lunch program, as recommended in the report of the state auditor on the
3 learning assistance program dated February, 2010.

4 (3) The general fund--federal appropriation in this section is
5 provided for Title I Part A allocations of the no child left behind act
6 of 2001.

7 (4) A school district may carry over from one year to the next up
8 to 10 percent of the general fund--state or education legacy trust
9 funds allocated under this program; however, carryover funds shall be
10 expended for the learning assistance program.

11 (5) School districts are encouraged to coordinate the use of these
12 funds with other federal, state, and local sources to serve students
13 who are below grade level and to make efficient use of resources in
14 meeting the needs of students with the greatest academic deficits.

15 (6) Within amounts appropriated in this section, funding is
16 provided for the implementation of extended learning programs required
17 in chapter 328, Laws of 2008.

18 **Sec. 1413.** 2010 1st sp.s. c 37 s 516 (uncodified) is amended to
19 read as follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**
21 **PROGRAMS**

22	General Fund--State Appropriation (FY 2010)	\$19,000
23	General Fund--State Appropriation (FY 2011)	(\$25,730,000)
24		<u>\$25,417,000</u>
25	General Fund--Federal Appropriation	\$200,295,000
26	TOTAL APPROPRIATION	(\$226,044,000)
27		<u>\$225,731,000</u>

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

30 (1) Funding for school district student achievement programs shall
31 be allocated at a maximum rate of \$131.16 per FTE student for the 2009-
32 10 school year and \$0 per FTE student for the 2010-11 school year. For
33 the purposes of this section, FTE student refers to the annual average
34 full-time equivalent enrollment of the school district in grades
35 kindergarten through twelve for the prior school year, as reported to
36 the office of the superintendent of public instruction by August 31st
37 of the previous school year.

1 (2) The appropriation is allocated for the following uses as
2 specified in RCW 28A.505.210:

3 (a) To reduce class size by hiring certificated elementary
4 classroom teachers in grades K-4 and paying nonemployee-related costs
5 associated with those new teachers;

6 (b) To make selected reductions in class size in grades 5-12, such
7 as small high school writing classes;

8 (c) To provide extended learning opportunities to improve student
9 academic achievement in grades K-12, including, but not limited to,
10 extended school year, extended school day, before-and-after-school
11 programs, special tutoring programs, weekend school programs, summer
12 school, and all-day kindergarten;

13 (d) To provide additional professional development for educators
14 including additional paid time for curriculum and lesson redesign and
15 alignment, training to ensure that instruction is aligned with state
16 standards and student needs, reimbursement for higher education costs
17 related to enhancing teaching skills and knowledge, and mentoring
18 programs to match teachers with skilled, master teachers. The funding
19 shall not be used for salary increases or additional compensation for
20 existing teaching duties, but may be used for extended year and
21 extended day teaching contracts;

22 (e) To provide early assistance for children who need
23 prekindergarten support in order to be successful in school; or

24 (f) To provide improvements or additions to school building
25 facilities which are directly related to the class size reductions and
26 extended learning opportunities under (a) through (c) of this
27 subsection (2).

28 (3) The superintendent of public instruction shall distribute the
29 school year allocation according to the monthly apportionment schedule
30 defined in RCW 28A.510.250.

31 (4) \$200,295,000 of the general fund--federal appropriation for
32 fiscal year 2010 is provided solely for American recovery and
33 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
34 state reductions for the student achievement program.

35 **Sec. 1414.** 2010 1st sp.s. c 37 s 517 (uncodified) is amended to
36 read as follows:

37 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

1 (1) Appropriations made in this act to the office of the
2 superintendent of public instruction shall initially be allotted as
3 required by this act. Subsequent allotment modifications shall not
4 include transfers of moneys between sections of this act, except as
5 expressly provided in subsection (2) of this section.

6 (2) The appropriations to the office of the superintendent of
7 public instruction in this act shall be expended for the programs and
8 amounts specified in this act. However, after May 1, (~~(2010)~~) 2011,
9 unless specifically prohibited by this act and after approval by the
10 director of financial management, the superintendent of public
11 instruction may transfer state general fund appropriations for fiscal
12 year (~~(2010)~~) 2011 among the following programs to meet the
13 apportionment schedule for a specified formula in another of these
14 programs: General apportionment; employee compensation adjustments;
15 pupil transportation; special education programs; institutional
16 education programs; transitional bilingual programs; and student
17 achievement and learning assistance programs.

18 (3) The director of financial management shall notify the
19 appropriate legislative fiscal committees in writing prior to approving
20 any allotment modifications or transfers under this section.

(End of part)

PART XV
HIGHER EDUCATION

Sec. 1501. 2011 c 5 s 601 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2010)	\$269,571,000
General Fund--State Appropriation (FY 2011)	(\$259,706,000)
	<u>\$259,552,000</u>
General Fund--Federal Appropriation	\$43,971,000
Education Legacy Trust Account--State Appropriation	\$54,534,000
Accident Account--State Appropriation	\$6,750,000
Medical Aid Account--State Appropriation	\$6,540,000
Biotoxin Account--State Appropriation	\$449,000
TOTAL APPROPRIATION	(\$641,521,000)
	<u>\$641,367,000</u>

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

(3) \$75,000 of the general fund--state appropriation for fiscal year 2010 and \$75,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for forestry research by the Olympic natural resources center.

(4) \$150,000 of the general fund--state appropriation for fiscal year 2010 is provided solely for the William D. Ruckelshaus center for

1 facilitation, support, and analysis to support the nurse staffing
2 steering committee in its work to apply best practices related to
3 patient safety and nurse staffing.

4 (5) \$54,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$54,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the University of Washington
7 geriatric education center to provide a voluntary adult family home
8 certification program. In addition to the minimum qualifications
9 required under RCW 70.128.120, individuals participating in the
10 voluntary adult family home certification program shall complete fifty-
11 two hours of class requirements as established by the University of
12 Washington geriatric education center. Individuals completing the
13 requirements of RCW 70.128.120 and the voluntary adult family home
14 certification program shall be issued a certified adult family home
15 license by the department of social and health services. The
16 department of social and health services shall adopt rules implementing
17 the provisions of this subsection.

18 (6) \$50,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$52,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the center for international
21 trade in forest products in the college of forest resources.

22 (7) \$250,000 of the general fund--state appropriation for fiscal
23 year 2011 is provided solely for joint planning to increase the number
24 of residency positions and programs in eastern Washington and Spokane
25 within the existing Washington, Wyoming, Alaska, Montana, Idaho (WWAMI)
26 regional medical education program partnership between the University
27 of Washington school of medicine, Washington State University, and area
28 physicians and hospitals. The joint planning efforts are to include
29 preparation of applications for new residency programs in family
30 medicine, internal medicine, obstetrics, psychiatry and general
31 surgery; business plans for those new programs; and for increasing the
32 number of positions in existing programs among regional academic and
33 hospital partners and networks. The results of the joint planning
34 efforts, including the status of the application preparation and
35 business plan, must be reported to the house of representatives
36 committee on higher education and the senate committee on higher
37 education and workforce development by December 1, 2010.

1 (8) \$25,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for implementation of chapter 164, Laws of
3 2010 (local government infrastructure). The University of Washington
4 shall use a qualified researcher to report the percentage probability
5 that the application's assumptions and estimates of jobs created and
6 increased tax receipts will be achieved by the projects. In making
7 this report, the qualified researcher shall work with the department of
8 revenue and the applicants to develop a series of factors that are
9 based on available economic metrics and sound principles.

10 (9) Appropriations in section 609 of this act reflect reductions to
11 the state need grant. The University of Washington shall use locally
12 held funds to provide a commensurate amount of aid to eligible students
13 who would have received state need grant payments through the
14 appropriations in section 609 of this act.

15 By September 1, 2011, the University of Washington shall report to
16 the appropriate legislative fiscal and policy committees regarding the
17 implementation of this section. The report shall provide detail on the
18 number of students provided aid under this subsection and the amount of
19 aid provided to each student.

20 **Sec. 1502.** 2011 c 5 s 602 (uncodified) is amended to read as
21 follows:

22 **FOR WASHINGTON STATE UNIVERSITY**

23	General Fund--State Appropriation (FY 2010)	\$169,462,000
24	General Fund--State Appropriation (FY 2011)	(\$170,699,000)
25		<u>\$170,090,000</u>
26	General Fund--Federal Appropriation	\$15,772,000
27	Education Legacy Trust Account--State Appropriation	\$34,435,000
28	TOTAL APPROPRIATION	(\$390,368,000)
29		<u>\$389,759,000</u>

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

32 (1) In implementing the appropriations in this section, the
33 president and regents shall seek to minimize impacts on student
34 services and instructional programs by maximizing reductions in
35 administration and other non-instructional activities.

36 (2) Because higher education is an essential driver of economic
37 recovery and development, the university shall maintain, and endeavor

1 to increase, enrollment and degree production levels at or beyond their
2 academic year 2008-09 levels in the following high-demand fields:
3 Biological and biomedical sciences; computer and information sciences;
4 education with specializations in special education, math, or science;
5 engineering and engineering technology; health professions and related
6 clinical sciences; and mathematics and statistics.

7 (3) When implementing reductions for fiscal year 2010 and fiscal
8 year 2011, Washington State University shall minimize reductions to
9 extension services and agriculture extension services. Agriculture
10 extension includes:

11 (a) Faculty with extension appointments working within the
12 following departments in the college of agricultural, human, and
13 natural resource sciences with extension appointments: Animal
14 sciences, crop and soil sciences, entomology, horticulture, and plant
15 pathology;

16 (b) The portion of county extension educators' appointments
17 assigned to the "agricultural programs" area;

18 (c) Staff with extension appointments and extension operating
19 allocations located at the irrigated agriculture research and extension
20 center (Prosser), northwest Washington research and extension center
21 (Mt. Vernon), and tree fruit research and extension center (Wenatchee);
22 and

23 (d) Extension contributions to the center for precision
24 agricultural systems, center for sustaining agriculture and natural
25 resources, and the agriculture weather network.

26 (4) \$75,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$75,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for research related to honeybee
29 colony collapse disease.

30 (5) Appropriations in section 609 of this act reflect reductions to
31 the state need grant. Washington State University shall use locally
32 held funds to provide a commensurate amount of aid to eligible students
33 who would have received state need grant payments through the
34 appropriations in section 609 of this act.

35 By September 1, 2011, Washington State University shall report to
36 the appropriate legislative fiscal and policy committees regarding the
37 implementation of this section. The report shall provide detail on the

1 number of students provided aid under this subsection and the amount of
2 aid provided to each student.

3 **Sec. 1503.** 2011 c 5 s 603 (uncodified) is amended to read as
4 follows:

5 **FOR EASTERN WASHINGTON UNIVERSITY**

6	General Fund--State Appropriation (FY 2010)	\$34,689,000
7	General Fund--State Appropriation (FY 2011)	(\$35,126,000)
8		<u>\$35,106,000</u>
9	General Fund--Federal Appropriation	\$5,522,000
10	Education Legacy Trust Account--State Appropriation	\$16,041,000
11	TOTAL APPROPRIATION	(\$91,378,000)
12		<u>\$91,358,000</u>

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

15 (1) In implementing the appropriations in this section, the
16 president and governing board shall seek to minimize impacts on student
17 services and instructional programs by maximizing reductions in
18 administration and other non-instructional activities.

19 (2) Because higher education is an essential driver of economic
20 recovery and development, the university shall maintain, and endeavor
21 to increase, enrollment and degree production levels at or beyond their
22 academic year 2008-09 levels in the following high-demand fields:
23 Biological and biomedical sciences; computer and information sciences;
24 education with specializations in special education, math, or science;
25 engineering and engineering technology; health professions and related
26 clinical sciences; and mathematics and statistics.

27 (3) At least \$200,000 of the general fund--state appropriation for
28 fiscal year 2010 and at least \$200,000 of the general fund--state
29 appropriation for fiscal year 2011 shall be expended on the northwest
30 autism center.

31 (4) Appropriations in section 609 of this act reflect reductions to
32 the state need grant. Eastern Washington University shall use locally
33 held funds to provide a commensurate amount of aid to eligible students
34 who would have received state need grant payments through the
35 appropriations in section 609 of this act.

36 By September 1, 2011, Eastern Washington University shall report to
37 the appropriate legislative fiscal and policy committees regarding the

1 implementation of this section. The report shall provide detail on the
2 number of students provided aid under this subsection and the amount of
3 aid provided to each student.

4 **Sec. 1504.** 2011 c 5 s 604 (uncodified) is amended to read as
5 follows:

6 **FOR CENTRAL WASHINGTON UNIVERSITY**

7	General Fund--State Appropriation (FY 2010)	\$30,289,000
8	General Fund--State Appropriation (FY 2011)	(\$32,383,000)
9		<u>\$32,337,000</u>
10	General Fund--Federal Appropriation	\$6,975,000
11	Education Legacy Trust Account--State Appropriation	\$19,012,000
12	TOTAL APPROPRIATION	(\$88,659,000)
13		<u>\$88,613,000</u>

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

16 (1) In implementing the appropriations in this section, the
17 president and governing board shall seek to minimize impacts on student
18 services and instructional programs by maximizing reductions in
19 administration and other non-instructional activities.

20 (2) Because higher education is an essential driver of economic
21 recovery and development, the university shall maintain, and endeavor
22 to increase, enrollment and degree production levels at or beyond their
23 academic year 2008-09 levels in the following high-demand fields:
24 Biological and biomedical sciences; computer and information sciences;
25 education with specializations in special education, math, or science;
26 engineering and engineering technology; health professions and related
27 clinical sciences; and mathematics and statistics.

28 (3) Appropriations in section 609 of this act reflect reductions to
29 the state need grant. Central Washington University shall use locally
30 held funds to provide a commensurate amount of aid to eligible students
31 who would have received state need grant payments through the
32 appropriations in section 609 of this act.

33 By September 1, 2011, Central Washington University shall report to
34 the appropriate legislative fiscal and policy committees regarding the
35 implementation of this section. The report shall provide detail on the
36 number of students provided aid under this subsection and the amount of
37 aid provided to each student.

1 health, public assistance, employment, and housing. The institute for
2 public policy shall provide the legislature with a comprehensive list
3 of programs and policies that improve these outcomes for children and
4 adults in Washington and result in more cost-efficient use of public
5 resources. The institute shall submit interim reports by December 15,
6 2009, and October 1, 2010, and a final report by June 30, 2011. The
7 institute may receive additional funds from a private organization for
8 the purpose of conducting this study.

9 (5) To the extent federal or private funding is available for this
10 purpose, the Washington state institute for public policy and the
11 center for reinventing public education at the University of Washington
12 shall examine the relationship between participation in pension systems
13 and teacher quality and mobility patterns in the state. The department
14 of retirement systems shall facilitate researchers' access to necessary
15 individual-level data necessary to effectively conduct the study. The
16 researchers shall ensure that no individually identifiable information
17 will be disclosed at any time. An interim report on project findings
18 shall be completed by November 15, 2010, and a final report shall be
19 submitted to the governor and to the relevant committees of the
20 legislature by October 15, 2011.

21 (6) At least \$200,000 of the general fund--state appropriation for
22 fiscal year 2010 and at least \$200,000 of the general fund--state
23 appropriation for fiscal year 2011 shall be expended on the Washington
24 center for undergraduate education.

25 (7) \$15,000 of the general fund--state appropriation for fiscal
26 year 2010 is provided solely for the Washington state institute for
27 public policy to examine the need for and methods to increase the
28 availability of nonfood items, such as personal hygiene supplies,
29 soaps, paper products, and other items, to needy persons in the state.
30 The study shall examine existing private and public programs that
31 provide such products, and develop recommendations for the most cost-
32 effective incentives for private and public agencies to increase local
33 distribution outlets and local and regional networks of supplies. A
34 final report shall be delivered to the legislature and the governor by
35 December 1, 2009.

36 (8) \$17,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$42,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided to the Washington state institute for

1 public policy to implement Second Substitute House Bill No. 2106 (child
2 welfare outcomes). If the bill is not enacted by June 30, 2009, the
3 amounts provided in this subsection shall lapse.

4 (9) \$54,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$23,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely to implement Substitute Senate
7 Bill No. 5882 (racial disproportionality). If the bill is not enacted
8 by June 30, 2009, the amounts provided in this subsection shall lapse.

9 (10) \$75,000 of the general fund--state appropriation for fiscal
10 year 2010 is provided solely for the Washington state institute of
11 public policy to evaluate the adequacy of and access to financial aid
12 and independent living programs for youth in foster care. The
13 examination shall include opportunities to improve efficiencies within
14 these programs. The institute shall report its findings by December 1,
15 2009.

16 (11) \$75,000 of the general fund--state appropriation for fiscal
17 year 2010 is provided solely for the Washington state institute for
18 public policy to conduct an assessment of the general assistance
19 unemployable program and other similar programs. The assessment shall
20 include a review of programs in other states that provide similar
21 services and will include recommendations on promising approaches that
22 both improve client outcomes and reduce state costs. A report is due
23 by December 1, 2009.

24 (12) To the extent funds are available, the Washington state
25 institute for public policy is encouraged to continue the longitudinal
26 analysis of long-term mental health outcomes directed in chapter 334,
27 Laws of 2001 (mental health performance audit), to build upon the
28 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill
29 offenders); and to assess program outcomes and cost effectiveness of
30 the children's mental health pilot projects as required by chapter 372,
31 Laws of 2006.

32 (13) \$50,000 of the general fund--state appropriation for fiscal
33 year 2011 is provided solely for the institute for public policy to
34 provide research support to the council on quality education.

35 (14) At least \$119,207 of the general fund--state appropriation for
36 fiscal year 2011 shall be expended on the longhouse center.

37 (15) At least \$103,146 of the general fund--state appropriation for

1 fiscal year 2011 shall be expended on the Northwest Indian applied
2 research institute.

3 (16) Appropriations in section 609 of this act reflect reductions
4 to the state need grant. The Evergreen State College shall use locally
5 held funds to provide a commensurate amount of aid to eligible students
6 who would have received state need grant payments through the
7 appropriations in section 609 of this act.

8 By September 1, 2011, The Evergreen State College shall report to
9 the appropriate legislative fiscal and policy committees regarding the
10 implementation of this section. The report shall provide detail on the
11 number of students provided aid under this subsection and the amount of
12 aid provided to each student.

13 **Sec. 1506.** 2011 c 5 s 606 (uncodified) is amended to read as
14 follows:

15 **FOR WESTERN WASHINGTON UNIVERSITY**

16	General Fund--State Appropriation (FY 2010)	\$43,146,000
17	General Fund--State Appropriation (FY 2011)	(\$46,359,000)
18		<u>\$46,310,000</u>
19	General Fund--Federal Appropriation	\$8,885,000
20	Education Legacy Trust Account--State Appropriation	\$12,917,000
21	TOTAL APPROPRIATION	(\$111,307,000)
22		<u>\$111,258,000</u>

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 (3) Appropriations in section 609 of this act reflect reductions to
2 the state need grant. Western Washington University shall use locally
3 held funds to provide a commensurate amount of aid to eligible students
4 who would have received state need grant payments through the
5 appropriations in section 609 of this act.

6 By September 1, 2011, Western Washington University shall report to
7 the appropriate legislative fiscal and policy committees regarding the
8 implementation of this section. The report shall provide detail on the
9 number of students provided aid under this subsection and the amount of
10 aid provided to each student.

11 **Sec. 1507.** 2011 c 5 s 607 (uncodified) is amended to read as
12 follows:

13 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

14	General Fund--State Appropriation (FY 2010)	\$631,804,000
15	General Fund--State Appropriation (FY 2011)	((\$603,296,000))
16		<u>\$603,511,000</u>
17	General Fund--Federal Appropriation	\$17,171,000
18	Education Legacy Trust Account--State Appropriation	\$95,035,000
19	Opportunity Express Account--State Appropriation	\$18,556,000
20	TOTAL APPROPRIATION	((\$1,365,862,000))
21		<u>\$1,366,077,000</u>

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

24 (1) \$28,761,000 of the general fund--state appropriation for fiscal
25 year 2010, \$28,761,000 of the general fund--state appropriation for
26 fiscal year 2011, and \$17,556,000 of the opportunity express account--
27 state appropriation are provided solely as special funds for training
28 and related support services, including financial aid, as specified in
29 RCW 28C.04.390. Funding is provided to support at least 6,200 full-
30 time equivalent students in fiscal year 2010 and at least 9,984 full-
31 time equivalent students in fiscal year 2011.

32 (2) \$2,725,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$2,725,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for administration and customized
35 training contracts through the job skills program. The state board
36 shall make an annual report by January 1st of each year to the governor
37 and to the appropriate policy and fiscal committees of the legislature

1 regarding implementation of this section, listing the scope of grant
2 awards, the distribution of funds by educational sector and region of
3 the state, and the results of the partnerships supported by these
4 funds.

5 (3) Of the amounts appropriated in this section, \$3,500,000 is
6 provided solely for the student achievement initiative.

7 (4) When implementing the appropriations in this section, the state
8 board and the trustees of the individual community and technical
9 colleges shall minimize impact on academic programs, maximize
10 reductions in administration, and shall at least maintain, and endeavor
11 to increase, enrollment opportunities and degree and certificate
12 production in high employer-demand fields of study at their academic
13 year 2008-09 levels.

14 (5) Within the board's 2009-11 biennial budget allocation to
15 Bellevue College, and pursuant to RCW 28B.50.810, the college may
16 implement, on a tuition and fee basis, an additional applied
17 baccalaureate degree in interior design. This program is intended to
18 provide students with additional opportunities to earn baccalaureate
19 degrees and to respond to emerging job and economic growth
20 opportunities. The program reviews and approval decisions required by
21 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that
22 the degree may be offered during the 2009-10 academic year.

23 (6) In accordance with the recommendations of the higher education
24 coordinating board's 2008 *Kitsap region higher education center study*,
25 the state board shall facilitate development of university centers by
26 allocating thirty 2-year and 4-year partnership full-time enrollment
27 equivalencies to Olympic College and ten 2-year and 4-year partnership
28 full-time enrollment equivalencies to Peninsula College. The colleges
29 shall use the allocations to establish a partnership with a
30 baccalaureate university or universities for delivery of upper division
31 degree programs in the Kitsap region. The Olympic and Peninsula
32 Community College districts shall additionally work together to ensure
33 coordinated development of these and other future baccalaureate
34 opportunities through coordinated needs assessment, planning, and
35 scheduling.

36 (7) By September 1, 2009, the state board for community and
37 technical colleges, the higher education coordinating board, and the
38 office of financial management shall review and to the extent necessary

1 revise current 2009-11 performance measures and targets based on the
2 level of state, tuition, and other resources appropriated or authorized
3 in this act and in the omnibus 2009-11 omnibus capital budget act. The
4 boards and the office of financial management shall additionally
5 develop new performance targets for the 2011-13 and the 2013-15 biennia
6 that will guide and measure the community and technical college
7 system's contributions to achievement of the state's higher education
8 master plan goals.

9 (8) \$2,250,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$2,250,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the hospital employee
12 education and training program under which labor, management, and
13 college partnerships develop or expand and evaluate training programs
14 for incumbent hospital workers that lead to careers in nursing and
15 other high-demand health care occupations. The board shall report
16 student progress, outcomes, and costs to the relevant fiscal and policy
17 committees of the legislature by November 2009 and November 2010.

18 (9) Community and technical colleges are not required to send mass
19 mailings of course catalogs to residents of their districts. Community
20 and technical colleges shall consider lower cost alternatives, such as
21 mailing postcards or brochures that direct individuals to online
22 information and other ways of acquiring print catalogs.

23 (10) \$1,112,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$1,113,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for the state board to enhance
26 online distance learning and open courseware technology. Funds shall
27 be used to support open courseware, open textbooks, open licenses to
28 increase access, affordability and quality of courses in higher
29 education. The state board for community and technical colleges shall
30 select the most appropriate courses to support open courseware based
31 solely upon criteria of maximizing the value of instruction and
32 reducing costs of textbooks and other instructional materials for the
33 greatest number of students in higher education, regardless of the type
34 of institution those students attend.

35 (11) \$158,000 of the general fund--state appropriation for fiscal
36 year 2011 is provided solely to implement House Bill No. 2694 (B.S. in
37 nursing/university center). If the bill is not enacted by June 30,
38 2010, the amount provided in this subsection shall lapse.

1 (12)(a) The labor education and research center is transferred from
2 The Evergreen State College to south Seattle community college and
3 shall begin operations on July 1, 2010.

4 (b) At least \$164,000 of the general fund--state appropriation for
5 fiscal year 2011 shall be expended on the labor education and research
6 center to provide outreach programs and direct educational and research
7 services to labor unions and worker-centered organizations.

8 (13) \$1,000,000 of the opportunity express account--state
9 appropriation is provided solely for the opportunity grant program as
10 specified in RCW 28B.50.271.

11 (14) \$1,750,000 of the general fund--state appropriation for fiscal
12 year 2011 is provided solely for the state board for community and
13 technical colleges to contract with the aerospace training and research
14 center on Paine field in Everett, Washington to support industry-
15 identified training in the aerospace sector.

16 (15) Sufficient amounts are provided in this section to implement
17 the food stamp employment and training program under Second Substitute
18 House Bill No. 2782 (security lifeline act).

19 (16) Appropriations in section 609 of this act reflect reductions
20 to the state need grant. The state board for community and technical
21 colleges shall use locally held funds to provide a commensurate amount
22 of aid to eligible students who would have received state need grant
23 payments through the appropriations in section 609 of this act.

24 By September 1, 2011, the state board for community and technical
25 colleges shall report to the appropriate legislative fiscal and policy
26 committees regarding the implementation of this section. The report
27 shall provide detail on the number of students provided aid under this
28 subsection and the amount of aid provided to each student.

29 **Sec. 1508.** 2011 c 5 s 608 (uncodified) is amended to read as
30 follows:

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

33	General Fund--State Appropriation (FY 2010)	\$6,402,000
34	General Fund--State Appropriation (FY 2011)	(\$5,183,000)
35		<u>\$5,339,000</u>
36	General Fund--Federal Appropriation	\$4,332,000
37	TOTAL APPROPRIATION	(\$15,917,000)

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

(1) Within the funds appropriated in this section, the higher education coordinating board shall complete a system design planning project that defines how the current higher education delivery system can be shaped and expanded over the next ten years to best meet the needs of Washington citizens and businesses for high quality and accessible post-secondary education. The board shall propose policies and specific, fiscally feasible implementation recommendations to accomplish the goals established in the *2008 strategic master plan for higher education*. The project shall specifically address the roles, missions, and instructional delivery systems both of the existing and of proposed new components of the higher education system; the extent to which specific academic programs should be expanded, consolidated, or discontinued and how that would be accomplished; the utilization of innovative instructional delivery systems and pedagogies to reach both traditional and nontraditional students; and opportunities to consolidate institutional administrative functions. The study recommendations shall also address the proposed location, role, mission, academic program, and governance of any recommended new campus, institution, or university center. During the planning process, the board shall inform and actively involve the chairs from the senate and house of representatives committees on higher education, or their designees. The board shall report the findings and recommendations of this system design planning project to the governor and the appropriate committees of the legislature by December 1, 2009.

(2) \$146,000 of the general fund--state appropriation for fiscal year 2010 and \$65,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the higher education coordinating board to administer Engrossed Second Substitute House Bill No. 2021 (revitalizing student financial aid). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(3) \$167,000 of the general fund--state appropriation for fiscal year 2010 and \$67,000 of the general fund--state appropriation for fiscal year 2011 are provided solely to implement Engrossed Second

1 Substitute House Bill No. 1946 (regarding higher education online
2 technology). If the bill is not enacted by June 30, 2009, the amounts
3 provided in this subsection shall lapse.

4 (4) \$350,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$200,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the higher education
7 coordinating board to contract with the Pacific Northwest university of
8 health sciences to conduct training and education of health care
9 professionals to promote osteopathic physician services in rural and
10 underserved areas of the state.

11 **Sec. 1509.** 2011 c 5 s 609 (uncodified) is amended to read as
12 follows:

13 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
14 **PROGRAMS**

15	General Fund--State Appropriation (FY 2010)	\$188,332,000
16	General Fund--State Appropriation (FY 2011)	(\$96,833,000)
17		<u>\$182,683,000</u>
18	General Fund--Federal Appropriation	\$13,129,000
19	Education Legacy Trust Account--State	
20	Appropriation	(\$116,060,000)
21		<u>\$30,210,000</u>
22	Opportunity Pathways Account--State Appropriation	\$73,500,000
23	TOTAL APPROPRIATION	\$487,854,000

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

26 (1) \$178,726,000 of the general fund--state appropriation for
27 fiscal year 2010, \$95,187,000 of the general fund--state appropriation
28 for fiscal year 2011, \$109,188,000 of the education legacy trust
29 account appropriation, \$73,500,000 of the opportunity pathways
30 appropriation, and \$2,545,000 of the general fund--federal
31 appropriation are provided solely for student financial aid payments
32 under the state need grant; the state work study program including up
33 to a four percent administrative allowance; the Washington scholars
34 program; and the Washington award for vocational excellence. State
35 need grant and the Washington award for vocational excellence shall be
36 adjusted to offset the cost of the resident undergraduate tuition

1 increases, limited to those tuition increases authorized under this
2 act. The Washington scholars program shall provide awards sufficient
3 to offset ninety percent of the total tuition and fee award.

4 (2)(a) Within the funds appropriated in this section, eligibility
5 for the state need grant shall include students with family incomes at
6 or below 70 percent of the state median family income (MFI), adjusted
7 for family size. Awards for all students shall be adjusted by the
8 estimated amount by which Pell grant increases exceed projected
9 increases in the noninstructional costs of attendance. Awards for
10 students with incomes between 51 and 70 percent of the state median
11 shall be prorated at the following percentages of the award amount
12 granted to those with incomes below 51 percent of the MFI: 70 percent
13 for students with family incomes between 51 and 55 percent MFI; 65
14 percent for students with family incomes between 56 and 60 percent MFI;
15 60 percent for students with family incomes between 61 and 65 percent
16 MFI; and 50 percent for students with family incomes between 66 and 70
17 percent MFI.

18 (b) Grant awards for students at private four-year colleges shall
19 be set at the same level as the student would receive if attending one
20 of the public research universities.

21 (3) To the maximum extent practicable, the board shall provide
22 state work study subsidies only to resident students during the 2010-11
23 academic year. Additionally, in order to provide work opportunities to
24 as many resident students as possible, the board is encouraged to
25 increase the proportion of student wages that is to be paid by both
26 proprietary and nonprofit, public, and private employers.

27 (4) \$3,872,000 of the education legacy trust account--state
28 appropriation is provided solely for the passport to college
29 scholarship program pursuant to chapter 28B.117 RCW. The higher
30 education coordinating board shall contract with a college scholarship
31 organization with expertise in managing scholarships for low-income,
32 high-potential students and foster care children and young adults to
33 administer the program. Of the amount in this subsection, \$39,000 is
34 provided solely for the higher education coordinating board for
35 administration of the contract and the remaining shall be contracted
36 out to the organization for the following purposes:

37 (a) \$384,000 is provided solely for program administration, and

1 (b) \$3,449,000 is provided solely for student financial aid for up
2 to 151 students and to fund student support services. Funds are
3 provided for student scholarships, provider training, and for incentive
4 payments to the colleges they attend for individualized student support
5 services which may include, but are not limited to, college and career
6 advising, counseling, tutoring, costs incurred for students while
7 school is not in session, personal expenses, health insurance, and
8 emergency services.

9 (5) \$1,250,000 of the general fund--state appropriation for fiscal
10 year 2010 is provided solely for the health professional scholarship
11 and loan program. The funds provided in this subsection shall be: (a)
12 Prioritized for health care deliver sites demonstrating a commitment to
13 serving the uninsured; and (b) allocated between loan repayments and
14 scholarships proportional to current program allocations.

15 (6) For fiscal year 2010 and fiscal year 2011, the board shall
16 defer loan or conditional scholarship repayments to the future teachers
17 conditional scholarship and loan repayment program for up to one year
18 for each participant if the participant has shown evidence of efforts
19 to find a teaching job but has been unable to secure a teaching job per
20 the requirements of the program.

21 (7) \$246,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$246,000 of the general fund--state appropriation for
23 fiscal year 2011 are for community scholarship matching grants and its
24 administration. To be eligible for the matching grant, nonprofit
25 groups organized under section 501(c)(3) of the federal internal
26 revenue code must demonstrate they have raised at least \$2,000 in new
27 moneys for college scholarships after the effective date of this
28 section. Groups may receive no more than one \$2,000 matching grant per
29 year and preference shall be given to groups affiliated with
30 scholarship America. Up to a total of \$46,000 per year of the amount
31 appropriated in this section may be awarded to a nonprofit community
32 organization to administer scholarship matching grants, with preference
33 given to an organization affiliated with scholarship America.

34 (8) \$500,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$500,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for state need grants provided to
37 students enrolled in three to five credit-bearing quarter credits, or

1 the equivalent semester credits. Total state expenditures on this
2 program shall not exceed the amounts provided in this subsection.

3 (9) \$2,500,000 of the education legacy trust account--state
4 appropriation is provided solely for the gaining early awareness and
5 readiness for undergraduate programs project.

6 (10) \$75,000 of the general fund--state appropriation for fiscal
7 year 2010 is provided solely for higher education student child care
8 matching grants under chapter 28B.135 RCW.

9 (11) \$200,000 of the general fund--state appropriation for fiscal
10 year 2011 is provided solely for continuation of the leadership 1000
11 scholarship sponsorship and matching program.

12 (12) In 2010 and 2011, the board shall continue to designate
13 Washington scholars and scholar-alternates and to recognize them at
14 award ceremonies as provided in RCW 28A.600.150, but state funding is
15 provided for award of only one scholarship per legislative district
16 during the 2010-11 academic year. After the 2010-11 academic year, and
17 as provided in RCW 28B.76.660, the board may distribute grants to these
18 eligible students to the extent that funds are appropriated for this
19 purpose.

20 (13) Fiscal year 2011 appropriations in this section reflect
21 general fund-state reductions to the state need grant. In implementing
22 these reductions, the board shall reduce state need grant payments to
23 each of the following institutions in the following amounts:

24	University of Washington	\$5,658,000
25	Washington State University	\$3,718,000
26	Eastern Washington University	\$765,000
27	Central Washington University	\$705,000
28	The Evergreen State College	\$386,000
29	Western Washington University	\$1,010,000
30	State Board for Community and Technical Colleges	\$13,143,000

31 If any of these institutions has received state need grant payments
32 in excess of the amount to which it is entitled after application of
33 the reductions in this section, that institution shall remit to the
34 board the amount of the overpayment.

35 **Sec. 1510.** 2011 c 5 s 610 (uncodified) is amended to read as
36 follows:

1	FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD	
2	General Fund--State Appropriation (FY 2010)	\$1,465,000
3	General Fund--State Appropriation (FY 2011)	(\$1,353,000)
4		<u>\$1,358,000</u>
5	General Fund--Federal Appropriation	(\$54,020,000)
6		<u>\$54,022,000</u>
7	TOTAL APPROPRIATION	(\$56,838,000)
8		<u>\$56,845,000</u>

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

11 (1) \$60,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$60,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for implementation of Engrossed
14 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
15 bill is not enacted by June 30, 2009, the amounts provided in this
16 subsection shall lapse.

17 (2) In 2010 and 2011, the board shall continue to designate
18 recipients of the Washington award for vocational excellence and to
19 recognize them at award ceremonies as provided in RCW 28C.04.535, but
20 state funding is provided for award of only one scholarship per
21 legislative district during the 2010-11 academic year. After the
22 2010-11 academic year, and as provided in RCW 28B.76.670, the board may
23 distribute grants to these eligible students to the extent that funds
24 are appropriated for this purpose.

25 **Sec. 1511.** 2011 c 5 s 612 (uncodified) is amended to read as
26 follows:

27	FOR THE DEPARTMENT OF EARLY LEARNING	
28	General Fund--State Appropriation (FY 2010)	\$60,400,000
29	General Fund--State Appropriation (FY 2011)	(\$19,335,000)
30		<u>\$19,302,000</u>
31	General Fund--Federal Appropriation	\$266,004,000
32	Opportunity Pathways Account--State Appropriation	\$40,000,000
33	TOTAL APPROPRIATION	(\$385,739,000)
34		<u>\$385,706,000</u>

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

1 (1) \$54,878,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$14,405,000 of the general fund--state appropriation for
3 fiscal year 2011, and \$40,000,000 of the opportunity pathways account
4 appropriation are provided solely for early childhood education and
5 assistance program services. This appropriation temporarily reduces
6 the number of slots for the 2009-11 fiscal biennium for the early
7 childhood education and assistance program. The department shall
8 reduce slots where providers serve both federal headstart and early
9 childhood education and assistance program children, to the greatest
10 extent possible, in order to achieve no reduction of slots across the
11 state. The amounts in this subsection also reflect reductions to the
12 administrative expenditures for the early childhood education and
13 assistance program. The department shall reduce administrative
14 expenditures, to the greatest extent possible, prior to reducing early
15 childhood education and assistance program slots. Of these amounts,
16 \$10,284,000 is a portion of the biennial amount of state matching
17 dollars required to receive federal child care and development fund
18 grant dollars.

19 (2) \$1,000,000 of the general fund--federal appropriation is
20 provided to the department to contract with Thrive by Five, Washington
21 for a pilot project for a quality rating and improvement system to
22 provide parents with information they need to choose quality child care
23 and education programs and to improve the quality of early care and
24 education programs. The department in collaboration with Thrive by
25 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,
26 and Kitsap counties. The department shall use child care development
27 fund quality money for this purpose.

28 (3) \$425,000 of the general fund--state appropriation for fiscal
29 year 2010, \$213,000 of the general fund--state appropriation for fiscal
30 year 2011, and \$850,000 of the general fund--federal appropriation are
31 provided solely for child care resource and referral network services.
32 The general fund--federal funding represents moneys from the American
33 recovery and reinvestment act of 2009 (child care development block
34 grant).

35 (4) \$750,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$1,500,000 of the general fund--federal appropriation are
37 provided solely for the career and wage ladder program created by

1 chapter 507, Laws of 2005. The general fund--federal funding
2 represents moneys from the American recovery and reinvestment act of
3 2009 (child care development block grant).

4 (5) \$50,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$50,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the department to work with
7 stakeholders and the office of the superintendent of public instruction
8 to identify and test a kindergarten assessment process and tools in
9 geographically diverse school districts. School districts may
10 participate in testing the kindergarten assessment process on a
11 voluntary basis. The department shall report to the legislature on the
12 kindergarten assessment process not later than January 15, 2011.
13 Expenditure of amounts provided in this subsection is contingent on
14 receipt of an equal match from private sources. As matching funds are
15 made available, the department may expend the amounts provided in this
16 subsection.

17 (6) \$1,600,000 of the general fund--federal appropriation is
18 provided solely for the department to fund programs to improve the
19 quality of infant and toddler child care through training, technical
20 assistance, and child care consultation.

21 (7) \$200,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$200,000 of the general fund--state appropriation for
23 fiscal year 2011 are provided solely to develop and provide culturally
24 relevant supports for parents, family, and other caregivers.

25 (8) The legislature notes that the department of early learning is
26 developing a plan for improving child care licensing and is consulting,
27 as practicable, with parents, licensed child care providers, and
28 stakeholders from the child care community. The plan shall outline the
29 processes and specify the resources necessary for improvements such as
30 continuing licenses, child care licensing technology, and weighted
31 child care regulations, including development of risk-based decision
32 making models and inclusive, evidence-based rule making. The
33 department shall submit to the appropriate committees of the
34 legislature a plan by January 15, 2011.

35 (9) The department is the lead agency for and recipient of the
36 federal child care and development fund grant. Amounts within this
37 grant shall be used to fund child care licensing, quality initiatives,
38 agency administration, and other costs associated with child care

1 subsidies. The department shall transfer a portion of this grant to
2 the department of social and health services to partially fund the
3 child care subsidies paid by the department of social and health
4 services on behalf of the department of early learning.

5 (10) The department shall use child care development fund money to
6 satisfy the federal audit requirement of the improper payments act
7 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent
8 on the audits will not count against the five percent state limit on
9 administrative expenditures.

10 (11) Within available amounts, the department in consultation with
11 the office of financial management and the department of social and
12 health services shall report quarterly enrollments and active caseload
13 for the working connections child care program to the legislative
14 fiscal committees. The report shall also identify the number of cases
15 participating in both temporary assistance for needy families and
16 working connections child care.

17 (12) The appropriations in this section reflect reductions in the
18 appropriations for the department's administrative expenses. It is the
19 intent of the legislature that these reductions shall be achieved, to
20 the greatest extent possible, by reducing those administrative costs
21 that do not affect direct client services or direct service delivery or
22 program.

23 (13) \$500,000 of the general fund--state appropriation for fiscal
24 year 2011 is provided solely for the department to contract with the
25 private-public partnership established in chapter 43.215 RCW for home
26 visitation programs. Of this amount, \$200,000 of the general fund--
27 state appropriation for fiscal year 2011 is provided solely for
28 expenditure into the home visiting services account created in Part IX
29 of this act to be used for contracts for home visitation with the
30 private-public partnership.

31 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the
32 department is authorized to increase child care center licensure fees
33 by fifty-two dollars for the first twelve children and an additional
34 four dollars per additional child in fiscal year 2011 for costs to the
35 department for the licensure activity, including costs of necessary
36 inspection.

37 (15) In accordance with RCW 43.135.055, the department of early

1 learning is authorized to adopt and increase the fees set forth in and
2 previously authorized in section 3, chapter 231, Laws of 2010.

3 (16) As of January 31, 2011, the department may not adopt, enforce,
4 or implement any rules or policies restricting the eligibility of
5 consumers for child care subsidy benefits to a countable income level
6 below one hundred seventy-five percent of the federal poverty
7 guidelines.

8 **Sec. 1512.** 2011 c 5 s 613 (uncodified) is amended to read as
9 follows:

10 **FOR THE STATE SCHOOL FOR THE BLIND**

11	General Fund--State Appropriation (FY 2010)	\$5,902,000
12	General Fund--State Appropriation (FY 2011)	(\$5,509,000)
13		<u>\$5,506,000</u>
14	General Fund--Private/Local Appropriation	\$1,942,000
15	TOTAL APPROPRIATION	(\$13,353,000)
16		<u>\$13,350,000</u>

17 The appropriations in this section are subject to the following
18 conditions and limitations: \$271,000 of the general fund--
19 private/local appropriation is provided solely for the school for the
20 blind to offer short course programs, allowing students the opportunity
21 to leave their home schools for short periods and receive intensive
22 training. The school for the blind shall provide this service to the
23 extent that it is funded by contracts with school districts and
24 educational services districts.

25 **Sec. 1513.** 2011 c 5 s 614 (uncodified) is amended to read as
26 follows:

27 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
28 **LOSS**

29	General Fund--State Appropriation (FY 2010)	\$8,593,000
30	General Fund--State Appropriation (FY 2011)	(\$8,230,000)
31		<u>\$8,226,000</u>
32	General Fund--Private/Local Appropriation	\$526,000
33	TOTAL APPROPRIATION	(\$17,349,000)
34		<u>\$17,345,000</u>

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

1 (1) \$210,000 of the general fund--private/local appropriation is
2 provided solely for the operation of the shared reading video outreach
3 program. The school for the deaf shall provide this service to the
4 extent it is funded by contracts with school districts and educational
5 service districts.

6 (2) \$25,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$25,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for implementation of Engrossed
9 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If
10 the bill is not enacted by June 30, 2009, the amounts provided in this
11 subsection shall lapse.

12 **Sec. 1514.** 2011 c 5 s 615 (uncodified) is amended to read as
13 follows:

14 **FOR THE WASHINGTON STATE ARTS COMMISSION**

15	General Fund--State Appropriation (FY 2010)	\$1,844,000
16	General Fund--State Appropriation (FY 2011)	(\$1,230,000)
17		<u>\$1,228,000</u>
18	General Fund--Federal Appropriation	(\$1,944,000)
19		<u>\$2,107,000</u>
20	General Fund--Private/Local Appropriation	\$1,052,000
21	TOTAL APPROPRIATION	(\$6,070,000)
22		<u>\$6,231,000</u>

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

31 **Sec. 1515.** 2011 c 5 s 616 (uncodified) is amended to read as
32 follows:

33 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

34	General Fund--State Appropriation (FY 2010)	\$2,592,000
35	General Fund--State Appropriation (FY 2011)	(\$2,381,000)
36		<u>\$2,379,000</u>

1 TOTAL APPROPRIATION ((~~\$4,973,000~~))
2 \$4,971,000

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

11 **Sec. 1516.** 2011 c 5 s 617 (uncodified) is amended to read as
12 follows:

13 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**
14 General Fund--State Appropriation (FY 2010) \$1,612,000
15 General Fund--State Appropriation (FY 2011) ((~~\$1,490,000~~))
16 \$1,489,000
17 TOTAL APPROPRIATION ((~~\$3,102,000~~))
18 \$3,101,000

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

(End of part)

PART XVI
SPECIAL APPROPRIATIONS

Sec. 1601. 2010 1st sp.s. c 37 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2010)	\$842,590,000
General Fund--State Appropriation (FY 2011)	(\$894,284,000)
	<u>\$878,400,000</u>
State Building Construction Account--State	
Appropriation	\$11,707,000
Columbia River Basin Water Supply Development Account--	
State Appropriation	\$117,000
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	\$2,612,000
TOTAL APPROPRIATION	(\$1,752,717,000)
	<u>\$1,736,833,000</u>

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.

Sec. 1602. 2010 1st sp.s. c 37 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO

1 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

2 General Fund--State Appropriation (FY 2010) \$26,436,000

3 General Fund--State Appropriation (FY 2011) (~~(\$27,773,000)~~)

4 \$27,709,000

5 School Construction and Skill Centers Building

6 Account--State Appropriation \$477,000

7 Nondebt-Limit Reimbursable Bond Retirement Account--

8 State Appropriation (~~(\$140,872,000)~~)

9 \$135,872,000

10 TOTAL APPROPRIATION (~~(\$195,558,000)~~)

11 \$190,494,000

12 The appropriations in this section are subject to the following

13 conditions and limitations: The general fund appropriation is for

14 expenditure into the nondebt-limit general fund bond retirement

15 account. The entire general fund--state appropriation for fiscal year

16 2010 shall be expended into the nondebt-limit general fund bond

17 retirement account by June 30, 2010.

18 **Sec. 1603.** 2010 1st sp.s. c 37 s 703 (uncodified) is amended to

19 read as follows:

20 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**

21 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

22 General Fund--State Appropriation (FY 2010) \$1,357,000

23 General Fund--State Appropriation (FY 2011) \$1,357,000

24 State Building Construction Account--State

25 Appropriation \$1,273,000

26 Columbia River Basin Water Supply Development

27 Account--State Appropriation (~~(\$9,000)~~)

28 \$13,000

29 Hood Canal Aquatic Rehabilitation Bond Account--

30 State Appropriation \$1,000

31 State Taxable Building Construction Account--State

32 Appropriation (~~(\$72,000)~~)

33 \$131,000

34 Gardner-Evans Higher Education Construction

35 Account--State Appropriation \$18,000

36 School Construction and Skill Centers Building

37 Account--State Appropriation (~~(\$30,000)~~)

1 \$51,000
2 TOTAL APPROPRIATION ((~~\$4,117,000~~))
3 \$4,201,000

4 **Sec. 1604.** 2010 1st sp.s. c 37 s 709 (uncodified) is amended to
5 read as follows:

6 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may
7 be necessary, are appropriated from the general fund, unless otherwise
8 indicated, for relief of various individuals, firms, and corporations
9 for sundry claims. These appropriations are to be disbursed on
10 vouchers approved by the director of financial management, except as
11 otherwise provided, as follows:

12 (1) Reimbursement of criminal defendants acquitted on the basis of
13 self-defense, pursuant to RCW 9A.16.110:

- 14 (a) Gerald S. Morrow, claim number 99970006 \$20,567
- 15 (b) Darrell R. Baumgart, claim number 99970007 \$4,528
- 16 (c) William Davis, claim number 99970008 \$8,093
- 17 (d) Gene T. Strader, claim number 99970009 \$33,875
- 18 (e) Cecilio Cortez, claim number 99970012 \$17,055
- 19 (f) Alexander D. Coble, claim number 99970013 \$302,110
- 20 (g) James W. Jolly, claim number 99970017 \$28,884
- 21 (h) James Jay Olsen, claim number 99970018 \$97,220
- 22 (i) Todd E. Miller, claim number 99970019 \$6,957
- 23 (j) Sean S. DeHart, claim number 99970021 \$52,062
- 24 (k) Thomas L. Raglin, Jr., claim number 99970022 \$4,360
- 25 (l) Matthew Smitham, claim number 99970016 \$8,100
- 26 (m) John R. Frederick, claim number 99970020 \$7,719
- 27 (n) Justin C. Federmeier, claim number 99970023 \$29,728
- 28 (o) David R. Palmer, claim number 99970024 \$4,250
- 29 (p) Ian K. Berghoffer, claim number 99970026 \$33,455
- 30 (q) Darryl L. Koenen, claim number 99970027 \$23,077
- 31 (r) Lee J. Stites, claim number 99970028 \$7,502
- 32 (s) Bobby G. Ewing, claim number 99970029 \$51,093
- 33 (t) Dylan Friesz, claim number 99970030 \$10,200
- 34 (u) Kevin L. Lund, claim number 99970031 \$11,402
- 35 (v) Rodney C. Price, claim number 99970033 \$11,250
- 36 (w) Matthew S. Lovacs, claim number 99970034 \$25,700
- 37 (x) Christopher A. Peeler, claim number 99970035 \$47,923

1 **Sec. 1606.** 2011 c 5 s 703 (uncodified) is amended to read as
2 follows:

3 **INFORMATION TECHNOLOGY**

4 Pursuant to section 11, chapter 282, Laws of 2010 (state government
5 technology use), the office of financial management shall work with the
6 appropriate state agencies to generate savings of \$30,000,000 from
7 technology efficiencies from the state general fund. From
8 appropriations in this act, the office of financial management shall
9 reduce general fund--state allotments by (~~(\$24,841,000)~~) \$16,209,000
10 for fiscal year 2011. The office of financial management shall,
11 utilizing existing fund balance, reduce the data processing revolving
12 account rates in an amount to reflect up to half of the reductions
13 identified in this section. The office of financial management may use
14 savings or existing fund balances from information technology accounts
15 to achieve savings in this section. The allotment reductions shall be
16 placed in unallotted status and remain unexpended. Nothing in this
17 section is intended to impact revenue collection efforts by the
18 department of revenue.

19 **Sec. 1607.** 2009 c 564 s 719 (uncodified) is amended to read as
20 follows:

21	FOR THE OFFICE OF FINANCIAL MANAGEMENT--O'BRIEN BUILDING IMPROVEMENT	
22	General Fund--State Appropriation (FY 2010)	\$1,435,000
23	General Fund--State Appropriation (FY 2011)	((\$1,435,000))
24		<u>\$1,884,000</u>
25	TOTAL APPROPRIATION	((\$2,870,000))
26		<u>\$3,319,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations: The appropriations are provided solely for
29 expenditure into the general administration services account for
30 payment of principal, interest, and financing expenses associated with
31 the certificate of participation for the O'Brien building improvement,
32 project number 20081007.

(End of part)

PART XVII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1701. 2010 1st sp.s. c 37 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance	
premium distributions	((\$7,572,000))
	<u>\$7,888,000</u>
General Fund Appropriation for public utility	
district excise tax distributions	((\$47,342,000))
	<u>\$45,125,000</u>
General Fund Appropriation for prosecuting	
attorney distributions	((\$6,281,000))
	<u>\$5,804,000</u>
General Fund Appropriation for boating safety	
and education distributions	((\$4,854,000))
	<u>\$3,954,000</u>
General Fund Appropriation for other tax	
distributions	((\$50,000))
	<u>\$55,000</u>
General Fund Appropriation for habitat conservation	
program distributions	((\$3,000,000))
	<u>\$2,642,000</u>
Death Investigations Account Appropriation for	
distribution to counties for publicly funded	
autopsies	\$2,544,000
Aquatic Lands Enhancement Account Appropriation for	
harbor improvement revenue distribution	\$170,000
Timber Tax Distribution Account Appropriation for	
distribution to "timber" counties	((\$36,651,000))
	<u>\$31,519,000</u>
County Criminal Justice Assistance Appropriation	((\$68,528,000))
	<u>\$66,216,000</u>
Municipal Criminal Justice Assistance	
Appropriation	((\$27,175,000))
	<u>\$25,510,000</u>

1	City-County Assistance Account Appropriation for local	
2	government financial assistance distribution . . .	((\$27,366,000))
3		<u>\$23,845,000</u>
4	Liquor Excise Tax Account Appropriation for liquor	
5	excise tax distribution	((\$58,268,000))
6		<u>\$58,822,000</u>
7	Streamline Sales and Use Tax Account Appropriation for	
8	distribution to local taxing jurisdictions to	
9	mitigate the unintended revenue redistribution	
10	effect of the sourcing law changes	((\$50,056,000))
11		<u>\$51,535,000</u>
12	Columbia River Water Delivery Account Appropriation	
13	for the Confederated Tribes of the Colville	
14	Reservation	((\$7,315,000))
15		<u>\$7,257,000</u>
16	Columbia River Water Delivery Account Appropriation	
17	for the Spokane Tribe of Indians	((\$4,644,000))
18		<u>\$4,704,000</u>
19	Liquor Revolving Account Appropriation for liquor	
20	profits distribution	((\$68,741,000))
21		<u>\$64,670,000</u>
22	Liquor Revolving Account Appropriation for additional	
23	liquor profits distribution to local governments . . .	\$18,677,000
24	TOTAL APPROPRIATION	((\$439,234,000))
25		<u>\$420,937,000</u>

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

29 **Sec. 1702.** 2009 c 564 s 802 (uncodified) is amended to read as
30 follows:

31 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
32 **ACCOUNT**

33	Impaired Driver Safety Account Appropriation	((\$2,351,000))
34		<u>\$2,467,000</u>

35 The appropriation in this section is subject to the following
36 conditions and limitations: The amount appropriated in this section
37 shall be distributed quarterly during the 2009-11 biennium in

1 accordance with RCW 82.14.310. This funding is provided to counties
2 for the costs of implementing criminal justice legislation including,
3 but not limited to: Chapter 206, Laws of 1998 (drunk driving
4 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
5 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
6 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
7 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
8 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
9 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
10 215, Laws of 1998 (DUI provisions).

11 **Sec. 1703.** 2009 c 564 s 803 (uncodified) is amended to read as
12 follows:

13 **FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE**
14 **ACCOUNT**

15 Impaired Driver Safety Account Appropriation (~~(\$1,543,000)~~)
16 \$1,645,000

17 The appropriation in this section is subject to the following
18 conditions and limitations: The amount appropriated in this section
19 shall be distributed quarterly during the 2009-11 biennium to all
20 cities ratably based on population as last determined by the office of
21 financial management. The distributions to any city that substantially
22 decriminalizes or repeals its criminal code after July 1, 1990, and
23 that does not reimburse the county for costs associated with criminal
24 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
25 which the city is located. This funding is provided to cities for the
26 costs of implementing criminal justice legislation including, but not
27 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
28 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
29 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
30 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
31 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
32 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
33 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
34 Laws of 1998 (DUI provisions).

35 NEW SECTION. **Sec. 1704.** 2010 1st sp.s. c 37 s 802 (uncodified) is
36 repealed.

1 **Sec. 1705.** 2011 c 5 s 801 (uncodified) is amended to read as
2 follows:

3 **FOR THE STATE TREASURER--TRANSFERS**

4 State Treasurer's Service Account: For transfer to the
5 state general fund, \$16,400,000 for fiscal year
6 2010 and \$29,400,000 for fiscal year 2011 \$45,800,000
7 Waste Reduction, Recycling and Litter Control Account:
8 For transfer to the state general fund, \$3,000,000
9 for fiscal year 2010 and \$3,000,000 for fiscal year
10 2011 \$6,000,000
11 State Toxics Control Account: For transfer to the
12 state general fund, \$15,340,000 for fiscal year
13 2010 and \$37,780,000 for fiscal year 2011 \$53,120,000
14 Local Toxics Control Account: For transfer to the
15 state general fund, \$37,060,000 for fiscal year
16 2010 and \$65,759,000 for fiscal year 2011 \$102,819,000
17 Education Construction Account: For transfer to the
18 state general fund, \$105,228,000 for fiscal year
19 2010 and \$106,451,000 for fiscal year 2011 \$211,679,000
20 Aquatics Lands Enhancement Account: For transfer to
21 the state general fund, \$8,520,000 for fiscal
22 year 2010 and \$12,550,000 for fiscal year 2011 \$21,070,000
23 Drinking Water Assistance Account: For transfer to
24 the drinking water assistance repayment account \$28,600,000
25 Economic Development Strategic Reserve Account: For
26 transfer to the state general fund, \$2,500,000 for
27 fiscal year 2010 and \$3,900,000 for fiscal year
28 2011 \$6,400,000
29 Tobacco Settlement Account: For transfer to the state
30 general fund, in an amount not to exceed by more
31 than \$26,000,000 the actual amount of the annual
32 payment to the tobacco settlement account \$204,098,000
33 Tobacco Settlement Account: For transfer to the life
34 sciences discovery fund, in an amount not to exceed
35 \$26,000,000 less than the actual amount of the
36 strategic contribution supplemental payment to
37 the tobacco settlement account \$39,170,000
38 General Fund: For transfer to the streamline sales and

1 use tax account, \$24,274,000 for fiscal year 2010
2 and \$24,182,000 for fiscal year 2011 \$48,456,000
3 State Convention and Trade Center Account: For
4 transfer to the state convention and trade center
5 operations account, \$1,000,000 for fiscal year
6 2010 and \$3,100,000 for fiscal year 2011 \$4,100,000
7 Tobacco Prevention and Control Account: For transfer
8 to the state general fund, \$1,961,000 for fiscal
9 year 2010 and \$3,000,000 for fiscal year 2011 \$4,961,000
10 Nisqually Earthquake Account: For transfer to the
11 disaster response account for fiscal year 2010 \$500,000
12 Judicial Information Systems Account: For transfer
13 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: For
16 transfer to the state general fund, \$1,000,000 for
17 fiscal year 2010 and \$1,500,000 for fiscal year
18 2011 \$2,500,000
19 State Emergency Water Projects Account: For transfer
20 to the state general fund, \$390,000 for fiscal
21 year 2011 \$390,000
22 The Charitable, Educational, Penal, and Reformatory
23 Institutions Account: For transfer to the state
24 general fund, \$5,550,000 for fiscal year 2010 and
25 \$4,450,000 for fiscal year 2011 \$10,000,000
26 Energy Freedom Account: For transfer to the state
27 general fund, \$4,038,000 for fiscal year 2010 and
28 \$2,978,000 for fiscal year 2011 \$7,016,000
29 Thurston County Capital Facilities Account: For
30 transfer to the state general fund, \$8,604,000
31 for fiscal year 2010 and \$5,156,000 for fiscal
32 year 2011 \$13,760,000
33 Public Works Assistance Account: For transfer to the
34 state general fund, \$279,640,000 for fiscal year
35 2010 and (~~(\$229,560,000)~~) \$39,744,000 for fiscal
36 year 2011 (~~(\$509,200,000)~~)
37 \$319,384,000
38 Budget Stabilization Account: For transfer to the

1 state general fund for fiscal year 2010 \$45,130,000
2 Liquor Revolving Account: For transfer to the state
3 general fund, \$31,000,000 for fiscal year 2010 and
4 \$31,000,000 for fiscal year 2011 \$62,000,000
5 Public Works Assistance Account: For transfer to the
6 city-county assistance account, \$5,000,000 on
7 July 1, 2009, and \$5,000,000 on July 1, 2010 \$10,000,000
8 Public Works Assistance Account: For transfer to the
9 drinking water assistance account, \$6,930,000
10 for fiscal year 2010 and \$4,000,000 for fiscal
11 year 2011 \$10,930,000
12 Shared Game Lottery Account: For transfer to the
13 education legacy trust account, \$3,600,000 for
14 fiscal year 2010 and \$2,400,000 for fiscal year
15 2011 \$6,000,000
16 State Lottery Account: For transfer to the education
17 legacy trust account, \$9,500,000 for fiscal year
18 2010 and \$9,500,000 for fiscal year 2011 \$19,000,000
19 College Faculty Awards Trust Fund: For transfer
20 to the state general fund for fiscal year 2010,
21 an amount not to exceed the actual cash balance
22 of the fund and \$1,957,000 for fiscal year 2011 \$5,957,000
23 Washington Distinguished Professorship Trust Fund:
24 For transfer to the state general fund for fiscal
25 year 2010, an amount not to exceed the actual cash
26 balance of the fund and \$2,966,000 for fiscal year
27 2011 \$8,966,000
28 Washington Graduate Fellowship Trust Account:
29 For transfer to the state general fund for fiscal
30 year 2010, an amount not to exceed the actual cash
31 balance of the fund and \$1,008,000 for fiscal year
32 2011 \$3,008,000
33 GET Ready for Math and Science Scholarship Account:
34 For transfer to the state general fund for
35 fiscal year 2010, an amount not to exceed
36 the actual cash balance not comprised of or
37 needed to match private contributions \$1,800,000
38 Financial Services Regulation Account: For transfer

1 to the state general fund, \$2,000,000 for fiscal
2 year 2010 and \$7,000,000 for fiscal year 2011 \$9,000,000
3 Data Processing Revolving Fund: For transfer to
4 the state general fund, \$5,632,000 for fiscal
5 year 2010 and \$4,159,000 for fiscal year 2011 \$9,791,000
6 Public Service Revolving Account: For transfer to
7 the state general fund, \$8,000,000 for fiscal
8 year 2010 and \$7,000,000 for fiscal year 2011 \$15,000,000
9 Water Quality Capital Account: For transfer to the
10 state general fund, \$278,000 for fiscal year 2011 \$278,000
11 Performance Audits of Government Account: For
12 transfer to the state general fund, \$10,000,000
13 for fiscal year 2010 and \$7,000,000
14 for fiscal year 2011 \$17,000,000
15 Job Development Account: For transfer to the
16 state general fund, \$20,930,000 for fiscal
17 year 2010 \$20,930,000
18 Savings Incentive Account: For transfer to the
19 state general fund, \$10,117,000 for fiscal
20 year 2010 and \$32,075,000 for fiscal year
21 2011 \$42,192,000
22 Education Savings Account: For transfer to the
23 state general fund, \$90,690,000
24 for fiscal year 2010 and \$53,384,000 for fiscal
25 year 2011 \$144,074,000
26 Cleanup Settlement Account: For transfer to the
27 state efficiency and restructuring account for
28 fiscal year 2011 \$39,480,000
29 Disaster Response Account: For transfer to the
30 state drought preparedness account, \$4,000,000
31 for fiscal year 2010 \$4,000,000
32 Washington State Convention and Trade Center Account:
33 For transfer to the state general fund, \$10,000,000
34 for fiscal year 2011. The transfer in this section
35 shall occur on June 30, 2011, only if by that date
36 the Washington state convention and trade center is
37 not transferred to a public facilities district
38 pursuant to Substitute Senate Bill No. 6889

1 (convention and trade center) \$10,000,000
2 Institutional Welfare/Betterment Account: For transfer
3 to the state general fund, \$2,000,000 for fiscal
4 year 2010 and \$2,000,000 for fiscal year 2011 \$4,000,000
5 Future Teacher Conditional Scholarship Account: For
6 transfer to the state general fund, \$2,150,000
7 for fiscal year 2010 and \$2,150,000 for fiscal
8 year 2011 \$4,300,000
9 Fingerprint Identification Account: For transfer
10 to the state general fund, \$800,000 for fiscal
11 year 2011 \$800,000
12 Prevent or Reduce Owner-Occupied Foreclosure
13 Program Account: For transfer to the financial
14 education public-private partnership account for
15 fiscal year 2010, an amount not to exceed the actual
16 cash balance of the fund as of June 30, 2010 \$300,000
17 Nisqually Earthquake Account: For transfer to the
18 state general fund for fiscal year 2011 \$696,000
19 Disaster Response Account: For transfer to the state
20 general fund for fiscal year 2011 \$14,500,000
21 Washington Auto Theft Prevention Account: For
22 transfer to the state general fund, \$1,500,000
23 for fiscal year 2011 \$1,500,000
24 Tourism Enterprise Account: For transfer to the
25 state general fund, \$590,000 for fiscal year
26 2011 \$590,000
27 Tourism Development and Promotion Account: For
28 transfer to the state general fund, \$205,000
29 for fiscal year 2011 \$205,000
30 Life Sciences Discovery Fund: For transfer to
31 the basic health plan stabilization account \$6,000,000
32 Life Sciences Discovery Fund: For transfer to
33 the state general fund for fiscal year 2011 \$2,200,000
34 Industrial Insurance Premium Refund Account: For
35 transfer to the state general fund, \$4,500,000
36 for fiscal year 2011 \$4,500,000
37 Distressed County Assistance Account: For transfer
38 to the state general fund, \$205,000 for

1 fiscal year 2011 \$ 205,000
 2 State Drought Preparedness Account: For transfer to
 3 the state general fund, \$4,000,000 for fiscal
 4 year 2011 \$4,000,000
 5 Freshwater Aquatic Algae Control Account: For
 6 transfer to the state general fund, \$400,000 for
 7 fiscal year 2011 \$400,000
 8 Freshwater Aquatic Weeds Account: For transfer to
 9 the state general fund, \$300,000 for fiscal
 10 year 2011 \$300,000
 11 Liquor Control Board Construction and Maintenance
 12 Account: For transfer to the state general fund
 13 for fiscal year 2011 \$3,000,000
 14 Insurance Commissioner's Regulatory Account: For
 15 transfer to the state general fund, for fiscal
 16 year 2011 \$2,300,000
 17 Natural Resources Real Property Replacement Account:
 18 For transfer to the state general fund, for fiscal
 19 year 2011 \$312,000
 20 Resource Management Cost Account: For transfer to
 21 the state general fund, for fiscal year 2011 \$312,000

(End of part)

PART XVIII
MISCELLANEOUS

Sec. 1801. RCW 48.02.190 and 2009 c 161 s 1 are each amended to read as follows:

(1) As used in this section:

(a) "Organization" means every insurer, as defined in RCW 48.01.050, having a certificate of authority to do business in this state, every health care service contractor, as defined in RCW 48.44.010, every health maintenance organization, as defined in RCW 48.46.020, or self-funded multiple employer welfare arrangement, as defined in RCW 48.125.010, registered to do business in this state. "Class one" organizations shall consist of all insurers as defined in RCW 48.01.050. "Class two" organizations shall consist of all organizations registered under provisions of chapters 48.44 and 48.46 RCW. "Class three" organizations shall consist of self-funded multiple employer welfare arrangements as defined in RCW 48.125.010.

(b)(i) "Receipts" means (A) net direct premiums consisting of direct gross premiums, as defined in RCW 48.18.170, paid for insurance written or renewed upon risks or property resident, situated, or to be performed in this state, less return premiums and premiums on policies not taken, dividends paid or credited to policyholders on direct business, and premiums received from policies or contracts issued in connection with qualified plans as defined in RCW 48.14.021, and (B) prepayments to health care service contractors, as defined in RCW 48.44.010, health maintenance organizations, as defined in RCW 48.46.020, or participant contributions to self-funded multiple employer welfare arrangements, as defined in RCW 48.125.010, less experience rating credits, dividends, prepayments returned to subscribers, and payments for contracts not taken.

(ii) Participant contributions, under chapter 48.125 RCW, used to determine the receipts in this state under this section shall be determined in the same manner as premiums taxable in this state are determined under RCW 48.14.090.

(c) "Regulatory surcharge" means the fees imposed by this section.

(2) The annual cost of operating the office of insurance commissioner shall be determined by legislative appropriation. A pro

1 rata share of the cost shall be charged to all organizations as a
2 regulatory surcharge. Each class of organization shall contribute a
3 sufficient amount to the insurance commissioner's regulatory account to
4 pay the reasonable costs, including overhead, of regulating that class
5 of organization.

6 (3) The regulatory surcharge shall be calculated separately for
7 each class of organization. The regulatory surcharge collected from
8 each organization shall be that portion of the cost of operating the
9 insurance commissioner's office, for that class of organization, for
10 the ensuing fiscal year that is represented by the organization's
11 portion of the receipts collected or received by all organizations
12 within that class on business in this state during the previous
13 calendar year. However, the regulatory surcharge must not exceed one-
14 eighth of one percent of receipts and the minimum regulatory surcharge
15 shall be one thousand dollars.

16 (4) The commissioner shall annually, on or before June 1st,
17 calculate and bill each organization for the amount of the regulatory
18 surcharge. The regulatory surcharge shall be due and payable no later
19 than June 15th of each year. However, if the necessary financial
20 records are not available or if the amount of the legislative
21 appropriation is not determined in time to carry out such calculations
22 and bill such regulatory surcharge within the time specified, the
23 commissioner may use the regulatory surcharge factors for the prior
24 year as the basis for the regulatory surcharge and, if necessary, the
25 commissioner may impose supplemental fees to fully and properly charge
26 the organizations. Any organization failing to pay the regulatory
27 surcharges by June 30th shall pay the same penalties as the penalties
28 for failure to pay taxes when due under RCW 48.14.060. The regulatory
29 surcharge required by this section is in addition to all other taxes
30 and fees now imposed or that may be subsequently imposed.

31 (5) All moneys collected shall be deposited in the insurance
32 commissioner's regulatory account in the state treasury which is hereby
33 created.

34 (6) Unexpended funds in the insurance commissioner's regulatory
35 account at the close of a fiscal year shall be carried forward in the
36 insurance commissioner's regulatory account to the succeeding fiscal
37 year and shall be used to reduce future regulatory surcharges. During

1 the 2009-2011 fiscal biennium, the legislature may transfer from the
2 insurance commissioner's regulatory account to the state general fund
3 such amounts as reflect the excess fund balance in the account.

4 (7)(a) Each insurer may annually collect regulatory surcharges
5 remitted in preceding years by means of a policyholder surcharge on
6 premiums charged for all kinds of insurance. The recoupment shall be
7 at a uniform rate reasonably calculated to collect the regulatory
8 surcharge remitted by the insurer.

9 (b) If an insurer fails to collect the entire amount of the
10 recoupment in the first year under this section, it may repeat the
11 recoupment procedure provided for in this subsection (7) in succeeding
12 years until the regulatory surcharge is fully collected or a de minimis
13 amount remains uncollected. Any such de minimis amount may be
14 collected as provided in (d) of this subsection.

15 (c) The amount and nature of any recoupment shall be separately
16 stated on either a billing or policy declaration sent to an insured.
17 The amount of the recoupment must not be considered a premium for any
18 purpose, including the premium tax or agents' commissions.

19 (d) An insurer may elect not to collect the regulatory surcharge
20 from its insured. In such a case, the insurer may recoup the
21 regulatory surcharge through its rates, if the following requirements
22 are met:

23 (i) The insurer remits the amount of surcharge not collected by
24 election under this subsection; and

25 (ii) The surcharge is not considered a premium for any purpose,
26 including the premium tax or agents' commission.

27 **Sec. 1802.** RCW 79.17.210 and 2003 c 334 s 118 are each amended to
28 read as follows:

29 (1) The legislature finds that the department has a need to
30 maintain the real property asset base it manages and needs an
31 accounting mechanism to complete transactions without reducing the real
32 property asset base.

33 (2) The natural resources real property replacement account is
34 created in the state treasury. This account shall consist of funds
35 transferred or paid for the disposal or transfer of real property by
36 the department under RCW 79.17.200. The funds in this account shall be
37 used solely for the acquisition of replacement real property and may be

1 spent only when, and as, authorized by legislative appropriation.
2 During the 2009-2011 fiscal biennium, the legislature may transfer from
3 the natural resources real property replacement account to the state
4 general fund an amount that reflects state general fund contributions
5 to the account.

6 **Sec. 1803.** RCW 79.64.020 and 2008 c 328 s 6004 are each amended to
7 read as follows:

8 A resource management cost account in the state treasury is created
9 to be used solely for the purpose of defraying the costs and expenses
10 necessarily incurred by the department in managing and administering
11 state lands and aquatic lands and the making and administering of
12 leases, sales, contracts, licenses, permits, easements, and rights-of-
13 way as authorized under the provisions of this title. Appropriations
14 from the resource management cost account to the department shall be
15 expended for no other purposes. Funds in the resource management cost
16 account may be appropriated or transferred by the legislature for the
17 benefit of all of the trusts from which the funds were derived. (~~For~~
18 ~~the 2007-2009 biennium, moneys in the account may be used for the~~
19 ~~purposes identified in section 3044, chapter 328, Laws of 2008~~) During
20 the 2009-2011 fiscal biennium, the legislature may transfer from the
21 resource management cost account to the state general fund an amount
22 that reflects state general fund contributions to the land bank portion
23 of the account.

24 NEW SECTION. **Sec. 1804.** If any provision of this act or its
25 application to any person or circumstance is held invalid, the
26 remainder of the act or the application of the provision to other
27 persons or circumstances is not affected.

28 NEW SECTION. **Sec. 1805.** This act is necessary for the immediate
29 preservation of the public peace, health, or safety, or support of the
30 state government and its existing public institutions, and takes effect
31 immediately, except for section 947 of this act which takes effect June
32 30, 2011.

(End of part)

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