

ESHB 1086 - S COMM AMD  
By Committee on Ways & Means

ADOPTED 02/04/2011

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

3 "PART I  
4 GENERAL GOVERNMENT

5 **Sec. 101.** 2010 1st sp.s. c 37 s 103 (uncodified) is amended to  
6 read as follows:

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

8	General Fund--State Appropriation (FY 2010) . . . . .	\$2,874,000
9	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$3,152,000</del> ))
10		<u>\$2,954,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <del>\$6,026,000</del> ))
12		<u>\$5,828,000</u>

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

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

19 (2) Within the amounts appropriated in this section, the committee  
20 shall conduct a review of the effect of risk management practices on  
21 tort payouts. This review shall include an analysis of the state's  
22 laws, policies, procedures, and practices as they relate to the conduct  
23 of post-incident reviews and the impact of such reviews on the state's  
24 conduct and liability.

25 ~~(3) ((Within the amounts appropriated in this section, the~~  
26 ~~committee shall conduct a review of the state's workplace safety and~~  
27 ~~health program. The review shall examine workplace safety inspection,~~  
28 ~~enforcement, training, and outreach efforts compared to other states~~  
29 ~~and federal programs; analyze workplace injury and illness rates and~~

~~1 trends in Washington; identify factors that may influence workplace  
2 safety and health; and identify practices that may improve workplace  
3 safety and health and/or impact insurance costs.~~

4       ~~(4))~~ Within the amounts appropriated in this section, the  
5 committee shall prepare an evaluation of the implementation of  
6 legislation designed to improve communication, collaboration, and  
7 expedited medicaid attainment with regard to persons released from  
8 confinement who have mental health or chemical dependency disorders.  
9 The review shall evaluate the implementation of: (a) Chapter 166, Laws  
10 of 2004 (E2SSB 6358); (b) sections 507 and 508 of chapter 504, Laws of  
11 2005 (E2SSB 5763); (c) sections 12 and 13 of chapter 503, Laws of 2005  
12 (E2SHB 1290); and (d) section 8 of chapter 359, Laws of 2007 (2SHB  
13 1088). The departments of corrections and social and health services,  
14 the administrative office of the courts, institutions for mental  
15 disease, city and county jails, city and county courts, county clerks,  
16 and mental health and chemical dependency treatment providers shall  
17 provide the committee with information necessary for the study.

18       ~~((+5))~~ (4) Within the amount appropriated in this section, the  
19 joint legislative audit and review committee shall conduct a review of  
20 the state's recreational boating programs. This review shall include  
21 examination of the following:

- 22       (a) Revenue sources for state recreational boating programs;
- 23       (b) Expenditures for state boating programs;
- 24       (c) Methods of administrating state recreational boating programs,  
25 including the roles of both state and local government entities; and
- 26       (d) Approaches other states have taken to funding and administering  
27 their recreational boating programs.

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

29       ~~((+6))~~ (5) Within the amount appropriated in this section, the  
30 joint legislative audit and review committee shall examine the  
31 operations of employment and day services as provided by the department  
32 of social and health services, division of developmental disabilities  
33 and administered by the counties. The examination shall include a  
34 thorough review of the contracts for all services including, but not  
35 limited to, employment services, day services, child development  
36 services and other uses of state dollars for county administration of  
37 services to the developmentally disabled. In its final report, due to  
38 the legislature by September 1, 2010, the joint legislative audit and

1 review committee shall provide: A description of how funds are used  
2 and the rates paid to vendors, and a recommendation on best practices  
3 the agency may use for the development of a consistent, outcome-based  
4 contract for services provided under contract with the counties.

5 ~~((+7))~~ (6) Within the amount appropriated in this section, the  
6 joint legislative audit and review committee shall conduct a study of  
7 the relationship between the cost of school districts and their  
8 enrollment size. The study shall be completed by June 2010 and shall  
9 include:

10 (a) An analysis of how categories of costs vary related to size,  
11 including but not limited to facility costs, transportation costs,  
12 educational costs, and administrative costs;

13 (b) A review of other factors that may impact costs, such as  
14 revenues available from local levies and other sources, geographic  
15 dispersion, demographics, level of services received from educational  
16 service districts, and whether districts operate a high school;

17 (c) Case studies on the change in cost patterns occurring after  
18 school district consolidations and for school districts operating under  
19 state oversight condition specified in RCW 28A.505.110; and

20 (d) A review of available research on nonfinancial benefits and  
21 impacts associated with school and school district size.

22 ~~((+8))~~ (7) \$200,000 of the general fund--state appropriation for  
23 fiscal year 2011 is provided for the committee to contract with a  
24 consultant specializing in medicaid programs nationwide to review  
25 Washington state's medicaid program and report on cost containment  
26 strategies for the 2011-13 biennial budget. The report is due to the  
27 fiscal committees of the legislature by June 1, 2011.

28 ~~((+9))~~ (8) \$50,000 of the general fund--state appropriation for  
29 fiscal year 2011 is provided solely for the joint legislative audit and  
30 review committee to complete a report that includes the following: (a)  
31 An analysis of the availability within eastern Washington of  
32 helicopters that are privately owned or owned by nonstate governmental  
33 entities that are sufficiently outfitted to participate in wildfire  
34 suppression efforts of the department of natural resources; (b) a  
35 comparison of the costs to the department of natural resources for  
36 maintaining the existing helicopter fleet versus entering into  
37 exclusive use contracts with the helicopters noted in (a) of this  
38 subsection; and (c) an analysis that compares the use and funding of

1 helicopters utilized for wildfire suppression in the states of  
2 California, Oregon, Idaho, and Montana. The committee shall submit the  
3 report to the appropriate fiscal committees of the legislature and the  
4 office of financial management no later than December 1, 2010.

5 ~~((+10+))~~ (9)(a) The task force for reform of executive and  
6 legislative procedures dealing with tax preferences is hereby  
7 established. The task force must:

8 (i) Review current executive and legislative budget and policy  
9 practices and procedures associated with the recommendation,  
10 development, and consideration of tax preferences, assess the  
11 effectiveness of budgeting requirements and practices, the general  
12 rigor of justifications and evaluations typically provided during  
13 legislative consideration of tax preferences, and the role and value of  
14 methodologies currently used to measure the public benefits and costs,  
15 including opportunity costs, of tax preferences, as defined in RCW  
16 43.136.021.

17 (ii) Consider but not be limited to, the factors listed in RCW  
18 43.136.055.

19 (b) The task force may make recommendations to improve the  
20 effectiveness of the review process conducted by the citizen commission  
21 on performance measurement of tax preferences process as described in  
22 chapter 43.136 RCW. The task force may also recommend changes or  
23 improvements in the manner in which both the executive branch and  
24 legislative branch of state government address tax preferences  
25 generally, including those in effect as well as those that may be  
26 hereafter proposed, in order to protect the public interest and assure  
27 transparency, fairness, and equity in the state tax code.

28 (c) The task force may recommend structural or procedural changes  
29 that it feels will enhance both executive and legislative procedures  
30 and ensure consistent and rigorous examination of such preferences.

31 (d) The task force must report its recommendations to the governor  
32 and legislative fiscal committees by November 15, 2010.

33 (e) The task force has eleven voting members as follows:

34 (i) One member is the state treasurer;

35 (ii) One member is the chair of the joint legislative audit and  
36 review committee;

37 (iii) One member is the director of financial management;

1 (iv) A member, four in all, of each of the two largest caucuses of  
2 the senate and the two largest caucuses of the house of  
3 representatives, appointed by the chair of each caucus; and

4 (v) An appointee who is not a legislator, four in all, of each of  
5 the two largest caucuses of the senate and the two largest caucuses of  
6 the house of representatives, appointed by the chair of each caucus.

7 (f) Persons appointed by the caucus chairs under (e)(v) of this  
8 subsection should be individuals who have a basic understanding of  
9 state tax policy, government operations, and public services.

10 (g) The task force must elect a chair from among its members.  
11 Decisions of the task force must be made using the sufficient consensus  
12 model. For the purposes of this subsection, "sufficient consensus"  
13 means the point at which the substantial majority of the commission  
14 favors taking a particular action. The chair may determine when a vote  
15 must be taken. The task force must allow a minority report to be  
16 included with a decision of the task force if requested by a member of  
17 the task force.

18 (h) The joint legislative audit and review committee must provide  
19 clerical, technical, and management personnel to the task force to  
20 serve as the task force's staff. The staff of the legislative fiscal  
21 committees, legislative counsel, and the office of financial management  
22 must also provide technical assistance to the task force. The  
23 department of revenue must provide necessary support and information to  
24 the joint task force.

25 (i) The task force must meet at least once a quarter and may hold  
26 additional meetings at the call of the chair or by a majority vote of  
27 the members of the task force. The members of the task force must be  
28 compensated in accordance with RCW 43.03.220 and reimbursed for travel  
29 expenses in accordance with RCW 43.03.050 and 43.03.060.

30 **Sec. 102.** 2010 1st sp.s. c 37 s 106 (uncodified) is amended to  
31 read as follows:

32 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

33	General Fund--State Appropriation (FY 2010) . . . . .	\$8,652,000
34	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$8,506,000)</del>
35		<u>\$7,971,000</u>
36	TOTAL APPROPRIATION . . . . .	<del>(\$17,158,000)</del>
37		<u>\$16,623,000</u>



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

3 (1) \$1,800,000 of the general fund--state appropriation for fiscal  
4 year 2010 and \$1,687,000 of the general fund--state appropriation for  
5 fiscal year 2011 are provided solely for school districts for petitions  
6 to juvenile court for truant students as provided in RCW 28A.225.030  
7 and 28A.225.035. The office of the administrator for the courts shall  
8 develop an interagency agreement with the superintendent of public  
9 instruction to allocate the funding provided in this subsection.  
10 Allocation of this money to school districts shall be based on the  
11 number of petitions filed. This funding includes amounts school  
12 districts may expend on the cost of serving petitions filed under RCW  
13 28A.225.030 by certified mail or by personal service or for the  
14 performance of service of process for any hearing associated with RCW  
15 28A.225.030.

16 (2)(a) \$8,252,000 of the general fund--state appropriation for  
17 fiscal year 2010 and \$7,734,000 of the general fund--state  
18 appropriation for fiscal year 2011 are provided solely for distribution  
19 to county juvenile court administrators to fund the costs of processing  
20 truancy, children in need of services, and at-risk youth petitions.  
21 The administrator for the courts, in conjunction with the juvenile  
22 court administrators, shall develop an equitable funding distribution  
23 formula. The formula shall neither reward counties with higher than  
24 average per-petition processing costs nor shall it penalize counties  
25 with lower than average per-petition processing costs.

26 (b) Each fiscal year during the 2009-11 fiscal biennium, each  
27 county shall report the number of petitions processed and the total  
28 actual costs of processing truancy, children in need of services, and  
29 at-risk youth petitions. Counties shall submit the reports to the  
30 administrator for the courts no later than 45 days after the end of the  
31 fiscal year. The administrator for the courts shall electronically  
32 transmit this information to the chairs and ranking minority members of  
33 the house of representatives appropriations committee and the senate  
34 ways and means committee no later than 60 days after a fiscal year  
35 ends. These reports are deemed informational in nature and are not for  
36 the purpose of distributing funds.

37 (3) The distributions made under this subsection and distributions  
38 from the county criminal justice assistance account made pursuant to

1 section 801 of this act constitute appropriate reimbursement for costs  
2 for any new programs or increased level of service for purposes of RCW  
3 43.135.060.

4 (4) \$5,700,000 of the judicial information systems account--state  
5 appropriation is provided solely for modernization and integration of  
6 the judicial information system.

7 (a) Of this amount, \$1,700,000 is for the development of a  
8 comprehensive enterprise-level information technology strategy and  
9 detailed business and operational plans in support of that strategy,  
10 and \$4,000,000 is to continue to modernize and integrate current  
11 systems and enhance case management functionality on an incremental  
12 basis.

13 (b) The amount provided in this subsection may not be expended  
14 without prior approval by the judicial information system committee.  
15 The administrator shall regularly submit project plan updates for  
16 approval to the judicial information system committee.

17 (c) The judicial information system committee shall review project  
18 progress on a regular basis and may require quality assurance plans.  
19 The judicial information systems committee shall provide a report to  
20 the appropriate committees of the legislature no later than November 1,  
21 2011, on the status of the judicial information system modernization  
22 and integration, and the consistency of the project with the state's  
23 architecture, infrastructure and statewide enterprise view of service  
24 delivery.

25 (d) \$100,000 of the judicial information systems account--state  
26 appropriation is provided solely for the administrative office of the  
27 courts, in coordination with the judicial information system committee,  
28 to conduct an independent third-party executive-level review of the  
29 judicial information system. This review shall examine, at a minimum,  
30 the scope of the current project plan, governance structure, and  
31 organizational change management procedures. The review will also  
32 benchmark the system plans against similarly sized projects in other  
33 states or localities, review the large scale program risks, and  
34 estimate life cycle costs, including capital and on-going operational  
35 expenditures.

36 (5) \$3,000,000 of the judicial information systems account--state  
37 appropriation is provided solely for replacing computer equipment at  
38 state courts, and at state judicial agencies. The administrator for

1 the courts shall prioritize equipment replacement purchasing and shall  
2 fund those items that are most essential or critical. By October 1,  
3 2010, the administrative office of the courts shall report to the  
4 appropriate legislative fiscal committees on expenditures for equipment  
5 under this subsection.

6 (6) \$12,000 of the judicial information systems account--state  
7 appropriation is provided solely to implement Engrossed Substitute  
8 House Bill No. 1954 (sealing juvenile records). If the bill is not  
9 enacted by June 30, 2009, the amount provided in this subsection shall  
10 lapse.

11 (7) \$106,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$106,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely for the twenty-third superior  
14 court judge position in Pierce county. The funds appropriated in this  
15 subsection shall be expended only if the judge is appointed and serving  
16 on the bench.

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

24 (9) \$44,000 of the judicial information systems account--state  
25 appropriation is provided solely to implement chapter 272, Laws of 2010  
26 (SHB 2680; guardianship).

27 (10) \$274,000 of the general fund--state appropriation for fiscal  
28 year 2011 is provided solely for the office of public guardianship to  
29 provide guardianship services for low-income incapacitated persons.

30 (11) \$3,797,000 of the judicial information systems account--state  
31 appropriation is provided solely for continued planning and  
32 implementation of improvements to the court case management system.

33 (12) In accordance with RCW 43.135.055, the administrative office  
34 of the courts is authorized to adopt and increase the fees set forth in  
35 and previously authorized in section 6, chapter 491, Laws of 2009.

36 **Sec. 106.** 2010 2nd sp.s. c 1 s 114 (uncodified) is amended to read  
37 as follows:

1 **FOR THE SECRETARY OF STATE**

2	General Fund--State Appropriation (FY 2010) . . . . .	\$21,105,000
3	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$13,535,000)</del>
4		<u>\$13,612,000</u>
5	General Fund--Federal Appropriation . . . . .	\$8,082,000
6	Archives and Records Management Account--State	
7	Appropriation . . . . .	\$8,990,000
8	Charitable Organization Education Account--State	
9	Appropriation . . . . .	\$76,000
10	Department of Personnel Service Account--State	
11	Appropriation . . . . .	\$757,000
12	Election Account--State Appropriation . . . . .	\$77,000
13	Local Government Archives Account--State	
14	Appropriation . . . . .	\$11,515,000
15	Election Account--Federal Appropriation . . . . .	\$31,163,000
16	TOTAL APPROPRIATION . . . . .	<del>(\$95,300,000)</del>
17		<u>\$95,377,000</u>

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

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

26 (2)(a) \$1,897,000 of the general fund--state appropriation for  
27 fiscal year 2010 and \$1,845,000 of the general fund--state  
28 appropriation for fiscal year 2011 are provided solely for contracting  
29 with a nonprofit organization to produce gavel-to-gavel television  
30 coverage of state government deliberations and other events of  
31 statewide significance during the 2009-2011 biennium. The funding  
32 level for each year of the contract shall be based on the amount  
33 provided in this subsection. The nonprofit organization shall be  
34 required to raise contributions or commitments to make contributions,  
35 in cash or in kind, in an amount equal to forty percent of the state  
36 contribution. The office of the secretary of state may make full or  
37 partial payment once all criteria in this subsection have been  
38 satisfactorily documented.

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

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

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

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

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

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

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

24 (4) In implementing budget reductions, the office of the secretary  
25 of state must make its first priority to maintain funding for the  
26 elections division.

27 (5) \$76,000 of the charitable organization education account--state  
28 appropriation for fiscal year 2011 is provided solely to implement  
29 Second Substitute House Bill No. 2576 (corporation and charity fees).  
30 If the bill is not enacted by June 30, 2010, the amount provided in  
31 this subsection shall lapse.

32 (6) \$77,000 of the general fund--state appropriation for fiscal  
33 year ((2010)) 2011 is provided solely for deposit to the election  
34 account.

35 **Sec. 107.** 2010 1st sp.s. c 37 s 118 (uncodified) is amended to  
36 read as follows:

1 **FOR THE PUBLIC DISCLOSURE COMMISSION**

2	General Fund--State Appropriation (FY 2010) . . . . .	\$2,249,000
3	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,212,000)</del>
4		<u>\$1,969,000</u>
5	TOTAL APPROPRIATION . . . . .	<del>(\$4,461,000)</del>
6		<u>\$4,218,000</u>

7 **Sec. 108.** 2010 1st sp.s. c 37 s 120 (uncodified) is amended to  
8 read as follows:

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

10	General Fund--State Appropriation (FY 2010) . . . . .	\$275,000
11	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$262,000)</del>
12		<u>\$233,000</u>
13	TOTAL APPROPRIATION . . . . .	<del>(\$537,000)</del>
14		<u>\$508,000</u>

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

25 **Sec. 109.** 2010 1st sp.s. c 37 s 121 (uncodified) is amended to  
26 read as follows:

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

28	General Fund--State Appropriation (FY 2010) . . . . .	\$216,000
29	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$236,000)</del>
30		<u>\$221,000</u>
31	TOTAL APPROPRIATION . . . . .	<del>(\$452,000)</del>
32		<u>\$437,000</u>

33 **Sec. 110.** 2010 1st sp.s. c 37 s 123 (uncodified) is amended to  
34 read as follows:

1 **FOR THE STATE AUDITOR**

2	General Fund--State Appropriation (FY 2010) . . . . .	\$722,000
3	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$717,000)</del>
4		<u>\$638,000</u>
5	State Auditing Services Revolving	
6	Account--State Appropriation . . . . .	\$10,749,000
7	TOTAL APPROPRIATION . . . . .	<del>(\$12,188,000)</del>
8		<u>\$12,109,000</u>

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

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

16       (2) \$722,000 of the general fund--state appropriation for fiscal  
17 year 2010 and ~~(\$717,000)~~ \$638,000 of the general fund--state  
18 appropriation for fiscal year 2011 are provided solely for staff and  
19 related costs to verify the accuracy of reported school district data  
20 submitted for state funding purposes; conduct school district program  
21 audits of state funded public school programs; establish the specific  
22 amount of state funding adjustments whenever audit exceptions occur and  
23 the amount is not firmly established in the course of regular public  
24 school audits; and to assist the state special education safety net  
25 committee when requested.

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

34       (4) The legislature finds that the major changes in personnel  
35 funding in this budget and the long term effects of the ongoing  
36 economic recession combine with structural changes in the nature of  
37 work and employment in many state agencies to require a continuing  
38 review of the workforce examination begun under chapter 534, Laws of

1 2009 (exempt employment practices). The legislature notes the ongoing  
2 management reforms of the Washington management service being  
3 undertaken by the department of personnel, and anticipates a continuing  
4 legislative committee examination of the architecture and cost of the  
5 state's career and executive workforce. To that end, the office of  
6 state auditor is invited to provide by September 1, 2010, a general  
7 survey of new and best practices for executive and career workforce  
8 management now in use by other states and relevant industries.

9 **Sec. 111.** 2010 1st sp.s. c 37 s 124 (uncodified) is amended to  
10 read as follows:

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

12	General Fund--State Appropriation (FY 2010) . . . . .	\$168,000
13	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$206,000)</del>
14		<u>\$193,000</u>
15	TOTAL APPROPRIATION . . . . .	<del>(\$374,000)</del>
16		<u>\$361,000</u>

17 **Sec. 112.** 2010 2nd sp.s. c 1 s 115 (uncodified) is amended to read  
18 as follows:

19 **FOR THE ATTORNEY GENERAL**

20	General Fund--State Appropriation (FY 2010) . . . . .	\$5,732,000
21	General Fund--State Appropriation (FY 2011) . . . . .	\$5,272,000
22	General Fund--Federal Appropriation . . . . .	\$4,026,000
23	New Motor Vehicle Arbitration Account--State	
24	Appropriation . . . . .	\$1,350,000
25	Legal Services Revolving Account--State	
26	Appropriation . . . . .	<del>(\$220,909,000)</del>
27		<u>\$224,523,000</u>
28	Tobacco Prevention and Control Account--State	
29	Appropriation . . . . .	\$270,000
30	TOTAL APPROPRIATION . . . . .	<del>(\$237,559,000)</del>
31		<u>\$241,173,000</u>

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

34 (1) The attorney general shall report each fiscal year on actual  
35 legal services expenditures and actual attorney staffing levels for  
36 each agency receiving legal services. The report shall be submitted to

1 the office of financial management and the fiscal committees of the  
2 senate and house of representatives no later than ninety days after the  
3 end of each fiscal year. As part of its by agency report to the  
4 legislative fiscal committees and the office of financial management,  
5 the office of the attorney general shall include information detailing  
6 the agency's expenditures for its agency-wide overhead and a breakdown  
7 by division of division administration expenses.

8 (2) Prior to entering into any negotiated settlement of a claim  
9 against the state that exceeds five million dollars, the attorney  
10 general shall notify the director of financial management and the  
11 chairs of the senate committee on ways and means and the house of  
12 representatives committee on ways and means.

13 (3) The office of the attorney general is authorized to expend  
14 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer  
15 protection costs in accordance with uses authorized in the court  
16 orders.

17 (4) The attorney general shall annually report to the fiscal  
18 committees of the legislature all new cy pres awards and settlements  
19 and all new accounts, disclosing their intended uses, balances, the  
20 nature of the claim or account, proposals, and intended timeframes for  
21 the expenditure of each amount. The report shall be distributed  
22 electronically and posted on the attorney general's web site. The  
23 report shall not be printed on paper or distributed physically.

24 (5) The executive ethics board must produce a report by the end of  
25 the calendar year for the legislature regarding performance measures on  
26 the efficiency and effectiveness of the board, as well as on  
27 performance measures to measure and monitor the ethics and integrity of  
28 all state agencies.

29 (6) \$53,000 of the legal services revolving account--state  
30 appropriation is provided solely to implement Engrossed Second  
31 Substitute House Bill No. 3026 (school district compliance with state  
32 and federal civil rights laws).

33 **Sec. 113.** 2010 1st sp.s. c 37 s 126 (uncodified) is amended to  
34 read as follows:

35 **FOR THE CASELOAD FORECAST COUNCIL**

36	General Fund--State Appropriation (FY 2010) . . . . .	\$766,000
37	General Fund--State Appropriation (FY 2011) . . . . .	(\$742,000)

1 \$660,000  
 2 TOTAL APPROPRIATION . . . . . ((~~\$1,508,000~~))  
 3 \$1,426,000

4 The appropriations in this section are subject to the following  
 5 conditions and limitations: \$13,000 of the general fund--state  
 6 appropriation for fiscal year 2010 and \$7,000 of the general fund--  
 7 state appropriation for fiscal year 2011 are for the implementation of  
 8 Second Substitute House Bill No. 2106 (improving child welfare outcomes  
 9 through the phased implementation of strategic and proven reforms). If  
 10 the bill is not enacted by June 30, 2009, the amounts provided in this  
 11 subsection shall lapse.

12 **Sec. 114.** 2010 1st sp.s. c 37 s 127 (uncodified) is amended to  
 13 read as follows:

14 **FOR THE DEPARTMENT OF COMMERCE**

15	General Fund--State Appropriation (FY 2010) . . . . .	\$49,670,000
16	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$40,577,000</del> ))
17		<u>\$35,858,000</u>
18	General Fund--Federal Appropriation . . . . .	(( <del>\$381,918,000</del> ))
19		<u>\$385,491,000</u>
20	General Fund--Private/Local Appropriation . . . . .	\$10,622,000
21	Public Works Assistance Account--State	
22	Appropriation . . . . .	\$2,974,000
23	Tourism Development and Promotion Account--State	
24	Appropriation . . . . .	(( <del>\$1,003,000</del> ))
25		<u>\$798,000</u>
26	Drinking Water Assistance Administrative	
27	Account--State Appropriation . . . . .	\$433,000
28	Lead Paint Account--State Appropriation . . . . .	\$35,000
29	Building Code Council Account--State Appropriation . . . . .	\$688,000
30	Home Security Fund Account--State Appropriation . . . . .	(( <del>\$25,486,000</del> ))
31		<u>\$24,486,000</u>
32	Affordable Housing for All Account--State	
33	Appropriation . . . . .	\$11,896,000
34	Washington Auto Theft Prevention Authority	
35	Account--State Appropriation . . . . .	\$300,000
36	Independent Youth Housing Account--State	
37	Appropriation . . . . .	\$220,000

1	County Research Services Account--State Appropriation . . . . .	\$469,000
2	Community Preservation and Development Authority	
3	Account--State Appropriation . . . . .	\$350,000
4	Financial Fraud and Identity Theft Crimes Investigation	
5	and Prosecution Account--State Appropriation . . . . .	\$1,166,000
6	Low-Income Weatherization Assistance Account--State	
7	Appropriation . . . . .	\$6,882,000
8	City and Town Research Services Account--State	
9	Appropriation . . . . .	\$2,246,000
10	Manufacturing Innovation and Modernization	
11	Account--State Appropriation . . . . .	\$230,000
12	Community and Economic Development Fee	
13	Account--State Appropriation . . . . .	\$6,922,000
14	Washington Housing Trust Account--State	
15	Appropriation . . . . .	\$15,348,000
16	Prostitution Prevention and Intervention Account--	
17	State Appropriation . . . . .	\$125,000
18	Public Facility Construction Loan Revolving	
19	Account--State Appropriation . . . . .	\$754,000
20	TOTAL APPROPRIATION . . . . .	<del>(\$560,314,000)</del>
21		<u>\$557,963,000</u>

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

24 (1) \$2,378,000 of the general fund--state appropriation for fiscal  
25 year 2010 and ~~(\$2,379,000)~~ \$2,248,000 of the general fund--state  
26 appropriation for fiscal year 2011 are provided solely for a contract  
27 with the Washington technology center for work essential to the mission  
28 of the Washington technology center and conducted in partnership with  
29 universities.

30 (2) Repayments of outstanding loans granted under RCW 43.63A.600,  
31 the mortgage and rental assistance program, shall be remitted to the  
32 department, including any current revolving account balances. The  
33 department shall collect payments on outstanding loans, and deposit  
34 them into the state general fund. Repayments of funds owed under the  
35 program shall be remitted to the department according to the terms  
36 included in the original loan agreements.

37 (3) \$100,000 of the general fund--state appropriation for fiscal  
38 year 2010 and ~~(\$100,000)~~ \$89,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely to implement  
2 section 2(7) of Engrossed Substitute House Bill No. 1959 (land use and  
3 transportation planning for marine container ports).

4 (4) \$102,000 of the building code council account--state  
5 appropriation is provided solely for the implementation of sections 3  
6 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built  
7 environment pollution). If sections 3 and 7 of the bill are not  
8 enacted by June 30, 2009, the amounts provided in this subsection shall  
9 lapse.

10 (5)(a) \$10,500,000 of the general fund--federal appropriation is  
11 provided for training and technical assistance associated with low  
12 income weatherization programs. Subject to federal requirements, the  
13 department shall provide: (i) Up to \$4,000,000 to the state board for  
14 community and technical colleges to provide workforce training related  
15 to weatherization and energy efficiency; (ii) up to \$3,000,000 to the  
16 Bellingham opportunity council to provide workforce training related to  
17 energy efficiency and weatherization; and (iii) up to \$3,500,000 to  
18 community-based organizations and to community action agencies  
19 consistent with the provisions of Engrossed Second Substitute House  
20 Bill No. 2227 (evergreen jobs act). Any funding remaining shall be  
21 expended in project 91000013, weatherization, in the omnibus capital  
22 appropriations act, Substitute House Bill No. 1216 (capital budget).

23 (b) \$6,787,000 of the general fund--federal appropriation is  
24 provided solely for the state energy program, including not less than  
25 \$5,000,000 to provide credit enhancements consistent with the  
26 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy  
27 efficiency in buildings).

28 (c) Of the general fund--federal appropriation the department shall  
29 provide: \$14,500,000 to the Washington State University for the  
30 purpose of making grants for pilot projects providing community-wide  
31 urban, residential, and commercial energy efficiency upgrades  
32 consistent with the provisions of Engrossed Second Substitute Senate  
33 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington  
34 State University to conduct farm energy assessments. In contracting  
35 with the Washington State University for the provision of these  
36 services, the total administration of Washington State University and  
37 the department shall not exceed 3 percent of the amounts provided.

1 (d) \$38,500,000 of the general fund--federal appropriation is  
2 provided for deposit in the energy recovery act account to establish a  
3 revolving loan program, consistent with the provisions of Engrossed  
4 Substitute House Bill No. 2289 (expanding energy freedom program).

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

11 (6) \$14,000 of the general fund--state appropriation for fiscal  
12 year 2010 is provided solely for the implementation of Engrossed Second  
13 Substitute Senate Bill No. 5560 (state agency climate leadership). If  
14 the bill is not enacted by June 30, 2009, the amount provided in this  
15 subsection shall lapse.

16 (7) \$22,400,000 of the general fund--federal appropriation is  
17 provided solely for the justice assistance grant program and is  
18 contingent upon the department transferring: \$1,200,000 to the  
19 department of corrections for security threat mitigation, \$2,336,000 to  
20 the department of corrections for offender reentry, \$1,960,000 to the  
21 Washington state patrol for law enforcement activities, \$2,087,000 to  
22 the department of social and health services, division of alcohol and  
23 substance abuse for drug courts, and \$428,000 to the department of  
24 social and health services for sex abuse recognition training. The  
25 remaining funds shall be distributed by the department to local  
26 jurisdictions.

27 (8) \$20,000 of the general fund--state appropriation for fiscal  
28 year 2010 and (~~(\$20,000)~~) \$18,000 of the general fund--state  
29 appropriation for fiscal year 2011 are provided solely for a grant to  
30 KCTS public television to support Spanish language programming and the  
31 V-me Spanish language channel.

32 (9) \$500,000 of the general fund--state appropriation for fiscal  
33 year 2010 and (~~(\$500,000)~~) \$447,000 of the general fund--state  
34 appropriation for fiscal year 2011 are provided solely for a grant to  
35 resolution Washington to building statewide capacity for alternative  
36 dispute resolution centers and dispute resolution programs that  
37 guarantee that citizens have access to low-cost resolution as an  
38 alternative to litigation.

1 (10) \$30,000 of the general fund--state appropriation for fiscal  
2 year 2010 is provided solely for implementation of Engrossed Second  
3 Substitute Senate Bill No. 6015 (commercialization of technology). If  
4 the bill is not enacted by June 30, 2009, the amount provided in this  
5 subsection shall lapse.

6 (11) By June 30, 2011, the department shall request information  
7 that describes what jurisdictions have adopted, or are in the process  
8 of adopting, plans that address RCW 36.70A.020 and helps achieve the  
9 greenhouse gas emission reductions established in RCW 70.235.020. This  
10 information request in this subsection applies to jurisdictions that  
11 are required to review and if necessary revise their comprehensive  
12 plans in accordance with RCW 36.70A.130.

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

19 (13) \$50,000 of the general fund--state appropriation for fiscal  
20 year 2010 and \$50,000 of the general fund--state appropriation for  
21 fiscal year 2011 are provided solely for a grant for the state's  
22 participation in the Pacific Northwest economic region.

23 (14) \$712,000 of the general fund--state appropriation for fiscal  
24 year 2010 and (~~(\$712,000)~~) \$559,000 of the general fund--state  
25 appropriation for fiscal year 2011 are provided solely to the office of  
26 crime victims advocacy. These funds shall be contracted with the 39  
27 county prosecuting attorneys' offices to support victim-witness  
28 services. The funds must be prioritized to ensure a full-time victim-  
29 witness coordinator in each county. The office may retain only the  
30 amount currently allocated for this activity for administrative costs.

31 (15) \$306,000 of the general fund--state appropriation for fiscal  
32 year 2010 and (~~(\$306,000)~~) \$274,000 of the general fund--state  
33 appropriation for fiscal year 2011 are provided solely for a grant to  
34 the retired senior volunteer program.

35 (16) \$65,000 of the general fund--state appropriation for fiscal  
36 year 2010 is provided solely for a contract with a food distribution  
37 program for communities in the southwestern portion of the state and

1 for workers impacted by timber and salmon fishing closures and  
2 reductions. The department may not charge administrative overhead or  
3 expenses to the funds provided in this subsection.

4 (17) \$371,000 of the general fund--state appropriation for fiscal  
5 year 2010 and (~~(\$371,000)~~) \$331,000 of the general fund--state  
6 appropriation for fiscal year 2011 are provided solely to the northwest  
7 agriculture business center.

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

11 (19) \$212,000 of the general fund--federal appropriation is  
12 provided solely for implementation of Second Substitute House Bill No.  
13 1172 (development rights transfer). If the bill is not enacted by June  
14 30, 2009, the amount provided in this subsection shall lapse.

15 (20) \$69,000 of the general fund--state appropriation for fiscal  
16 year 2010 and (~~(\$66,000)~~) \$60,000 of the general fund--state  
17 appropriation for fiscal year 2011 are provided solely for  
18 implementation of Engrossed Second Substitute House Bill No. 2227  
19 (evergreen jobs act). If the bill is not enacted by June 30, 2009, the  
20 amounts provided in this subsection shall lapse.

21 (21) \$350,000 of the community development and preservation  
22 authority account--state appropriation is provided solely for a grant  
23 to a community development authority established under chapter 43.167  
24 RCW. The community preservation and development's board of directors  
25 may contract with nonprofit community organizations to aid in  
26 mitigating the effects of increased public impact on urban  
27 neighborhoods due to events in stadia that have a capacity of over  
28 50,000 spectators.

29 (22) \$300,000 of the Washington auto theft prevention authority  
30 account--state appropriation is provided solely for a contract with a  
31 community group to build local community capacity and economic  
32 development within the state by strengthening political relationships  
33 between economically distressed communities and governmental  
34 institutions. The community group shall identify opportunities for  
35 collaboration and initiate activities and events that bring community  
36 organizations, local governments, and state agencies together to  
37 address the impacts of poverty, political disenfranchisement, and

1 economic inequality on communities of color. These funds must be  
2 matched by other nonstate sources on an equal basis.

3 (23) \$1,800,000 of the home security fund--state appropriation is  
4 provided for transitional housing assistance or partial payments for  
5 rental assistance under the independent youth housing program.

6 (24) \$5,000,000 of the home security fund--state appropriation is  
7 provided solely for the operation, repair, and staffing of shelters in  
8 the homeless family shelter program.

9 (25) \$253,000 of the general fund--state appropriation for fiscal  
10 year 2010 and (~~(\$283,000)~~) \$253,000 of the general fund--state  
11 appropriation for fiscal year 2011 are provided solely for the  
12 Washington new Americans program.

13 (26) \$438,000 of the general fund--state appropriation for fiscal  
14 year 2010 and (~~(\$438,000)~~) \$394,000 of the general fund--state  
15 appropriation for fiscal year 2011 are provided solely for the  
16 Washington asset building coalitions.

17 (~~(+29)~~) (27) \$3,231,000 of the general fund--state appropriation  
18 for fiscal year 2010 and (~~(\$3,231,000)~~) \$3,031,000 of the general fund-  
19 state appropriation for fiscal year 2011 are provided solely for  
20 associate development organizations.

21 (~~(+30)~~) (28) \$5,400,000 of the community and economic development  
22 fee account is provided as follows: \$1,000,000 is provided solely for  
23 the department of commerce for services for homeless families through  
24 the Washington families fund; \$2,600,000 is provided solely for housing  
25 trust fund operations and maintenance; \$800,000 is provided solely for  
26 housing trust fund portfolio management; \$500,000 is provided solely  
27 for foreclosure counseling and support; and \$500,000 is provided solely  
28 for use as a reserve in the account.

29 (~~(+32)---\$250,000~~) (29) \$237,000 of the general fund--state  
30 appropriation for fiscal year 2011 is provided solely for the  
31 department to administer a competitive grant program to fund economic  
32 development activities designed to further regional cluster growth and  
33 to integrate its sector-based and cluster-based strategies with its  
34 support for the development of innovation partnership zones. Grant  
35 recipients must provide matching funds equal to the size of the grant.  
36 Grants may be awarded to support the formation of sector associations  
37 or cluster associations, the identification of the technology and  
38 commercialization needs of a sector or cluster, facilitating working

1 relationships between a sector association or cluster association and  
2 an innovation partnership zone, expanding the operations of an  
3 innovation partnership zone, and developing and implementing plans to  
4 meet the technology development and commercialization needs of industry  
5 sectors, industry clusters, and innovation partnership zones. The  
6 projects receiving grants must not duplicate the purpose or efforts of  
7 industry skill panels but priority must be given to applicants that  
8 complement industry skill panels and will use the grant funds to build  
9 linkages and joint projects.

10 ~~((33) \$100,000))~~ (30) \$62,000 of the general fund--state  
11 appropriation for fiscal year 2011 is provided solely to:

12 (a) Develop a rural manufacturer export outreach program in  
13 conjunction with impact Washington. The program must provide outreach  
14 services to rural manufacturers in Washington to inform them of the  
15 importance of and opportunities in international trade, and to inform  
16 them of the export assistance programs available to assist these  
17 businesses to become exporters; and

18 (b) Develop export loan or loan guarantee programs in conjunction  
19 with the Washington economic development finance authority and the  
20 appropriate federal and private entities.

21 ~~((34) \$1,000,000))~~ (31) \$893,000 of the general fund--state  
22 appropriation for fiscal year 2011 is provided solely to implement the  
23 provisions of chapter 13, Laws of 2010 (global health program).

24 ~~((35))~~ (32) \$50,000 of the general fund--state appropriation for  
25 fiscal year 2011 is provided solely for the creation of the Washington  
26 entrepreneurial development and small business reference service in the  
27 department of commerce.

28 (a) The department must:

29 (i) In conjunction with and drawing on information compiled by the  
30 work force training and education coordinating board and the Washington  
31 economic development commission:

32 (A) Establish and maintain an inventory of the public and private  
33 entrepreneurial training and technical assistance services, programs,  
34 and resources available in the state;

35 (B) Disseminate information about available entrepreneurial  
36 development and small business assistance services, programs, and  
37 resources via in-person presentations and electronic and printed

1 materials and undertake other activities to raise awareness of  
2 entrepreneurial training and small business assistance offerings; and

3 (C) Evaluate the extent to which existing entrepreneurial training  
4 and technical assistance programs in the state are effective and  
5 represent a consistent, integrated approach to meeting the needs of  
6 start-up and existing entrepreneurs;

7 (ii) Assist providers of entrepreneurial development and small  
8 business assistance services in applying for federal and private  
9 funding to support the entrepreneurial development and small business  
10 assistance activities in the state;

11 (iii) Distribute awards for excellence in entrepreneurial training  
12 and small business assistance; and

13 (iv) Report to the governor, the economic development commission,  
14 the work force training and education coordinating board, and the  
15 appropriate legislative committees its recommendations for statutory  
16 changes necessary to enhance operational efficiencies or enhance  
17 coordination related to entrepreneurial development and small business  
18 assistance.

19 (b) In carrying out the duties under this section, the department  
20 must seek the advice of small business owners and advocates, the  
21 Washington economic development commission, the work force training and  
22 education coordinating board, the state board for community and  
23 technical colleges, the employment security department, the Washington  
24 state microenterprise association, associate development organizations,  
25 impact Washington, the Washington quality award council, the Washington  
26 technology center, the small business export finance assistance center,  
27 the Spokane intercollegiate research and technology institute,  
28 representatives of the University of Washington business school and the  
29 Washington State University college of business and economics, the  
30 office of minority and women's business enterprises, the Washington  
31 economic development finance authority, and staff from small business  
32 development centers.

33 (c) The director may appoint an advisory board or convene such  
34 other individuals or groups as he or she deems appropriate to assist in  
35 carrying out the department's duties under this section.

36 ((+37)) (33) \$50,000 of the general fund--state appropriation for  
37 fiscal year 2011 is provided solely for a grant to HistoryLink.



1 TOTAL APPROPRIATION . . . . . ((~~\$505,000~~))  
2 \$477,000

3 **Sec. 118.** 2010 1st sp.s. c 37 s 134 (uncodified) is amended to  
4 read as follows:

5 **FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS**  
6 General Fund--State Appropriation (FY 2010) . . . . . \$243,000  
7 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$236,000~~))  
8 \$210,000  
9 TOTAL APPROPRIATION . . . . . ((~~\$479,000~~))  
10 \$453,000

11 **Sec. 119.** 2010 2nd sp.s. c 1 s 117 (uncodified) is amended to read  
12 as follows:

13 **FOR THE DEPARTMENT OF REVENUE**  
14 General Fund--State Appropriation (FY 2010) . . . . . \$109,472,000  
15 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$113,279,000~~))  
16 \$107,662,000  
17 Timber Tax Distribution Account--State  
18 Appropriation . . . . . \$5,933,000  
19 Waste Reduction/Recycling/Litter  
20 Control--State Appropriation . . . . . \$130,000  
21 Waste Tire Removal Account--State Appropriation . . . . . \$2,000  
22 Real Estate Excise Tax Grant Account--State  
23 Appropriation . . . . . \$3,429,000  
24 State Toxics Control Account--State Appropriation . . . . . \$87,000  
25 Oil Spill Prevention Account--State Appropriation . . . . . \$19,000  
26 TOTAL APPROPRIATION . . . . . ((~~\$232,351,000~~))  
27 \$226,734,000

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

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

35 (2) \$4,653,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$4,242,000 of the general fund--state appropriation for

1 fiscal year 2011 are for the implementation of revenue enhancement  
2 strategies. The strategies must include increased out-of-state  
3 auditing and compliance, the purchase of third party data sources for  
4 enhanced audit selection, and increased traditional auditing and  
5 compliance efforts.

6 (3) \$3,127,000 of the general fund--state appropriation for fiscal  
7 year 2010 and \$1,737,000 of the general fund--state appropriation for  
8 fiscal year 2011 are for the implementation of Senate Bill No. 6173  
9 (sales tax compliance). If the bill is not enacted by June 30, 2009,  
10 the amounts provided in this subsection shall lapse.

11 (4) \$1,294,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$3,085,000 of the general fund--state appropriation for  
13 fiscal year 2011 are for the implementation of Second Engrossed  
14 Substitute Senate Bill No. 6143 (excise tax law modifications). If the  
15 bill is not enacted by June 30, 2010, the amounts provided in this  
16 subsection shall lapse.

17 (5) \$163,000 of the general fund--state appropriation for fiscal  
18 year 2011 is provided solely to implement Substitute Senate Bill No.  
19 6846 (enhanced 911 services). If the bill is not enacted by June 30,  
20 2010, the amount provided in this subsection shall lapse.

21 (6) (~~(\$1,200,000)~~) \$304,000 of the general fund--state  
22 appropriation for fiscal year 2011 is provided solely for making the  
23 necessary preparations for implementation of the working families tax  
24 exemption pursuant to RCW 82.08.0206 in 2012.

25 **Sec. 120.** 2010 1st sp.s. c 37 s 138 (uncodified) is amended to  
26 read as follows:

27 **FOR THE BOARD OF TAX APPEALS**

28	General Fund--State Appropriation (FY 2010) . . . . .	\$1,346,000
29	General Fund--State Appropriation (FY 2011) . . . . .	( <del>(\$1,318,000)</del> )
30		<u>\$1,195,000</u>
31	TOTAL APPROPRIATION . . . . .	( <del>(\$2,664,000)</del> )
32		<u>\$2,541,000</u>

33 **Sec. 121.** 2010 1st sp.s. c 37 s 141 (uncodified) is amended to  
34 read as follows:

35 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

36	General Fund--State Appropriation (FY 2010) . . . . .	\$815,000
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1 2658 (refocusing the department of commerce, including transferring  
2 programs). If the bill is not enacted by June 30, 2010, the amounts  
3 provided in this subsection shall lapse.

4 (4) In accordance with RCW 46.08.172 and 43.135.055, the department  
5 is authorized to increase parking fees in fiscal year 2011 as necessary  
6 to meet the actual costs of conducting business.

7 **Sec. 122.** 2010 1st sp.s. c 37 s 142 (uncodified) is amended to  
8 read as follows:

9 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

10	General Fund--State Appropriation (FY 2010) . . . . .	\$1,086,000
11	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,080,000)</del>
12		<u>\$1,012,000</u>
13	General Fund--Federal Appropriation . . . . .	\$701,000
14	General Fund--Private/Local Appropriation . . . . .	\$178,000
15	Data Processing Revolving Account--State	
16	Appropriation . . . . .	\$7,601,000
17	TOTAL APPROPRIATION . . . . .	<del>(\$10,646,000)</del>
18		<u>\$10,578,000</u>

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

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

28 (2) The department shall implement some or all of the following  
29 strategies to achieve savings on information technology expenditures  
30 through: (a) Holistic virtualization strategies; (b) wide-area network  
31 optimization strategies; (c) replacement of traditional telephone  
32 communications systems with alternatives; and (d) migration of external  
33 voice mail systems to internal voice mail systems coordinated by the  
34 department. The department shall report to the office of financial  
35 management and the fiscal committees of the legislature semiannually on  
36 progress made towards the implementation of savings strategies and the  
37 savings realized to date. No later than June 30, 2011, the department

1 shall submit a final report on its findings and savings realized to the  
2 office of financial management and the fiscal committees of the  
3 legislature.

4 (3) \$178,000 of the general fund--private/local appropriation is  
5 provided solely for the implementation of the opportunity portal under  
6 Second Substitute House Bill No. 2782 (security lifeline act). If the  
7 bill is not enacted by June 30, 2010, the amount provided in this  
8 subsection shall lapse.

9 (4) Appropriations in this section include amounts sufficient to  
10 implement Engrossed Substitute House Bill No. 3178 (technology  
11 efficiencies).

12 (5) The department is prohibited from expending any amounts  
13 appropriated in this section or any amounts from other funds managed by  
14 the department for the purchase, restoration, installation, or  
15 deployment of equipment for the new state data center authorized in  
16 section 6031(8), chapter 497, Laws of 2009. The department may  
17 continue planning activities to develop cost effective solutions for  
18 information technology management.

19 **Sec. 123.** 2010 1st sp.s. c 37 s 146 (uncodified) is amended to  
20 read as follows:

21 **FOR THE LIQUOR CONTROL BOARD**

22 Liquor Control Board Construction and Maintenance

23	Account--State Appropriation . . . . .	\$8,817,000
24	Liquor Revolving Account--State Appropriation . . . . .	<del>(\$156,580,000)</del>
25		<u>\$156,691,000</u>
26	TOTAL APPROPRIATION . . . . .	<del>(\$165,397,000)</del>
27		<u>\$165,508,000</u>

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

30 (1) \$1,306,000 of the liquor revolving account--state appropriation  
31 is provided solely for the liquor control board to open five new state  
32 stores.

33 (2) \$40,000 of the liquor revolving account--state appropriation is  
34 provided solely for the liquor control board to open ten new contract  
35 stores.

36 (3) ~~(\$3,059,000)~~ \$2,810,000 of the liquor revolving account--  
37 state appropriation is provided solely for the liquor control board to

1 increase state and local revenues from new retail strategies including  
2 opening nine state stores on Sunday, opening state liquor stores on  
3 seven holidays, opening six mall locations during the holiday season,  
4 and increasing lottery sales.

5 (4) \$173,000 of the liquor revolving account--state appropriation  
6 is provided solely for the Engrossed House Bill No. 2040 (beer and wine  
7 regulation commission). If the bill is not enacted by June 30, 2009,  
8 the amount provided in this subsection shall lapse.

9 (5) \$130,000 of the liquor revolving account appropriation is  
10 provided to implement chapter 141, Laws of 2010 (SSB 6329).

11 (6) Within the amounts appropriated in this section, the liquor  
12 control board shall monitor the tasting endorsement authorized by  
13 chapter 141, Laws of 2010 (SSB 6329) and report to the appropriate  
14 committees of the legislature by June 30, 2011, on the enforcement of  
15 the endorsement. The report must include the number of compliance  
16 checks conducted by the liquor board during tasting activities, whether  
17 the checks were conducted with the knowledge of the licensee, the  
18 number of compliance checks passed, the number and type of notices of  
19 violation issued, the penalties imposed for the violations, the number  
20 of complaints received about tasting activities, and other information  
21 related to the enforcement of the endorsement. If the bill is not  
22 enacted by June 30, 2010, the requirements of this subsection shall be  
23 null and void.

24 (7) The board shall prepare a plan to transition selected state  
25 liquor stores to contract stores. The plan must identify stores for  
26 transition that the board determines will result in the greatest  
27 efficiency and cost-effectiveness for the state. The plan must provide  
28 for the conversion of at least twenty state liquor stores to contract  
29 liquor stores and for that conversion to occur between July 1, 2011,  
30 and July 1, 2013. The plan must also include an analysis of the  
31 revenue generating capacity and costs for the stores before and after  
32 the conversion as well as an analysis of access to liquor by  
33 intoxicated and underage persons. The board shall submit the plan to  
34 the appropriate policy and fiscal committees of the legislature by  
35 November 1, 2010.

36 **Sec. 124.** 2010 1st sp.s. c 37 s 148 (uncodified) is amended to  
37 read as follows:



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

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

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

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

25 (4) \$500,000 of the general fund--state appropriation for fiscal  
 26 year 2010 is provided solely for the military department to contract  
 27 with the Washington information network 2-1-1 to operate a statewide 2-  
 28 1-1 system. The department shall provide the entire amount for 2-1-1  
 29 and may not use any of the funds for administrative purposes.

30 **Sec. 125.** 2010 1st sp.s. c 37 s 150 (uncodified) is amended to  
 31 read as follows:

32 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

33	General Fund--State Appropriation (FY 2010) . . . . .	\$2,667,000
34	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,635,000)</del>
35		<u>\$2,345,000</u>
36	Higher Education Personnel Services Account--State	
37	Appropriation . . . . .	\$250,000

1 Department of Personnel Service Account--State  
 2 Appropriation . . . . . \$3,263,000  
 3 TOTAL APPROPRIATION . . . . . (~~(\$8,815,000)~~)  
 4 \$8,525,000

5 The appropriations in this section are subject to the following  
 6 conditions and limitations: \$50,000 of the general fund--state  
 7 appropriation for fiscal year 2011 is provided solely for  
 8 implementation of Engrossed Substitute Senate Bill No. 6726 (language  
 9 access provider bargaining).

10 **Sec. 126.** 2010 1st sp.s. c 37 s 151 (uncodified) is amended to  
 11 read as follows:

12 **FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**  
 13 General Fund--State Appropriation (FY 2010) . . . . . \$1,371,000  
 14 General Fund--State Appropriation (FY 2011) . . . . . (~~(\$1,382,000)~~)  
 15 \$1,230,000  
 16 General Fund--Federal Appropriation . . . . . \$2,293,000  
 17 General Fund--Private/Local Appropriation . . . . . \$14,000  
 18 TOTAL APPROPRIATION . . . . . (~~(\$5,060,000)~~)  
 19 \$4,908,000

20 The appropriations in this section are subject to the following  
 21 conditions and limitations: \$44,000 of the general fund--state  
 22 appropriation for fiscal year 2011 is provided for implementation of  
 23 Substitute House Bill No. 2704 (Washington main street program). If  
 24 the bill is not enacted by June 30, 2010, the amount provided in this  
 25 subsection shall lapse.

26 **Sec. 127.** 2010 2nd sp.s. c 1 s 118 (uncodified) is amended to read  
 27 as follows:

28 **FOR THE GROWTH MANAGEMENT HEARINGS BOARD**  
 29 General Fund--State Appropriation (FY 2010) . . . . . \$1,642,000  
 30 General Fund--State Appropriation (FY 2011) . . . . . \$1,334,000  
 31 TOTAL APPROPRIATION . . . . . \$2,976,000

32 The appropriations in this section are subject to the following  
 33 conditions and limitations: (~~(\$13,000)~~) \$12,000 of the general fund--  
 34 state appropriation for fiscal year 2011 is provided solely for

1 Substitute House Bill No. 2935 (hearings boards/environment and land  
2 use). If the bill is not enacted by June 30, 2010, the amount provided  
3 in this subsection shall lapse.

4 **Sec. 128.** 2010 1st sp.s. c 37 s 153 (uncodified) is amended to  
5 read as follows:

6 **FOR THE STATE CONVENTION AND TRADE CENTER**

7 State Convention and Trade Center Account--State

8 Appropriation . . . . .	(( <del>\$60,127,000</del> ))
	<u>\$35,127,000</u>
10 State Convention and Trade Center Operating	
11 Account--State Appropriation . . . . .	(( <del>\$56,694,000</del> ))
	<u>\$31,694,000</u>
13 TOTAL APPROPRIATION . . . . .	(( <del>\$116,821,000</del> ))
	<u>\$66,821,000</u>

14

15 NEW SECTION. **Sec. 129.** A new section is added to 2009 c 564  
16 (uncodified) to read as follows:

17 In accordance with RCW 43.135.055, the utilities and transportation  
18 commission is authorized to increase the fees set forth in and  
19 previously authorized in section 147, chapter 37, Laws of 2010 1st  
20 sp.s.

21 NEW SECTION. **Sec. 130.** A new section is added to 2009 c 564  
22 (uncodified) to read as follows:

23 In accordance with RCW 43.135.055, the office of financial  
24 management is authorized to adopt and increase the fees set forth in  
25 and previously authorized in section 13, chapter 314, Laws of 2009.

(End of part)

PART II  
HUMAN SERVICES

Sec. 201. 2010 2nd sp.s. c 1 s 201 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2010)	\$315,002,000
General Fund--State Appropriation (FY 2011)	<del>(\$293,707,000)</del>
	<u>\$287,326,000</u>
General Fund--Federal Appropriation	<del>(\$497,964,000)</del>
	<u>\$494,007,000</u>
General Fund--Private/Local Appropriation	\$3,320,000
Home Security Fund-- <u>State</u> Appropriation	<del>(\$9,983,000)</del>
	<u>\$8,564,000</u>
Domestic Violence Prevention Account--State	
Appropriation	\$1,154,000
Education Legacy Trust Account--State Appropriation	\$725,000
TOTAL APPROPRIATION	<del>(\$1,121,855,000)</del>
	<u>\$1,110,098,000</u>

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

(1) \$937,000 of the general fund--state appropriation for fiscal year 2010 and \$696,000 of the general fund--state appropriation for fiscal year 2011 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

1 (2) \$369,000 of the general fund--state appropriation for fiscal  
2 year 2010, (~~(\$366,000)~~) \$343,000 of the general fund--state  
3 appropriation for fiscal year 2011, and (~~(\$316,000)~~) \$306,000 of the  
4 general fund--federal appropriation are provided solely for up to three  
5 nonfacility-based programs for the training, consultation, support, and  
6 recruitment of biological, foster, and adoptive parents of children  
7 through age three in need of special care as a result of substance  
8 abuse by their mothers, except that each program may serve up to three  
9 medically fragile nonsubstance-abuse-affected children. In selecting  
10 nonfacility-based programs, preference shall be given to programs whose  
11 federal or private funding sources have expired or that have  
12 successfully performed under the existing pediatric interim care  
13 program.

14 (3) \$2,500,000 of the general fund--state appropriation for fiscal  
15 year 2010 and \$88,000 of the general fund--state appropriation for  
16 fiscal year 2011, and \$2,256,000 of the home security fund--state  
17 appropriation are provided solely for secure crisis residential  
18 centers. Within appropriated amounts, the department shall collaborate  
19 with providers to maintain no less than forty-five beds that are  
20 geographically representative of the state. The department shall  
21 examine current secure crisis residential staffing requirements,  
22 flexible payment options, center specific waivers, and other  
23 appropriate methods to accomplish this outcome.

24 (4) A maximum of (~~(\$73,209,000)~~) \$69,190,000 of the general fund--  
25 state appropriations and (~~(\$54,596,000)~~) \$54,443,000 of the general  
26 fund--federal appropriations for the 2009-11 biennium shall be expended  
27 for behavioral rehabilitative services and these amounts are provided  
28 solely for this purpose. The department shall work with behavioral  
29 rehabilitative service providers to safely keep youth with emotional,  
30 behavioral, or medical needs at home, with relatives, or with other  
31 permanent placement resources and decrease the length of service  
32 through improved emotional, behavioral, or medical outcomes for  
33 children in behavioral rehabilitative services in order to achieve the  
34 appropriated levels.

35 (a) Contracted providers shall act in good faith and accept the  
36 hardest to serve children, to the greatest extent possible, in order to  
37 improve their emotional, behavioral, or medical conditions.

1 (b) The department and the contracted provider shall mutually agree  
2 and establish an exit date for when the child is to exit the behavioral  
3 rehabilitative service provider. The department and the contracted  
4 provider should mutually agree, to the greatest extent possible, on a  
5 viable placement for the child to go to once the child's treatment  
6 process has been completed. The child shall exit only when the  
7 emotional, behavioral, or medical condition has improved or if the  
8 provider has not shown progress toward the outcomes specified in the  
9 signed contract at the time of exit. This subsection (b) does not  
10 prevent or eliminate the department's responsibility for removing the  
11 child from the provider if the child's emotional, behavioral, or  
12 medical condition worsens or is threatened.

13 (c) The department is encouraged to use performance-based contracts  
14 with incentives directly tied to outcomes described in this section.  
15 The contracts should incentivize contracted providers to accept the  
16 hardest to serve children and incentivize improvement in children's  
17 emotional, mental, and medical well-being within the established exit  
18 date. The department is further encouraged to increase the use of  
19 behavioral rehabilitative service group homes, wrap around services to  
20 facilitate and support placement of youth at home with relatives, or  
21 other permanent resources, and other means to control expenditures.

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

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

30 (6) (~~(\$14,187,000)~~) \$13,387,000 of the general fund--state  
31 appropriation for fiscal year 2011 and \$6,231,000 of the general fund--  
32 federal appropriation are provided solely for the department to provide  
33 contracted prevention and early intervention services. The legislature  
34 recognizes the need for flexibility as the department transitions to  
35 performance-based contracts. The following services are included in  
36 the prevention and early intervention block grant: Crisis family  
37 intervention services, family preservation services, intensive family  
38 preservation services, evidence-based programs, public health nurses,

1 and early family support services. The legislature intends for the  
2 department to maintain and build on existing evidence-based and  
3 research-based programs with the goal of utilizing contracted  
4 prevention and intervention services to keep children safe at home and  
5 to safely reunify families. Priority shall be given to proven  
6 intervention models, including evidence-based prevention and early  
7 intervention programs identified by the Washington state institute for  
8 public policy and the department. The department shall include  
9 information on the number, type, and outcomes of the evidence-based  
10 programs being implemented in its reports on child welfare reform  
11 efforts and shall provide the legislature and governor a report  
12 regarding the allocation of resources in this subsection by September  
13 30, 2010. The department shall expend federal funds under this  
14 subsection in compliance with federal regulations.

15 (7) \$36,000 of the general fund--state appropriation for fiscal  
16 year 2010, \$34,000 of the general fund--state appropriation for fiscal  
17 year 2011, and \$29,000 of the general fund--federal appropriation are  
18 provided solely for the implementation of chapter 465, Laws of 2007  
19 (child welfare).

20 (8) \$125,000 of the general fund--state appropriation for fiscal  
21 year 2010 and \$118,000 of the general fund--state appropriation for  
22 fiscal year 2011 are provided solely for continuum of care services.  
23 \$100,000 of this amount is for Casey family partners and \$25,000 of  
24 this amount is for volunteers of America crosswalk in fiscal year 2010.  
25 \$95,000 of this amount is for Casey family partners and \$23,000 of this  
26 amount is for volunteers of America crosswalk in fiscal year 2011.

27 (9) \$1,904,000 of the general fund--state appropriation for fiscal  
28 year 2010, (~~(\$1,717,000)~~) \$1,441,000 of the general fund--state  
29 appropriation for fiscal year 2011, and \$335,000 of the general fund--  
30 federal appropriation are provided solely to contract with medical  
31 professionals for comprehensive safety assessments of high-risk  
32 families and for foster care assessments. The safety assessments will  
33 use validated assessment tools to guide intervention decisions through  
34 the identification of additional safety and risk factors. The  
35 department will maintain the availability of comprehensive foster care  
36 assessments and follow up services for children in out-of-home care who  
37 do not have permanent plans, comprehensive safety assessments for  
38 families receiving in-home child protective services or family

1 voluntary services, and comprehensive safety assessments for families  
2 with an infant age birth to fifteen days where the infant was, at  
3 birth, diagnosed as substance exposed and the department received an  
4 intake referral related to the infant due to the substance exposure.  
5 The department must consolidate contracts, streamline administration,  
6 and explore efficiencies to achieve savings.

7 (10) \$7,679,000 of the general fund--state appropriation for fiscal  
8 year 2010, \$6,226,000 of the general fund--state appropriation for  
9 fiscal year 2011, and \$4,658,000 of the general fund--federal  
10 appropriation are provided solely for court-ordered supervised visits  
11 between parents and dependent children and for sibling visits. The  
12 department shall work collaboratively with the juvenile dependency  
13 courts and revise the supervised visit reimbursement procedures to stay  
14 within appropriations without impeding reunification outcomes between  
15 parents and dependent children. The department shall report to the  
16 legislative fiscal committees on September 30, 2010, and December 30,  
17 2010, the number of children in foster care who receive supervised  
18 visits, their frequency, length of time of each visit, and whether  
19 reunification is attained.

20 (11) \$145,000 of the general fund--state appropriation for fiscal  
21 year 2010, \$817,000 of the general fund--state appropriation for fiscal  
22 year 2011, and (~~(\$724,000)~~) \$668,000 of the home security fund--state  
23 appropriation is provided solely for street youth program services.

24 (12) \$1,522,000 of the general fund--state appropriation for fiscal  
25 year 2010, \$1,256,000 of the general fund--state appropriation for  
26 fiscal year 2011, and \$1,372,000 of the general fund--federal  
27 appropriation are provided solely for the department to recruit foster  
28 parents. The recruitment efforts shall include collaborating with  
29 community-based organizations and current or former foster parents to  
30 recruit foster parents.

31 (13) \$493,000 of the general fund--state appropriation for fiscal  
32 year 2010, (~~(\$284,000)~~) \$102,000 of the general fund--state  
33 appropriation for fiscal year 2011, \$466,000 of the general fund--  
34 private/local appropriation, \$182,000 of the general fund--federal  
35 appropriation, and \$725,000 of the education legacy trust account--  
36 state appropriation are provided solely for children's administration  
37 to contract with an educational advocacy provider with expertise in  
38 foster care educational outreach. Funding is provided solely for

1 contracted education coordinators to assist foster children in  
2 succeeding in K-12 and higher education systems. Funding shall be  
3 prioritized to regions with high numbers of foster care youth and/or  
4 regions where backlogs of youth that have formerly requested  
5 educational outreach services exist. The department shall utilize  
6 private matching funds to maintain educational advocacy services.

7 (14) (~~(\$1,677,000)~~) \$1,273,000 of the home security fund account--  
8 state appropriation is provided solely for HOPE beds.

9 (15) (~~(\$5,193,000)~~) \$4,234,000 of the home security fund account--  
10 state appropriation is provided solely for the crisis residential  
11 centers.

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

18 (17) Within the amounts appropriated in this section, the  
19 department shall contract for a pilot project with family and community  
20 networks in Whatcom county and up to four additional counties to  
21 provide services. The pilot project shall be designed to provide a  
22 continuum of services that reduce out-of-home placements and the  
23 lengths of stay for children in out-of-home placement. The department  
24 and the community networks shall collaboratively select the additional  
25 counties for the pilot project and shall collaboratively design the  
26 contract. Within the framework of the pilot project, the contract  
27 shall seek to maximize federal funds. The pilot project in each county  
28 shall include the creation of advisory and management teams which  
29 include members from neighborhood-based family advisory committees,  
30 residents, parents, youth, providers, and local and regional department  
31 staff. The Whatcom county team shall facilitate the development of  
32 outcome-based protocols and policies for the pilot project and develop  
33 a structure to oversee, monitor, and evaluate the results of the pilot  
34 projects. The department shall report the costs and savings of the  
35 pilot project to the appropriate committees of the legislature by  
36 November 1 of each year.

37 (18) (~~(\$157,000 of the general fund state appropriation for fiscal~~  
38 ~~year 2010 and \$148,000 of the general fund state appropriation for~~

1 ~~fiscal year 2011 are provided solely for the department to contract~~  
2 ~~with a nonprofit entity for a reunification pilot project in Whatcom~~  
3 ~~and Skagit counties. The contract for the reunification pilot project~~  
4 ~~shall include a rate of \$46.16 per hour for evidence-based~~  
5 ~~interventions, in combination with supervised visits, to provide 3,564~~  
6 ~~hours of services to reduce the length of stay for children in the~~  
7 ~~child welfare system. The contract shall also include evidence-based~~  
8 ~~intensive parenting skills building services and family support case~~  
9 ~~management services for 38 families participating in the reunification~~  
10 ~~pilot project. The contract shall include the flexibility for the~~  
11 ~~nonprofit entity to subcontract with trained providers.~~

12 ~~(19))~~ \$303,000 of the general fund--state appropriation for fiscal  
13 year 2010, \$392,000 of the general fund--state appropriation for fiscal  
14 year 2011, and \$241,000 of the general fund--federal appropriation are  
15 provided solely to implement Engrossed Substitute House Bill No. 1961  
16 (increasing adoptions act). If the bill is not enacted by June 30,  
17 2009, the amounts provided in this subsection shall lapse.

18 ~~((20) \$98,000 of the general fund--state appropriation for fiscal~~  
19 ~~year 2010 and \$92,000 of the general fund--state appropriation for~~  
20 ~~fiscal year 2011 are provided solely for the department to contract~~  
21 ~~with an agency that is working in partnership with, and has been~~  
22 ~~evaluated by, the University of Washington school of social work to~~  
23 ~~implement promising practice constellation hub models of foster care~~  
24 ~~support.~~

25 ~~(21))~~ (19) The legislature intends for the department to reduce  
26 the time a child remains in the child welfare system. The department  
27 shall establish a measurable goal and report progress toward meeting  
28 that goal to the legislature by January 15 of each fiscal year of the  
29 2009- 11 fiscal biennium. To the extent that actual caseloads exceed  
30 those assumed in this section, it is the intent of the legislature to  
31 address those issues in a manner similar to all other caseload  
32 programs.

33 ~~((22))~~ (20) \$715,000 of the general fund--state appropriation for  
34 fiscal year 2010 and \$671,000 of the general fund--state appropriation  
35 for fiscal year 2011 are provided solely for services provided through  
36 children's advocacy centers.

37 ~~((23))~~ (21) \$10,000 of the general fund--state appropriation for  
38 fiscal year 2011 and \$3,000 of the general fund--federal appropriation

1 are provided solely for implementation of chapter 224, Laws of 2010  
2 (confinement alternatives). If the bill is not enacted by June 30,  
3 2010, the amounts provided in this subsection shall lapse.

4 ~~((+24))~~ (22) \$1,867,000 of the general fund--state appropriation  
5 for fiscal year 2010, \$1,677,000 of the general fund--state  
6 appropriation for fiscal year 2011, and \$4,379,000 of the general  
7 fund--federal appropriation are provided solely for the department to  
8 contract for medicaid treatment child care (MTCC) services. Children's  
9 administration case workers, local public health nurses and case  
10 workers from the temporary assistance for needy families program shall  
11 refer children to MTCC services, as long as the children meet the  
12 eligibility requirements as outlined in the Washington state plan for  
13 the MTCC services.

14 ~~((+25))~~ (23) The department shall contract for at least one pilot  
15 project with adolescent services providers to deliver a continuum of  
16 short-term crisis stabilization services. The pilot project shall  
17 include adolescent services provided through secure crisis residential  
18 centers, crisis residential centers, and hope beds. The department  
19 shall work with adolescent service providers to maintain availability  
20 of adolescent services and maintain the delivery of services in a  
21 geographically representative manner. The department shall examine  
22 current staffing requirements, flexible payment options, center-  
23 specific licensing waivers, and other appropriate methods to achieve  
24 savings and streamline the delivery of services. The legislature  
25 intends for the pilot project to provide flexibility to the department  
26 to improve outcomes and to achieve more efficient utilization of  
27 existing resources, while meeting the statutory goals of the adolescent  
28 services programs. The department shall provide an update to the  
29 appropriate legislative committees and governor on the status of the  
30 pilot project implementation by December 1, 2010.

31 ~~((+26))~~ (24) To ensure expenditures remain within available funds  
32 appropriated in this section as required by RCW 74.13A.005 and  
33 74.13A.020, the secretary shall not set the amount of any adoption  
34 assistance payment or payments, made pursuant to RCW 26.33.320 and  
35 74.13A.005 through 74.13A.080, to more than ninety percent of the  
36 foster care maintenance payment for that child had he or she remained  
37 in a foster family home during the same period. This subsection does

1 not apply to adoption assistance agreements in existence on the  
2 effective date of this section.

3 ((+27)) (25) Receipts from fees per chapter 289, Laws of 2010, as  
4 deposited into the prostitution prevention and intervention account for  
5 services provided to sexually exploited children as defined in RCW  
6 13.32A.030 in secure and semi-secure crisis residential centers with  
7 access to staff trained to meet their specific needs shall be used to  
8 expand capacity for secure crisis residential centers and not supplant  
9 existing funding.

10 ((+28)) (26) The appropriations in this section reflect reductions  
11 to the foster care maintenance payment rates during fiscal year 2011.

12 **Sec. 202.** 2010 2nd sp.s. c 1 s 202 (uncodified) is amended to read  
13 as follows:

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**  
15 **REHABILITATION PROGRAM**

16	General Fund--State Appropriation (FY 2010) . . . . .	\$103,437,000
17	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$96,167,000</del> ))
18		<u>\$90,552,000</u>
19	General Fund--Federal Appropriation . . . . .	\$1,715,000
20	General Fund--Private/Local Appropriation . . . . .	\$1,899,000
21	Washington Auto Theft Prevention Authority Account--	
22	State Appropriation . . . . .	\$3,896,000
23	Juvenile Accountability Incentive Account--Federal	
24	Appropriation . . . . .	\$2,805,000
25	State Efficiency and Restructuring Account--State	
26	Appropriation . . . . .	\$4,958,000
27	TOTAL APPROPRIATION . . . . .	(( <del>\$214,877,000</del> ))
28		<u>\$209,262,000</u>

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

31 (1) \$353,000 of the general fund--state appropriation for fiscal  
32 year 2010 and ((~~\$353,000~~)) \$331,000 of the general fund--state  
33 appropriation for fiscal year 2011 are provided solely for deposit in  
34 the county criminal justice assistance account for costs to the  
35 criminal justice system associated with the implementation of chapter  
36 338, Laws of 1997 (juvenile code revisions). The amounts provided in

1 this subsection are intended to provide funding for county adult court  
2 costs associated with the implementation of chapter 338, Laws of 1997  
3 and shall be distributed in accordance with RCW 82.14.310.

4 (2) \$3,408,000 of the general fund--state appropriation for fiscal  
5 year 2010 and (~~(\$2,898,000)~~) \$2,716,000 of the general fund--state  
6 appropriation for fiscal year 2011 are provided solely for the  
7 implementation of chapter 338, Laws of 1997 (juvenile code revisions).  
8 The amounts provided in this subsection are intended to provide funding  
9 for county impacts associated with the implementation of chapter 338,  
10 Laws of 1997 and shall be distributed to counties as prescribed in the  
11 current consolidated juvenile services (CJS) formula.

12 (3) \$3,716,000 of the general fund--state appropriation for fiscal  
13 year 2010 and (~~(\$3,716,000)~~) \$3,482,000 of the general fund--state  
14 appropriation for fiscal year 2011 are provided solely to implement  
15 community juvenile accountability grants pursuant to chapter 338, Laws  
16 of 1997 (juvenile code revisions). Funds provided in this subsection  
17 may be used solely for community juvenile accountability grants,  
18 administration of the grants, and evaluations of programs funded by the  
19 grants.

20 (4) \$1,427,000 of the general fund--state appropriation for fiscal  
21 year 2010 and (~~(\$1,206,000)~~) \$1,130,000 of the general fund--state  
22 appropriation for fiscal year 2011 are provided solely to implement  
23 alcohol and substance abuse treatment programs for locally committed  
24 offenders. The juvenile rehabilitation administration shall award  
25 these moneys on a competitive basis to counties that submitted a plan  
26 for the provision of services approved by the division of alcohol and  
27 substance abuse. The juvenile rehabilitation administration shall  
28 develop criteria for evaluation of plans submitted and a timeline for  
29 awarding funding and shall assist counties in creating and submitting  
30 plans for evaluation.

31 (5) \$3,066,000 of the general fund--state appropriation for fiscal  
32 year 2010 and (~~(\$3,066,000)~~) \$2,873,000 of the general fund--state  
33 appropriation for fiscal year 2011 are provided solely for grants to  
34 county juvenile courts for the following programs identified by the  
35 Washington state institute for public policy (institute) in its October  
36 2006 report: "Evidence-Based Public Policy Options to Reduce Future  
37 Prison Construction, Criminal Justice Costs and Crime Rates":  
38 Functional family therapy, multi-systemic therapy, aggression

1 replacement training and interagency coordination programs, or other  
2 programs with a positive benefit-cost finding in the institute's  
3 report. County juvenile courts shall apply to the juvenile  
4 rehabilitation administration for funding for program-specific  
5 participation and the administration shall provide grants to the courts  
6 consistent with the per-participant treatment costs identified by the  
7 institute.

8 (6) \$1,287,000 of the general fund--state appropriation for fiscal  
9 year 2010 and \$1,287,000 of the general fund--state appropriation for  
10 fiscal year 2011 are provided solely for expansion of the following  
11 treatments and therapies in juvenile rehabilitation administration  
12 programs identified by the Washington state institute for public policy  
13 in its October 2006 report: "Evidence-Based Public Policy Options to  
14 Reduce Future Prison Construction, Criminal Justice Costs and Crime  
15 Rates": Multidimensional treatment foster care, family integrated  
16 transitions, and aggression replacement training. The administration  
17 may concentrate delivery of these treatments and therapies at a limited  
18 number of programs to deliver the treatments in a cost-effective  
19 manner.

20 (7)(a) For the fiscal year ending June 30, 2011, the juvenile  
21 rehabilitation administration shall administer a block grant, rather  
22 than categorical funding, of consolidated juvenile service funds,  
23 community juvenile accountability act grants, the chemical dependency  
24 disposition alternative funds, the mental health disposition  
25 alternative, and the sentencing disposition alternative for the purpose  
26 of serving youth adjudicated in the juvenile justice system. In making  
27 the block grant, the juvenile rehabilitation administration shall  
28 follow the following formula and will prioritize evidence-based  
29 programs and disposition alternatives and take into account juvenile  
30 courts program-eligible youth in conjunction with the number of youth  
31 served in each approved evidence-based program or disposition  
32 alternative: (i) Thirty-seven and one-half percent for the at-risk  
33 population of youth ten to seventeen years old; (ii) fifteen percent  
34 for moderate and high-risk youth; (iii) twenty-five percent for  
35 evidence-based program participation; (iv) seventeen and one-half  
36 percent for minority populations; (v) three percent for the chemical  
37 dependency disposition alternative; and (vi) two percent for the mental  
38 health and sentencing dispositional alternatives. Funding for the

1 special sex offender disposition alternative (SSODA) shall not be  
2 included in the block grant, but allocated on the average daily  
3 population in juvenile courts. Funding for the evidence-based  
4 expansion grants shall be excluded from the block grant formula. Funds  
5 may be used for promising practices when approved by the juvenile  
6 rehabilitation administration and juvenile courts, through the  
7 community juvenile accountability act committee, based on the criteria  
8 established in consultation with Washington state institute for public  
9 policy and the juvenile courts.

10 (b) It is the intent of the legislature that the juvenile  
11 rehabilitation administration phase the implementation of the formula  
12 provided in subsection (1) of this section by including a stop-loss  
13 formula of three percent in fiscal year 2011, five percent in fiscal  
14 year 2012, and five percent in fiscal year 2013. It is further the  
15 intent of the legislature that the evidence-based expansion grants be  
16 incorporated into the block grant formula by fiscal year 2013 and SSODA  
17 remain separate unless changes would result in increasing the cost  
18 benefit savings to the state as identified in (c) of this subsection.

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

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

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

24 (e) By December 1, 2010, the Washington state institute for public  
25 policy shall report to the office of financial management and  
26 appropriate committees of the legislature on the administration of the  
27 block grant authorized in this subsection. The report shall include  
28 the criteria used for allocating the funding as a block grant and the  
29 participation targets and actual participation in the programs subject  
30 to the block grant.

31 (8) \$3,700,000 of the Washington auto theft prevention authority  
32 account--state appropriation is provided solely for competitive grants  
33 to community-based organizations to provide at-risk youth intervention  
34 services, including but not limited to, case management, employment  
35 services, educational services, and street outreach intervention  
36 programs. Projects funded should focus on preventing, intervening, and  
37 suppressing behavioral problems and violence while linking at-risk  
38 youth to pro-social activities. The department may not expend more

1 than \$1,850,000 per fiscal year. The costs of administration must not  
2 exceed four percent of appropriated funding for each grant recipient.  
3 Each entity receiving funds must report to the juvenile rehabilitation  
4 administration on the number and types of youth served, the services  
5 provided, and the impact of those services upon the youth and the  
6 community.

7 (9) The appropriations in this section assume savings associated  
8 with the transfer of youthful offenders age eighteen or older whose  
9 sentences extend beyond age twenty-one to the department of corrections  
10 to complete their sentences. Prior to transferring an offender to the  
11 department of corrections, the juvenile rehabilitation administration  
12 shall evaluate the offender to determine the offender's physical and  
13 emotional suitability for transfer.

14 **Sec. 203.** 2010 2nd sp.s. c 1 s 203 (uncodified) is amended to read  
15 as follows:

16 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**  
17 **PROGRAM**

18 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

19	General Fund--State Appropriation (FY 2010) . . . . .	\$273,648,000
20	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$278,530,000)</del>
21		<u>\$264,561,000</u>
22	General Fund--Federal Appropriation . . . . .	\$519,456,000
23	General Fund--Private/Local Appropriation . . . . .	<del>(\$16,674,000)</del>
24		<u>\$16,951,000</u>
25	Hospital Safety Net Assessment Fund--State	
26	Appropriation . . . . .	\$3,476,000
27	TOTAL APPROPRIATION . . . . .	<del>(\$1,091,784,000)</del>
28		<u>\$1,078,092,000</u>

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

31 (a) \$113,689,000 of the general fund--state appropriation for  
32 fiscal year 2010 and ~~(\$113,689,000)~~ \$101,089,000 of the general  
33 fund--state appropriation for fiscal year 2011 are provided solely for  
34 persons and services not covered by the medicaid program. This is a  
35 reduction of \$11,606,000 each fiscal year from the nonmedicaid funding  
36 that was allocated for expenditure by regional support networks during  
37 fiscal year 2009 prior to supplemental budget reductions. This

1 \$11,606,000 reduction shall be distributed among regional support  
2 networks proportional to each network's share of the total state  
3 population. To the extent possible, levels of regional support network  
4 spending shall be maintained in the following priority order: (i)  
5 Crisis and commitment services; (ii) community inpatient services; and  
6 (iii) residential care services, including personal care and emergency  
7 housing assistance.

8 (b) \$10,400,000 of the general fund--state appropriation for fiscal  
9 year 2010, (~~(\$9,100,000)~~) \$8,814,000 of the general fund--state  
10 appropriation for fiscal year 2011, and \$1,300,000 of the general  
11 fund--federal appropriation are provided solely for the department and  
12 regional support networks to contract for implementation of high-  
13 intensity program for active community treatment (PACT) teams. The  
14 department shall work with regional support networks and the center for  
15 medicare and medicaid services to integrate eligible components of the  
16 PACT service delivery model into medicaid capitation rates no later  
17 than January 2011, while maintaining consistency with all essential  
18 elements of the PACT evidence-based practice model.

19 (c) \$6,500,000 of the general fund--state appropriation for fiscal  
20 year 2010 and (~~(\$6,500,000)~~) \$6,091,000 of the general fund--state  
21 appropriation for fiscal year 2011 are provided solely for the western  
22 Washington regional support networks to provide either community- or  
23 hospital campus-based services for persons who require the level of  
24 care provided by the program for adaptive living skills (PALS) at  
25 western state hospital.

26 (d) The number of nonforensic beds allocated for use by regional  
27 support networks at eastern state hospital shall be 192 per day. The  
28 number of nonforensic beds allocated for use by regional support  
29 networks at western state hospital shall be 617 per day during the  
30 first quarter of fiscal year 2010, (~~and~~) 587 per day through the  
31 second quarter of fiscal year 2011, and 557 per day thereafter. Beds  
32 in the program for adaptive living skills (PALS) are not included in  
33 the preceding bed allocations. The department shall separately charge  
34 regional support networks for persons served in the PALS program.

35 (e) From the general fund--state appropriations in this subsection,  
36 the secretary of social and health services shall assure that regional  
37 support networks reimburse the aging and disability services

1 administration for the general fund--state cost of medicaid personal  
2 care services that enrolled regional support network consumers use  
3 because of their psychiatric disability.

4 (f) \$4,582,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$4,582,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely for mental health services for  
7 mentally ill offenders while confined in a county or city jail and for  
8 facilitating access to programs that offer mental health services upon  
9 release from confinement.

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

13 (h) \$750,000 of the general fund--state appropriation for fiscal  
14 year 2010 and (~~(\$750,000)~~) \$703,000 of the general fund--state  
15 appropriation for fiscal year 2011 are provided solely to continue  
16 performance-based incentive contracts to provide appropriate community  
17 support services for individuals with severe mental illness who were  
18 discharged from the state hospitals as part of the expanding community  
19 services initiative. These funds will be used to enhance community  
20 residential and support services provided by regional support networks  
21 through other state and federal funding.

22 (i) \$1,500,000 of the general fund--state appropriation for fiscal  
23 year 2010 and \$1,500,000 of the general fund--state appropriation for  
24 fiscal year 2011 are provided solely for the Spokane regional support  
25 network to implement services to reduce utilization and the census at  
26 eastern state hospital. Such services shall include:

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

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

33 (iii) Mental health services provided in nursing facilities to  
34 individuals with dementia, and consultation to facility staff treating  
35 those individuals; and

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

37 At least annually, the Spokane regional support network shall

1 assess the effectiveness of these services in reducing utilization at  
2 eastern state hospital, identify services that are not optimally  
3 effective, and modify those services to improve their effectiveness.

4 (j) The department shall return to the Spokane regional support  
5 network fifty percent of the amounts assessed against the network  
6 during the last six months of calendar year 2009 for state hospital  
7 utilization in excess of its contractual limit. The regional support  
8 network shall use these funds for operation during its initial months  
9 of a new sixteen-bed evaluation and treatment facility that will enable  
10 the network to reduce its use of the state hospital, and for diversion  
11 and community support services for persons with dementia who would  
12 likely otherwise require care at the state hospital.

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

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

1 (m) In implementing the new public mental health managed care  
2 payment rates for fiscal year 2011, the department shall to the maximum  
3 extent possible within each regional support network's allowable rate  
4 range establish rates so that there is no increase or decrease in the  
5 total state and federal funding that the regional support network would  
6 receive if it were to continue to be paid at its October 2009 through  
7 June 2010 rates. The department shall additionally revise the draft  
8 rates issued January 28, 2010, to more accurately reflect the lower  
9 practitioner productivity inherent in the delivery of services in  
10 extremely rural regions in which a majority of the population reside in  
11 frontier counties, as defined and designated by the national center for  
12 frontier communities.

13 (n) \$1,529,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$1,529,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely to reimburse Pierce and Spokane  
16 counties for the cost of conducting 180-day commitment hearings at the  
17 state psychiatric hospitals.

18 (o) The legislature intends and expects that regional support  
19 networks and contracted community mental health agencies shall make all  
20 possible efforts to, at a minimum, maintain current compensation levels  
21 of direct care staff. Such efforts shall include, but not be limited  
22 to, identifying local funding that can preserve client services and  
23 staff compensation, achieving administrative reductions at the regional  
24 support network level, and engaging stakeholders on cost-savings ideas  
25 that maintain client services and staff compensation. For purposes of  
26 this section, "direct care staff" means persons employed by community  
27 mental health agencies whose primary responsibility is providing direct  
28 treatment and support to people with mental illness, or whose primary  
29 responsibility is providing direct support to such staff in areas such  
30 as client scheduling, client intake, client reception, client records-  
31 keeping, and facilities maintenance.

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

1 additional medicaid match, but only to the extent that the application  
2 of such funds to medicaid services does not diminish the level of  
3 crisis and commitment, community inpatient, residential care, and  
4 outpatient services presently available to persons not eligible for  
5 medicaid.

6 (2) INSTITUTIONAL SERVICES

7	General Fund--State Appropriation (FY 2010) . . . . .	\$119,423,000
8	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$118,010,000)</del>
9		<u>\$112,514,000</u>
10	General Fund--Federal Appropriation . . . . .	<del>(\$153,425,000)</del>
11		<u>\$152,195,000</u>
12	General Fund--Private/Local Appropriation . . . . .	<del>(\$64,614,000)</del>
13		<u>\$63,873,000</u>
14	TOTAL APPROPRIATION . . . . .	<del>(\$455,472,000)</del>
15		<u>\$448,005,000</u>

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

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

21 (b) \$231,000 of the general fund--state appropriation for fiscal  
22 year 2008 and ~~(\$231,000)~~ \$216,000 of the general fund--state  
23 appropriation for fiscal year 2009 are provided solely for a community  
24 partnership between western state hospital and the city of Lakewood to  
25 support community policing efforts in the Lakewood community  
26 surrounding western state hospital. The amounts provided in this  
27 subsection (2)(b) are for the salaries, benefits, supplies, and  
28 equipment for one full-time investigator, one full-time police officer,  
29 and one full-time community service officer at the city of Lakewood.

30 (c) \$45,000 of the general fund--state appropriation for fiscal  
31 year 2010 and ~~(\$45,000)~~ \$42,000 of the general fund--state  
32 appropriation for fiscal year 2011 are provided solely for payment to  
33 the city of Lakewood for police services provided by the city at  
34 western state hospital and adjacent areas.

35 (d) ~~(\$200,000)~~ \$187,000 of the general fund--state appropriation  
36 for fiscal year 2011 is provided solely for support of the psychiatric  
37 security review panel established pursuant to Senate Bill No. 6610. If

1 Senate Bill No. 6610 is not enacted by June 30, 2010, the amount  
2 provided in this subsection shall lapse.

3 (3) SPECIAL PROJECTS

4	General Fund--State Appropriation (FY 2010) . . . . .	\$1,819,000
5	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,092,000)</del>
6		<u>\$1,961,000</u>
7	General Fund--Federal Appropriation . . . . .	\$2,142,000
8	TOTAL APPROPRIATION . . . . .	<del>(\$6,053,000)</del>
9		<u>\$5,922,000</u>

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

12 (a) \$1,511,000 of the general fund--state appropriation for fiscal  
13 year 2010 and ~~(\$1,511,000)~~ \$1,416,000 of the general fund--state  
14 appropriation for fiscal year 2011 are provided solely for children's  
15 evidence based mental health services. Funding is sufficient to  
16 continue serving children at the same levels as fiscal year 2009.

17 (b) ~~(\$100,000)~~ \$94,000 of the general fund--state appropriation  
18 for fiscal year 2011 is provided solely for consultation, training, and  
19 technical assistance to regional support networks on strategies for  
20 effective service delivery in very sparsely populated counties.

21 (c) ~~(\$60,000)~~ \$56,000 of the general fund--state appropriation  
22 for fiscal year 2011 is provided solely for the department to contract  
23 with the Washington state institute for public policy for completion of  
24 the research reviews to be conducted in accordance with chapter 263,  
25 Laws of 2010.

26 (d) ~~(\$60,000)~~ \$56,000 of the general fund--state appropriation  
27 for fiscal year 2011 is provided solely for the department to contract  
28 with the Washington state institute for public policy for completion of  
29 the research reviews to be conducted in accordance with section 1,  
30 chapter 280, Laws of 2010.

31 (e) ~~(\$60,000)~~ \$56,000 of the general fund--state appropriation  
32 for fiscal year 2011 is provided solely for implementation of sections  
33 2 and 3, chapter 280, Laws of 2010. The department shall use these  
34 funds to contract with the Washington state institute for public policy  
35 for completion of an assessment of (i) the extent to which the number  
36 of persons involuntarily committed for 3, 14, and 90 days is likely to  
37 increase as a result of the revised commitment standards; (ii) the  
38 availability of community treatment capacity to accommodate that

1 increase; (iii) strategies for cost-effectively leveraging state,  
2 local, and private resources to increase community involuntary  
3 treatment capacity; and (iv) the extent to which increases in  
4 involuntary commitments are likely to be offset by reduced utilization  
5 of correctional facilities, publicly-funded medical care, and state  
6 psychiatric hospitalizations.

7 (4) PROGRAM SUPPORT

8	General Fund--State Appropriation (FY 2010) . . . . .	\$4,078,000
9	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$3,958,000)</del>
10		<u>\$3,722,000</u>
11	General Fund--Federal Appropriation . . . . .	\$7,207,000
12	TOTAL APPROPRIATION . . . . .	<del>(\$15,243,000)</del>
13		<u>\$15,007,000</u>

14 The department is authorized and encouraged to continue its  
15 contract with the Washington state institute for public policy to  
16 provide a longitudinal analysis of long-term mental health outcomes as  
17 directed in chapter 334, Laws of 2001 (mental health performance  
18 audit); to build upon the evaluation of the impacts of chapter 214,  
19 Laws of 1999 (mentally ill offenders); and to assess program outcomes  
20 and cost effectiveness of the children's mental health pilot projects  
21 as required by chapter 372, Laws of 2006.

22 **Sec. 204.** 2010 2nd sp.s. c 1 s 204 (uncodified) is amended to read  
23 as follows:

24 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**  
25 **DISABILITIES PROGRAM**

26 (1) COMMUNITY SERVICES

27	General Fund--State Appropriation (FY 2010) . . . . .	\$307,348,000
28	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$337,658,000)</del>
29		<u>\$321,570,000</u>
30	General Fund--Federal Appropriation . . . . .	<del>(\$902,043,000)</del>
31		<u>\$890,035,000</u>
32	TOTAL APPROPRIATION . . . . .	<del>(\$1,547,049,000)</del>
33		<u>\$1,518,953,000</u>

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

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

5 (b)(i) Amounts appropriated in this section reflect a reduction to  
6 funds appropriated for in-home care. The department shall reduce the  
7 number of in-home hours authorized. The reduction shall be scaled  
8 based on the acuity level of care recipients. The largest hour  
9 reductions shall be to lower acuity patients and the smallest hour  
10 reductions shall be to higher acuity patients. In doing so, the  
11 department shall comply with all maintenance of effort requirements  
12 contained in the American reinvestment and recovery act.

13 (ii) \$508,000 of the general fund--state appropriation for fiscal  
14 year 2011 and \$822,000 of the general fund--federal appropriation are  
15 provided solely for the department to partially restore the reductions  
16 to in-home care that are taken in (b)(i) of this subsection. The  
17 department will use the same formula to restore personal care hours  
18 that it used to reduce personal care hours.

19 (c) Amounts appropriated in this section are sufficient to develop  
20 and implement the use of a consistent, statewide outcome-based vendor  
21 contract for employment and day services by April 1, 2011. The rates  
22 paid to vendors under this contract shall also be made consistent. In  
23 its description of activities the agency shall include activity  
24 listings and dollars appropriated for: Employment services, day  
25 services, child development services and county administration of  
26 services to the developmentally disabled. The department shall begin  
27 reporting to the office of financial management on these activities  
28 beginning in fiscal year 2010.

29 (d) \$302,000 of the general fund--state appropriation for fiscal  
30 year 2010, \$831,000 of the general fund--state appropriation for fiscal  
31 year 2011, and \$1,592,000 of the general fund--federal appropriation  
32 are provided solely for health care benefits pursuant to a collective  
33 bargaining agreement negotiated with the exclusive bargaining  
34 representative of individual providers established under RCW  
35 74.39A.270.

36 (e)(i) \$682,000 of the general fund--state appropriation for fiscal  
37 year 2010, \$1,651,000 of the general fund--state appropriation for  
38 fiscal year 2011, and \$1,678,000 of the general fund--federal

1 appropriation are provided solely for the state's contribution to the  
2 training partnership, as provided in RCW 74.39A.360, pursuant to a  
3 collective bargaining agreement negotiated with the exclusive  
4 bargaining representative of individual providers established under RCW  
5 74.39A.270.

6 (ii) The federal portion of the amounts in this subsection (g) is  
7 contingent upon federal approval of participation in contributions to  
8 the trust and shall remain unallotted and placed in reserve status  
9 until the office of financial management and the department of social  
10 and health services receive federal approval.

11 (iii) Expenditures for the purposes specified in this subsection  
12 (g) shall not exceed the amounts provided in this subsection.

13 (f) Within the amounts appropriated in this subsection (1), the  
14 department shall implement all necessary rules to facilitate the  
15 transfer to a department home and community-based services (HCBS)  
16 waiver of all eligible individuals who (i) currently receive services  
17 under the existing state-only employment and day program or the  
18 existing state-only residential program, and (ii) otherwise meet the  
19 waiver eligibility requirements. The amounts appropriated are  
20 sufficient to ensure that all individuals currently receiving services  
21 under the state-only employment and day and state-only residential  
22 programs who are not transferred to a department HCBS waiver will  
23 continue to receive services.

24 (g) In addition to other reductions, the appropriations in this  
25 subsection 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 direct client services or  
29 direct service delivery or programs.

30 (h) The department shall not pay a home care agency licensed under  
31 chapter 70.127 RCW for personal care services provided by a family  
32 member, pursuant to Substitute House Bill No. 2361 (modifying state  
33 payments for in-home care).

34 (i) Within the appropriations of this section, the department shall  
35 reduce all seventeen payment levels of the seventeen-level payment  
36 system from the fiscal year 2009 levels for boarding homes, boarding  
37 homes contracted as assisted living, and adult family homes. Excluded  
38 from the reductions are exceptional care rate add-ons. The long-term

1 care program may develop add-ons to pay exceptional care rates to adult  
2 family homes and boarding homes with specialty contracts to provide  
3 support for the following specifically eligible clients:

4 (i) Persons with AIDS or HIV-related diseases who might otherwise  
5 require nursing home or hospital care;

6 (ii) Persons with Alzheimer's disease and related dementia who  
7 might otherwise require nursing home care; and

8 (iii) Persons with co-occurring mental illness and long-term care  
9 needs who are eligible for expanded community services and who might  
10 otherwise require state and local psychiatric hospital care.

11 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,  
12 dementia specialty care, and expanded community services may be  
13 standardized within each program.

14 (j) The amounts appropriated in this subsection reflect a reduction  
15 in funds available for employment and day services. In administering  
16 this reduction the department shall negotiate with counties and their  
17 vendors so that this reduction, to the greatest extent possible, is  
18 achieved by reducing vendor rates and allowable contract administrative  
19 charges (overhead) and not through reductions to direct client services  
20 or direct service delivery or programs.

21 (k) As part of the needs assessment instrument, the department may  
22 collect data on family income for minor children with developmental  
23 disabilities and all individuals who are receiving state-only funded  
24 services. The department may ensure that this information is collected  
25 as part of the client assessment process.

26 (l) \$116,000 of the general fund--state appropriation for fiscal  
27 year 2010, (~~(\$2,689,000)~~) \$2,133,000 of the general fund--state  
28 appropriation for fiscal year 2011, and \$1,772,000 of the general  
29 fund--federal appropriation are provided solely for employment services  
30 and required waiver services. Priority consideration for this new  
31 funding shall be young adults with developmental disabilities living  
32 with their family who need employment opportunities and assistance  
33 after high school graduation. Services shall be provided for both  
34 waiver and nonwaiver clients. (~~(Fifty percent of the general fund  
35 appropriation shall be utilized for graduates served on a home and  
36 community based services waiver and fifty percent of the general fund  
37 appropriation shall be used for nonwaiver clients.)~~)

1 (m) \$81,000 of the general fund--state appropriation for fiscal  
2 year 2010, \$599,000 of the general fund--state appropriation for fiscal  
3 year 2011, and \$1,111,000 of the general fund--federal appropriation  
4 are provided solely for the department to provide employment and day  
5 services for eligible students who are currently on a waiver and will  
6 graduate from high school during fiscal years 2010 and 2011.

7 (n) The automatic award of additional hours of personal care for  
8 people with special meal preparation or incontinence needs is  
9 eliminated. Authorization of service hours will be based upon the  
10 individual's assessed needs.

11 (o) \$75,000 of the general fund--state appropriation for fiscal  
12 year 2011 is provided solely for the restoration of direct support to  
13 local organizations that utilize parent-to-parent networks and  
14 communication to promote access and quality of care for individuals  
15 with developmental disabilities and their families.

16 (2) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 2010) . . . . .	\$61,422,000
18	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$64,404,000)</del>
19		<u>\$62,551,000</u>
20	General Fund--Federal Appropriation . . . . .	<del>(\$207,986,000)</del>
21		<u>\$205,440,000</u>
22	General Fund--Private/Local Appropriation . . . . .	<del>(\$22,441,000)</del>
23		<u>\$22,357,000</u>
24	TOTAL APPROPRIATION . . . . .	<del>(\$356,253,000)</del>
25		<u>\$351,770,000</u>

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

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

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

36 (c) \$721,000 of the general fund--state appropriation for fiscal  
37 year 2010 and \$721,000 of the general fund--state appropriation for  
38 fiscal year 2011 are provided solely for the department to fulfill its

1 contracts with the school districts under chapter 28A.190 RCW to  
2 provide transportation, building space, and other support services as  
3 are reasonably necessary to support the educational programs of  
4 students living in residential habilitation centers.

5 (d) In addition to other reductions, the appropriations in this  
6 subsection reflect reductions targeted specifically to state government  
7 administrative costs. These administrative reductions shall be  
8 achieved, to the greatest extent possible, by reducing those  
9 administrative costs that do not affect direct client services or  
10 direct service delivery or programs.

11 (3) PROGRAM SUPPORT

12	General Fund--State Appropriation (FY 2010) . . . . .	\$1,407,000
13	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,369,000)</del>
14		<u>\$1,341,000</u>
15	General Fund--Federal Appropriation . . . . .	<del>(\$1,301,000)</del>
16		<u>\$1,263,000</u>
17	TOTAL APPROPRIATION . . . . .	<del>(\$4,077,000)</del>
18		<u>\$4,011,000</u>

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

26 (4) SPECIAL PROJECTS

27	General Fund--Federal Appropriation . . . . .	<del>(\$9,631,000)</del>
28		<u>\$10,171,000</u>

29 The appropriations in this subsection are subject to the following  
30 conditions and limitations: The appropriations in this subsection are  
31 available solely for the infant toddler early intervention program and  
32 the money follows the person program as defined by this federal grant.

33 **Sec. 205.** 2010 2nd sp.s. c 1 s 205 (uncodified) is amended to read  
34 as follows:

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

1	<b>SERVICES PROGRAM</b>	
2	General Fund--State Appropriation (FY 2010) . . . . .	\$616,837,000
3	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$639,163,000</del> ))
4		<u>\$607,918,000</u>
5	General Fund--Federal Appropriation . . . . .	(( <del>\$1,954,300,000</del> ))
6		<u>\$1,918,150,000</u>
7	General Fund--Private/Local Appropriation . . . . .	\$18,013,000
8	Traumatic Brain Injury Account--State Appropriation . . . . .	\$4,136,000
9	TOTAL APPROPRIATION . . . . .	(( <del>\$3,232,449,000</del> ))
10		<u>\$3,165,054,000</u>

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

13 (1) For purposes of implementing chapter 74.46 RCW, the weighted  
14 average nursing facility payment rate shall not exceed \$169.85 for  
15 fiscal year 2010 and shall not exceed ((~~\$166.24~~)) \$161.86 for fiscal  
16 year 2011, including the rate add-on described in subsection (12) of  
17 this section. There will be no adjustments for economic trends and  
18 conditions in fiscal years 2010 and 2011. The economic trends and  
19 conditions factor or factors defined in the biennial appropriations act  
20 shall not be compounded with the economic trends and conditions factor  
21 or factors defined in any other biennial appropriations acts before  
22 applying it to the component rate allocations established in accordance  
23 with chapter 74.46 RCW. When no economic trends and conditions factor  
24 for either fiscal year is defined in a biennial appropriations act, no  
25 economic trends and conditions factor or factors defined in any earlier  
26 biennial appropriations act shall be applied solely or compounded to  
27 the component rate allocations established in accordance with chapter  
28 74.46 RCW.

29 (2) After examining actual nursing facility cost information, the  
30 legislature finds that the medicaid nursing facility rates calculated  
31 pursuant to Substitute House Bill No. 3202 or Substitute Senate Bill  
32 No. 6872 (nursing facility medicaid payments) provide sufficient  
33 reimbursement to efficient and economically operating nursing  
34 facilities and bears a reasonable relationship to costs.

35 (3) In accordance with chapter 74.46 RCW, the department shall  
36 issue no additional certificates of capital authorization for fiscal  
37 year 2010 and no new certificates of capital authorization for fiscal

1 year 2011 and shall grant no rate add-ons to payment rates for capital  
2 improvements not requiring a certificate of need and a certificate of  
3 capital authorization for fiscal year 2011.

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

10 (5) Within the appropriations of this section, the department shall  
11 reduce all seventeen payment levels of the seventeen-level payment  
12 system from the fiscal year 2009 levels for boarding homes, boarding  
13 homes contracted as assisted living, and adult family homes. Excluded  
14 from the reductions are exceptional care rate add-ons. The long-term  
15 care program may develop add-ons to pay exceptional care rates to adult  
16 family homes and boarding homes with specialty contracts to provide  
17 support for the following specifically eligible clients:

18 (a) Persons with AIDS or HIV-related diseases who might otherwise  
19 require nursing home or hospital care;

20 (b) Persons with Alzheimer's disease and related dementia who might  
21 otherwise require nursing home care; and

22 (c) Persons with co-occurring mental illness and long-term care  
23 needs who are eligible for expanded community services and who might  
24 otherwise require state and local psychiatric hospital care.

25 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,  
26 dementia specialty care, and expanded community services may be  
27 standardized within each program.

28 (6)(a) Amounts appropriated in this section reflect a reduction to  
29 funds appropriated for in-home care. The department shall reduce the  
30 number of in-home hours authorized. The reduction shall be scaled  
31 based on the acuity level of care recipients. The largest hour  
32 reductions shall be to lower acuity patients and the smallest hour  
33 reductions shall be to higher acuity patients. In doing so, the  
34 department shall comply with all maintenance of effort requirements  
35 contained in the American reinvestment and recovery act.

36 (b) \$3,070,000 of the general fund--state appropriation for fiscal  
37 year 2011 and \$4,980,000 of the general fund--federal appropriation are  
38 provided solely for the department to partially restore the reduction

1 to in-home care that are taken in (a) of this subsection. The  
2 department will use the same formula to restore personal care hours  
3 that it used to reduce personal care hours.

4 (7) \$536,000 of the general fund--state appropriation for fiscal  
5 year 2010, \$1,477,000 of the general fund--state appropriation for  
6 fiscal year 2011, and \$2,830,000 of the general fund--federal  
7 appropriation are provided solely for health care benefits pursuant to  
8 a collective bargaining agreement negotiated with the exclusive  
9 bargaining representative of individual providers established under RCW  
10 74.39A.270.

11 (8)(a) \$1,212,000 of the general fund--state appropriation for  
12 fiscal year 2010, \$2,934,000 of the general fund--state appropriation  
13 for fiscal year 2011, and \$2,982,000 of the general fund--federal  
14 appropriation are provided solely for the state's contribution to the  
15 training partnership, as provided in RCW 74.39A.360, pursuant to a  
16 collective bargaining agreement negotiated with the exclusive  
17 bargaining representative of individual providers established under RCW  
18 74.39A.270.

19 (b) \$330,000 of the general fund--state appropriation for fiscal  
20 year 2010, \$660,000 of the general fund--state appropriation for fiscal  
21 year 2011, and \$810,000 of the general fund--federal appropriation are  
22 provided solely for transfer from the department to the training  
23 partnership, as provided in RCW 74.39A.360, for infrastructure and  
24 instructional costs associated with training of individual providers,  
25 pursuant to a collective bargaining agreement negotiated with the  
26 exclusive bargaining representative of individual providers established  
27 under RCW 74.39A.270.

28 (c) The federal portion of the amounts in this subsection is  
29 contingent upon federal approval of participation in contributions to  
30 the trust and shall remain unallotted and placed in reserve status  
31 until the office of financial management and the department of social  
32 and health services receive federal approval.

33 (d) Expenditures for the purposes specified in this subsection  
34 shall not exceed the amounts provided in this subsection.

35 (9) Within the amounts appropriated in this section, the department  
36 may expand the new freedom waiver program to accommodate new waiver  
37 recipients throughout the state. As possible, and in compliance with

1 current state and federal laws, the department shall allow current  
2 waiver recipients to transfer to the new freedom waiver.

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

7 (11) \$3,955,000 of the general fund--state appropriation for fiscal  
8 year 2010, (~~(\$4,239,000)~~) \$3,972,000 of the general fund--state  
9 appropriation for fiscal year 2011, and \$10,190,000 of the general  
10 fund--federal appropriation are provided solely for the continued  
11 operation of community residential and support services for persons who  
12 are older adults or who have co-occurring medical and behavioral  
13 disorders and who have been discharged or diverted from a state  
14 psychiatric hospital. These funds shall be used to serve individuals  
15 whose treatment needs constitute substantial barriers to community  
16 placement, who no longer require active psychiatric treatment at an  
17 inpatient hospital level of care, and who no longer meet the criteria  
18 for inpatient involuntary commitment. Coordination of these services  
19 will be done in partnership between the mental health program and the  
20 aging and disability services administration.

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

34 (13) \$1,840,000 of the general fund--state appropriation for fiscal  
35 year 2010 and (~~(\$1,877,000)~~) \$1,759,000 of the general fund--state  
36 appropriation for fiscal year 2011 are provided solely for operation of  
37 the volunteer services program. Funding shall be prioritized towards

1 serving populations traditionally served by long-term care services to  
2 include senior citizens and persons with disabilities.

3 (14) In accordance with chapter 74.39 RCW, the department may  
4 implement two medicaid waiver programs for persons who do not qualify  
5 for such services as categorically needy, subject to federal approval  
6 and the following conditions and limitations:

7 (a) One waiver program shall include coverage of care in community  
8 residential facilities. Enrollment in the waiver shall not exceed 600  
9 persons at any time.

10 (b) The second waiver program shall include coverage of in-home  
11 care. Enrollment in this second waiver shall not exceed 200 persons at  
12 any time.

13 (c) The department shall identify the number of medically needy  
14 nursing home residents, and enrollment and expenditures on each of the  
15 two medically needy waivers, on monthly management reports.

16 (d) If it is necessary to establish a waiting list for either  
17 waiver because the budgeted number of enrollment opportunities has been  
18 reached, the department shall track how the long-term care needs of  
19 applicants assigned to the waiting list are met.

20 (15) The department shall establish waiting lists to the extent  
21 necessary to assure that annual expenditures on the community options  
22 program entry systems (COPES) program do not exceed appropriated  
23 levels. In establishing and managing any such waiting list, the  
24 department shall assure priority access to persons with the greatest  
25 unmet needs, as determined by department assessment processes.

26 (16) The department shall contract for housing with service models,  
27 such as cluster care, to create efficiencies in service delivery and  
28 responsiveness to unscheduled personal care needs by clustering hours  
29 for clients that live in close proximity to each other.

30 (17) The department shall not pay a home care agency licensed under  
31 chapter 70.127 RCW for personal care services provided by a family  
32 member, pursuant to Substitute House Bill No. 2361 (modifying state  
33 payments for in-home care).

34 (18) \$209,000 of the general fund--state appropriation for fiscal  
35 year 2010, (~~(\$781,000)~~) \$732,000 of the general fund--state  
36 appropriation for fiscal year 2011, and \$1,293,000 of the general  
37 fund--federal appropriation are provided solely to implement Engrossed  
38 House Bill No. 2194 (extraordinary medical placement for offenders).

1 The department shall work in partnership with the department of  
2 corrections to identify services and find placements for offenders who  
3 are released through the extraordinary medical placement program. The  
4 department shall collaborate with the department of corrections to  
5 identify and track cost savings to the department of corrections,  
6 including medical cost savings and to identify and track expenditures  
7 incurred by the aging and disability services program for community  
8 services and by the medical assistance program for medical expenses.  
9 A joint report regarding the identified savings and expenditures shall  
10 be provided to the office of financial management and the appropriate  
11 fiscal committees of the legislature by November 30, 2010. If this  
12 bill is not enacted by June 30, 2009, the amounts provided in this  
13 subsection shall lapse.

14 (19) In accordance with RCW 18.51.050, 18.20.050, and 43.135.055,  
15 the department is authorized to increase nursing facility and boarding  
16 home fees in fiscal year 2011 as necessary to meet the actual costs of  
17 conducting the licensure, inspection, and regulatory programs.

18 (a) \$1,035,000 of the general fund--private/local appropriation  
19 assumes that the current annual renewal license fee for nursing  
20 facilities shall be increased to \$327 per bed beginning in fiscal year  
21 2011.

22 (b) \$1,806,000 of the general fund--local appropriation assumes  
23 that the current annual renewal license fee for boarding homes shall be  
24 increased to \$106 per bed beginning in fiscal year 2011.

25 (20) \$2,566,000 of the traumatic brain injury account--state  
26 appropriation is provided solely to continue services for persons with  
27 traumatic brain injury (TBI) as defined in RCW 74.31.020 through  
28 74.31.050. The TBI advisory council shall provide a report to the  
29 legislature by December 1, 2010, on the effectiveness of the functions  
30 overseen by the council and shall provide recommendations on the  
31 development of critical services for individuals with traumatic brain  
32 injury.

33 (21) The automatic award of additional hours of personal care for  
34 people with special meal preparation or incontinence needs is  
35 eliminated. Authorization of service hours will be based upon the  
36 individual's assessed needs.

37 (22) For calendar year 2009, the department shall calculate split  
38 settlements covering two periods January 1, 2009, through June 30,

1 2009, and July 1, 2009, through December 31, 2009. For the second  
2 period beginning July 1, 2009, the department may partially or totally  
3 waive settlements only in specific cases where a nursing home can  
4 demonstrate significant decreases in costs from the first period.

5 (23) \$72,000 of the traumatic brain injury account appropriation  
6 and \$116,000 of the general fund--federal appropriation are provided  
7 solely for a direct care rate add-on to any nursing facility  
8 specializing in the care of residents with traumatic brain injuries  
9 where more than 50 percent of residents are classified with this  
10 condition based upon the federal minimum data set assessment.

11 (24) \$69,000 of the general fund--state appropriation for fiscal  
12 year 2010, (~~(\$1,289,000)~~) \$1,208,000 of the general fund--state  
13 appropriation for fiscal year 2011, and \$2,050,000 of the general  
14 fund--federal appropriation are provided solely for the department to  
15 maintain enrollment in the adult day health services program. New  
16 enrollments are authorized for up to 1,575 clients or to the extent  
17 that appropriated funds are available to cover additional clients.

18 (25) (~~(\$1,000,000)~~) \$937,000 of the general fund--state  
19 appropriation for fiscal year 2011 is provided solely for the  
20 department to contract for the provision of an individual provider  
21 referral registry.

22 (26) (~~(\$100,000)~~) \$94,000 of the general fund--state appropriation  
23 for fiscal year 2011 and \$100,000 of the general fund--federal  
24 appropriation are provided solely for the department to contract with  
25 a consultant to evaluate and make recommendations on a pay-for-  
26 performance payment subsidy system. The department shall organize one  
27 workgroup meeting with the consultant where nursing home stakeholders  
28 may provide input on pay-for-performance ideas. The consultant shall  
29 review pay-for-performance strategies used in other states to sustain  
30 and enhance quality-improvement efforts in nursing facilities. The  
31 evaluation shall include a review of the centers for medicare and  
32 medicaid services demonstration project to explore the feasibility of  
33 pay-for-performance systems in medicare certified nursing facilities.  
34 The consultant shall develop a report to include:

35 (a) Best practices used in other states for pay-for-performance  
36 strategies incorporated into medicaid nursing home payment systems;

37 (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) In accordance with RCW 43.135.055, the department is  
20 authorized to adopt and increase the fees set forth in and previously  
21 authorized in section 206(19), chapter 37, Laws of 2010 1st sp.s.

22 **Sec. 206.** 2010 2nd sp.s. c 1 s 206 (uncodified) is amended to read  
23 as follows:

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

26	General Fund--State Appropriation (FY 2010) . . . . .	\$564,242,000
27	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$565,617,000 ))</del>
28		<u>\$531,935,000</u>
29	General Fund--Federal Appropriation . . . . .	<del>(( \$1,220,752,000 ))</del>
30		<u>\$1,219,423,000</u>
31	General Fund--Private/Local Appropriation . . . . .	<del>(( \$31,816,000 ))</del>
32		<u>\$37,816,000</u>
33	Administrative Contingency Account--State	
34	Appropriation . . . . .	\$24,336,000
35	TOTAL APPROPRIATION . . . . .	<del>(( \$2,406,763,000 ))</del>
36		<u>\$2,377,752,000</u>

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

3 (1) \$303,393,000 of the general fund--state appropriation for  
4 fiscal year 2010, \$285,057,000 of the general fund--state appropriation  
5 for fiscal year 2011 net of child support pass-through recoveries,  
6 \$24,336,000 of the administrative contingency account--state  
7 appropriation, and \$778,606,000 of the general fund--federal  
8 appropriation are provided solely for all components of the WorkFirst  
9 program. The department shall use moneys from the administrative  
10 contingency account for WorkFirst job placement services provided by  
11 the employment security department. Within the amounts provided for  
12 the WorkFirst program, the department may provide assistance using  
13 state-only funds for families eligible for temporary assistance for  
14 needy families. In addition, within the amounts provided for WorkFirst  
15 the department shall:

16 (a) Establish a career services work transition program;

17 (b) Continue to implement WorkFirst program improvements that are  
18 designed to achieve progress against outcome measures specified in RCW  
19 74.08A.410. Outcome data regarding job retention and wage progression  
20 shall be reported quarterly to appropriate fiscal and policy committees  
21 of the legislature for families who leave assistance, measured after 12  
22 months, 24 months, and 36 months. The department shall also report the  
23 percentage of families who have returned to temporary assistance for  
24 needy families after 12 months, 24 months, and 36 months;

25 (c) Submit a report electronically by October 1, 2009, to the  
26 fiscal committees of the legislature containing a spending plan for the  
27 WorkFirst program. The plan shall identify how spending levels in the  
28 2009-2011 biennium will be adjusted to stay within available federal  
29 grant levels and the appropriated state-fund levels;

30 (d) Provide quarterly fiscal reports to the office of financial  
31 management and the legislative fiscal committees detailing information  
32 on the amount expended from general fund--state and general fund--  
33 federal by activity.

34 (2) The department and the office of financial management shall  
35 electronically report quarterly the expenditures, maintenance of effort  
36 allotments, expenditure amounts, and caseloads for the WorkFirst  
37 program to the legislative fiscal committees.

1 (3) \$16,783,000 of the general fund--state appropriation for fiscal  
2 year 2011 and \$62,000,000 of the general fund--federal appropriation  
3 are provided solely for all components of the WorkFirst program in  
4 order to maintain services to January 2011. The legislature intends to  
5 work with the governor to design and implement fiscal and programmatic  
6 modifications to provide for the sustainability of the program. The  
7 funding in this subsection assumes that no other expenditure reductions  
8 will be made prior to January 2011 other than those assumed in the  
9 appropriation levels in this act.

10 (4) (~~(\$94,322,000 of the general fund--state appropriation for~~  
11 ~~fiscal year 2010 and \$84,904,000 of the general fund--state~~  
12 ~~appropriation for fiscal year 2011, net of recoveries, are provided~~  
13 ~~solely for cash assistance and other services to recipients in the cash~~  
14 ~~program pursuant to chapter 8, Laws of 2010 1st sp. sess. (security~~  
15 ~~lifeline act), including persons in the unemployable, expedited, and~~  
16 ~~aged, blind, and disabled components of the program. It is the intent~~  
17 ~~of the legislature that the lifeline incapacity determination and~~  
18 ~~progressive evaluation process regulations be carefully designed to~~  
19 ~~accurately identify those persons who have been or will be~~  
20 ~~incapacitated for at least ninety days. The incapacity determination~~  
21 ~~and progressive evaluation process regulations in effect on January 1,~~  
22 ~~2010, cannot be amended until at least September 30, 2010; except that~~  
23 ~~provisions related to the use of administrative review teams may be~~  
24 ~~amended, and obsolete terminology and functional assessment language~~  
25 ~~may be updated on or after July 1, 2010, in a manner that only~~  
26 ~~minimally impacts the outcome of incapacity evaluations. After~~  
27 ~~September 30, 2010, the incapacity determination and progressive~~  
28 ~~evaluation process regulations may be amended only if the reports under~~  
29 ~~(a) and (b) of this subsection have been submitted, and find that~~  
30 ~~expenditures will exceed the appropriated level by three percent or~~  
31 ~~more.~~

32 (a) ~~The department and the caseload forecast council shall, by~~  
33 ~~September 21, 2010, submit a report to the legislature based upon the~~  
34 ~~most recent caseload forecast and actual expenditure data available, as~~  
35 ~~to whether expenditures for the lifeline unemployable grants in fiscal~~  
36 ~~year 2011 will exceed \$69,648,000 for fiscal year 2011 in the 2010~~  
37 ~~supplemental operating budget by three percent or more. If~~  
38 ~~expenditures will exceed the appropriated amount for lifeline-~~

1 unemployable grants by three percent or more, the department may adopt  
2 regulations modifying incapacity determination and progressive  
3 evaluation process regulations after September 30, 2010.

4 (b) On or before September 21, 2010, the department shall submit a  
5 report to the relevant policy and fiscal committees of the legislature  
6 that includes the following information regarding any regulations  
7 proposed for adoption that would modify the lifeline incapacity  
8 determination and progressive evaluation process:

9 (i) A copy of the proposed changes and a concise description of the  
10 changes;

11 (ii) A description of the persons who would likely be affected by  
12 adoption of the regulations, including their impairments, age,  
13 education, and work history;

14 (iii) An estimate of the number of persons who, on a monthly basis  
15 through June 2013, would be denied lifeline benefits if the regulations  
16 were adopted, expressed as a number, as a percentage of total  
17 applicants, and as a percentage of the number of persons granted  
18 lifeline benefits in each month;

19 (iv) An estimate of the number of persons who, on a monthly basis  
20 through June 2013, would have their lifeline benefits terminated  
21 following an eligibility review if the regulations were adopted,  
22 expressed as a number, as a percentage of the number of persons who  
23 have had an eligibility review in each month, and as a percentage of  
24 the total number of persons currently receiving lifeline unemployable  
25 benefits in each month; and

26 (v) Intended improvements in employment or treatment outcomes among  
27 persons receiving lifeline benefits that could be attributable to the  
28 changes in the regulations.

29 (c) Within these amounts:

30 (i) The department shall aggressively pursue opportunities to  
31 transfer lifeline clients to general assistance expedited coverage and  
32 to facilitate client applications for federal supplemental security  
33 income when the client's incapacities indicate that he or she would be  
34 likely to meet the federal disability criteria for supplemental  
35 security income. The department shall initiate and file the federal  
36 supplemental security income interim agreement as quickly as possible  
37 in order to maximize the recovery of federal funds;

1       ~~(ii) The department shall review the lifeline caseload to identify~~  
2 ~~recipients that would benefit from assistance in becoming naturalized~~  
3 ~~citizens, and thus be eligible to receive federal supplemental security~~  
4 ~~income benefits. Those cases shall be given high priority for~~  
5 ~~naturalization funding through the department;~~

6       ~~(iii) The department shall actively coordinate with local workforce~~  
7 ~~development councils to expedite access to worker retraining programs~~  
8 ~~for lifeline clients in those regions of the state with the greatest~~  
9 ~~number of such clients;~~

10       ~~(iv) By July 1, 2009, the department shall enter into an~~  
11 ~~interagency agreement with the department of veterans' affairs to~~  
12 ~~establish a process for referral of veterans who may be eligible for~~  
13 ~~veteran's services. This agreement must include outstationing~~  
14 ~~department of veterans' affairs staff in selected community service~~  
15 ~~office locations in King and Pierce counties to facilitate applications~~  
16 ~~for veterans' services; and~~

17       ~~(v) In addition to any earlier evaluation that may have been~~  
18 ~~conducted, the department shall intensively evaluate those clients who~~  
19 ~~have been receiving lifeline benefits for twelve months or more as of~~  
20 ~~July 1, 2009, or thereafter, if the available medical and incapacity~~  
21 ~~related evidence indicates that the client is unlikely to meet the~~  
22 ~~disability standard for federal supplemental security income benefits.~~  
23 ~~The evaluation shall identify services necessary to eliminate or~~  
24 ~~minimize barriers to employment, including mental health treatment,~~  
25 ~~substance abuse treatment and vocational rehabilitation services. The~~  
26 ~~department shall expedite referrals to chemical dependency treatment,~~  
27 ~~mental health and vocational rehabilitation services for these clients.~~

28       ~~(vi) The appropriations in this subsection reflect a change in the~~  
29 ~~earned income disregard policy for lifeline clients. It is the intent~~  
30 ~~of the legislature that the department shall adopt the temporary~~  
31 ~~assistance for needy families earned income policy for the lifeline~~  
32 ~~program.~~

33       ~~(5))~~ \$750,000 of the general fund--state appropriation for fiscal  
34 year 2010 (~~and \$750,000 of the general fund state appropriation for~~  
35 ~~fiscal year 2011 are~~) is provided solely for naturalization services.

36       ~~((6)(a))~~ (5) \$3,550,000 of the general fund--state appropriation  
37 for fiscal year 2010 is provided solely for refugee employment  
38 services, of which \$2,650,000 is provided solely for the department to

1 pass through to statewide refugee assistance organizations for limited  
2 English proficiency pathway services; and (~~(\$3,550,000)~~) \$2,050,000 of  
3 the general fund--state appropriation for fiscal year 2011 is provided  
4 solely for refugee employment services, of which (~~(\$2,650,000)~~)  
5 \$1,540,000 is provided solely for the department to pass through to  
6 statewide refugee assistance organizations for limited English  
7 proficiency pathway services.

8 ~~((b) The legislature intends that the appropriation in this~~  
9 ~~subsection for the 2009-11 fiscal biennium will maintain funding for~~  
10 ~~refugee programs at a level at least equal to expenditures on these~~  
11 ~~programs in the 2007-09 fiscal biennium.~~

12 ~~(7))~~ (6) The appropriations in this section reflect reductions in  
13 the appropriations for the economic services administration's  
14 administrative expenses. It is the intent of the legislature that  
15 these reductions shall be achieved, to the greatest extent possible, by  
16 reducing those administrative costs that do not affect direct client  
17 services or direct service delivery or program.

18 ~~((8))~~ (7) \$855,000 of the general fund--state appropriation for  
19 fiscal year 2011, \$719,000 of the general fund--federal appropriation,  
20 and \$2,907,000 of the general fund--private/local appropriation are  
21 provided solely for the implementation of the opportunity portal, the  
22 food stamp employment and training program, and the disability lifeline  
23 program under Second Substitute House Bill No. 2782 (security lifeline  
24 act). If the bill is not enacted by June 30, 2010, the amounts  
25 provided in this subsection shall lapse.

26 ~~((9) \$200,000))~~ (8) \$100,000 of the general fund--state  
27 appropriation for fiscal year 2011 is provided solely for the  
28 department to award grants to small mutual assistance or small  
29 community-based organizations that contract with the department for  
30 immigrant and refugee assistance services. The funds shall be awarded  
31 to provide funding for community groups to provide transitional  
32 assistance, language skills, and other resources to improve refugees'  
33 economic self-sufficiency through the effective use of social services,  
34 financial services, and medical assistance.

35 (9) To ensure expenditures remain within available funds  
36 appropriated in this section, the legislature establishes the benefit  
37 under the state food assistance program, made pursuant to RCW

1 74.08A.120, to be fifty percent of the federal supplemental nutrition  
2 assistance program benefit amount.

3 **Sec. 207.** 2010 2nd sp.s. c 1 s 207 (uncodified) is amended to read  
4 as follows:

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

7	General Fund--State Appropriation (FY 2010) . . . . .	\$81,982,000
8	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$82,379,000</del> ))
9		<u>\$77,065,000</u>
10	General Fund--Federal Appropriation . . . . .	(( <del>\$148,018,000</del> ))
11		<u>\$151,574,000</u>
12	General Fund--Private/Local Appropriation . . . . .	\$2,718,000
13	Criminal Justice Treatment Account--State	
14	Appropriation . . . . .	\$17,743,000
15	Problem Gambling Account--State Appropriation . . . . .	\$1,456,000
16	TOTAL APPROPRIATION . . . . .	(( <del>\$334,296,000</del> ))
17		<u>\$332,538,000</u>

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

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

25 (2) Within the amounts appropriated in this section, the department  
26 shall continue to provide for chemical dependency treatment services  
27 for adult medicaid eligible and general assistance-unemployable  
28 patients.

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

35 (4) ((~~\$2,247,000 of the general fund state appropriation for~~  
36 ~~fiscal year 2011 is provided solely~~)) Funding is provided for the

1 implementation of the lifeline program under Second Substitute House  
2 Bill No. 2782 (security lifeline act). If the bill is not enacted by  
3 June 30, 2010, the amount provided in this subsection shall lapse.

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

8 **Sec. 208.** 2010 2nd sp.s. c 1 s 208 (uncodified) is amended to read  
9 as follows:

10 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**  
11 **PROGRAM**

12	General Fund--State Appropriation (FY 2010) . . . . .	\$1,697,203,000
13	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,752,373,000</del> ))
14		<u>\$1,740,445,000</u>
15	General Fund--Federal Appropriation . . . . .	(( <del>\$6,047,652,000</del> ))
16		<u>\$6,042,756,000</u>
17	General Fund--Private/Local Appropriation . . . . .	(( <del>\$37,249,000</del> ))
18		<u>\$38,509,000</u>
19	Emergency Medical Services and Trauma Care Systems	
20	Trust Account--State Appropriation . . . . .	\$15,075,000
21	Tobacco Prevention and Control Account--	
22	State Appropriation . . . . .	\$4,464,000
23	Hospital Safety Net Assessment Fund--State	
24	Appropriation . . . . .	\$260,036,000
25	TOTAL APPROPRIATION . . . . .	(( <del>\$9,814,052,000</del> ))
26		<u>\$9,798,488,000</u>

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

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

35 (2) In determining financial eligibility for medicaid-funded  
36 services, the department is authorized to disregard recoveries by

1 Holocaust survivors of insurance proceeds or other assets, as defined  
2 in RCW 48.104.030.

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

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

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

33 (6) (~~(\$1,110,000)~~) \$649,000 of the general fund--federal  
34 appropriation and (~~(\$1,105,000)~~) \$644,000 of the general fund--state  
35 appropriation for fiscal year 2011 are provided solely for grants to  
36 rural hospitals. The department shall distribute the funds under a  
37 formula that provides a relatively larger share of the available  
38 funding to hospitals that (a) serve a disproportionate share of low-

1 income and medically indigent patients, and (b) have relatively smaller  
2 net financial margins, to the extent allowed by the federal medicaid  
3 program.

4 (7) (~~(\$9,818,000)~~) \$5,729,000 of the general fund--state  
5 appropriation for fiscal year 2011, and (~~(\$9,865,000)~~) \$5,776,000 of  
6 the general fund--federal appropriation are provided solely for grants  
7 to nonrural hospitals. The department shall distribute the funds under  
8 a formula that provides a relatively larger share of the available  
9 funding to hospitals that (a) serve a disproportionate share of low-  
10 income and medically indigent patients, and (b) have relatively smaller  
11 net financial margins, to the extent allowed by the federal medicaid  
12 program.

13 (8) The department shall continue the inpatient hospital certified  
14 public expenditures program for the 2009-11 biennium. The program  
15 shall apply to all public hospitals, including those owned or operated  
16 by the state, except those classified as critical access hospitals or  
17 state psychiatric institutions. The department shall submit reports to  
18 the governor and legislature by November 1, 2009, and by November 1,  
19 2010, that evaluate whether savings continue to exceed costs for this  
20 program. If the certified public expenditures (CPE) program in its  
21 current form is no longer cost-effective to maintain, the department  
22 shall submit a report to the governor and legislature detailing  
23 cost-effective alternative uses of local, state, and federal resources  
24 as a replacement for this program. During fiscal year 2010 and fiscal  
25 year 2011, hospitals in the program shall be paid and shall retain one  
26 hundred percent of the federal portion of the allowable hospital cost  
27 for each medicaid inpatient fee-for-service claim payable by medical  
28 assistance and one hundred percent of the federal portion of the  
29 maximum disproportionate share hospital payment allowable under federal  
30 regulations. Inpatient medicaid payments shall be established using an  
31 allowable methodology that approximates the cost of claims submitted by  
32 the hospitals. Payments made to each hospital in the program in each  
33 fiscal year of the biennium shall be compared to a baseline amount.  
34 The baseline amount will be determined by the total of (a) the  
35 inpatient claim payment amounts that would have been paid during the  
36 fiscal year had the hospital not been in the CPE program based on the  
37 reimbursement rates developed, implemented, and consistent with  
38 policies approved in the 2009-11 biennial operating appropriations act

1 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half  
2 of the indigent assistance disproportionate share hospital payment  
3 amounts paid to and retained by each hospital during fiscal year 2005,  
4 and (c) all of the other disproportionate share hospital payment  
5 amounts paid to and retained by each hospital during fiscal year 2005  
6 to the extent the same disproportionate share hospital programs exist  
7 in the 2009-11 biennium. If payments during the fiscal year exceed the  
8 hospital's baseline amount, no additional payments will be made to the  
9 hospital except the federal portion of allowable disproportionate share  
10 hospital payments for which the hospital can certify allowable match.  
11 If payments during the fiscal year are less than the baseline amount,  
12 the hospital will be paid a state grant equal to the difference between  
13 payments during the fiscal year and the applicable baseline amount.  
14 Payment of the state grant shall be made in the applicable fiscal year  
15 and distributed in monthly payments. The grants will be recalculated  
16 and redistributed as the baseline is updated during the fiscal year.  
17 The grant payments are subject to an interim settlement within eleven  
18 months after the end of the fiscal year. A final settlement shall be  
19 performed. To the extent that either settlement determines that a  
20 hospital has received funds in excess of what it would have received as  
21 described in this subsection, the hospital must repay the excess  
22 amounts to the state when requested. \$20,403,000 of the general fund--  
23 state appropriation for fiscal year 2010, of which \$6,570,000 is  
24 appropriated in section 204(1) of this act, and \$29,480,000 of the  
25 general fund--state appropriation for fiscal year 2011, of which  
26 \$6,570,000 is appropriated in section 204(1) of this act, are provided  
27 solely for state grants for the participating hospitals. CPE hospitals  
28 will receive the inpatient and outpatient reimbursement rate  
29 restorations in section 9 and rate increases in section 10(1)(b) of  
30 Engrossed Second Substitute House Bill No. 2956 (hospital safety net  
31 assessment) funded through the hospital safety net assessment fund  
32 rather than through the baseline mechanism specified in this  
33 subsection.

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

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

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

5 (11) The department shall require managed health care systems that  
6 have contracts with the department to serve medical assistance clients  
7 to limit any reimbursements or payments the systems make to providers  
8 not employed by or under contract with the systems to no more than the  
9 medical assistance rates paid by the department to providers for  
10 comparable services rendered to clients in the fee-for-service delivery  
11 system.

12 (12) A maximum of \$241,141,000 in total funds from the general  
13 fund--state, general fund--federal, and tobacco and prevention control  
14 account--state appropriations may be expended in the fiscal biennium  
15 for the medical program pursuant to chapter 8, Laws of 2010 1st sp.  
16 sess. (security lifeline act), and these amounts are provided solely  
17 for this program. Of these amounts, \$10,749,000 of the general fund--  
18 state appropriation for fiscal year 2010 and \$10,892,000 of the general  
19 fund--federal appropriation are provided solely for payments to  
20 hospitals for providing outpatient services to low income patients who  
21 are recipients of lifeline benefits. Pursuant to RCW 74.09.035, the  
22 department shall not expend for the lifeline medical care services  
23 program any amounts in excess of the amounts provided in this  
24 subsection.

25 (13) Mental health services shall be included in the services  
26 provided through the managed care system for lifeline clients under  
27 chapter 8, Laws of 2010 1st sp. sess. In transitioning lifeline  
28 clients to managed care, the department shall attempt to deliver care  
29 to lifeline clients through medical homes in community and migrant  
30 health centers. The department, in collaboration with the carrier,  
31 shall seek to improve the transition rate of lifeline clients to the  
32 federal supplemental security income program. The department shall  
33 renegotiate the contract with the managed care plan that provides  
34 services for lifeline clients to maximize state retention of future  
35 hospital savings as a result of improved care coordination. The  
36 department, in collaboration with stakeholders, shall propose a new  
37 name for the lifeline program.

1 (14) The department shall evaluate the impact of the use of a  
2 managed care delivery and financing system on state costs and outcomes  
3 for lifeline medical clients. Outcomes measured shall include state  
4 costs, utilization, changes in mental health status and symptoms, and  
5 involvement in the criminal justice system.

6 (15) The department shall report to the governor and the fiscal  
7 committees of the legislature by June 1, 2010, on its progress toward  
8 achieving a twenty percentage point increase in the generic  
9 prescription drug utilization rate.

10 (16) State funds shall not be used by hospitals for advertising  
11 purposes.

12 (17) \$24,356,000 of the general fund--private/local appropriation  
13 and \$35,707,000 of the general fund--federal appropriation are provided  
14 solely for the implementation of professional services supplemental  
15 payment programs. The department shall seek a medicaid state plan  
16 amendment to create a professional services supplemental payment  
17 program for University of Washington medicine professional providers no  
18 later than July 1, 2009. The department shall apply federal rules for  
19 identifying the shortfall between current fee-for-service medicaid  
20 payments to participating providers and the applicable federal upper  
21 payment limit. Participating providers shall be solely responsible for  
22 providing the local funds required to obtain federal matching funds.  
23 Any incremental costs incurred by the department in the development,  
24 implementation, and maintenance of this program will be the  
25 responsibility of the participating providers. Participating providers  
26 will retain the full amount of supplemental payments provided under  
27 this program, net of any potential costs for any related audits or  
28 litigation brought against the state. The department shall report to  
29 the governor and the legislative fiscal committees on the prospects for  
30 expansion of the program to other qualifying providers as soon as  
31 feasibility is determined but no later than December 31, 2009. The  
32 report will outline estimated impacts on the participating providers,  
33 the procedures necessary to comply with federal guidelines, and the  
34 administrative resource requirements necessary to implement the  
35 program. The department will create a process for expansion of the  
36 program to other qualifying providers as soon as it is determined  
37 feasible by both the department and providers but no later than June  
38 30, 2010.

1 (18) \$9,075,000 of the general fund--state appropriation for fiscal  
2 year 2010, \$8,588,000 of the general fund--state appropriation for  
3 fiscal year 2011, and \$39,747,000 of the general fund--federal  
4 appropriation are provided solely for development and implementation of  
5 a replacement system for the existing medicaid management information  
6 system. The amounts provided in this subsection are conditioned on the  
7 department satisfying the requirements of section 902 of this act.

8 (19) \$506,000 of the general fund--state appropriation for fiscal  
9 year 2011 and \$657,000 of the general fund--federal appropriation are  
10 provided solely for the implementation of Second Substitute House Bill  
11 No. 1373 (children's mental health). If the bill is not enacted by  
12 June 30, 2009, the amounts provided in this subsection shall lapse.

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

18 (21) The department may, on a case-by-case basis and in the best  
19 interests of the child, set payment rates for medically intensive home  
20 care services to promote access to home care as an alternative to  
21 hospitalization. Expenditures related to these increased payments  
22 shall not exceed the amount the department would otherwise pay for  
23 hospitalization for the child receiving medically intensive home care  
24 services.

25 (22) \$425,000 of the general fund--state appropriation for fiscal  
26 year 2010 and \$790,000 of the general fund--federal appropriation are  
27 provided solely to continue children's health coverage outreach and  
28 education efforts under RCW 74.09.470. These efforts shall rely on  
29 existing relationships and systems developed with local public health  
30 agencies, health care providers, public schools, the women, infants,  
31 and children program, the early childhood education and assistance  
32 program, child care providers, newborn visiting nurses, and other  
33 community-based organizations. The department shall seek public-  
34 private partnerships and federal funds that are or may become available  
35 to provide on-going support for outreach and education efforts under  
36 the federal children's health insurance program reauthorization act of  
37 2009.

1 (23) The department, in conjunction with the office of financial  
2 management, shall implement a prorated inpatient payment policy.

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

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

11 (26) The department shall reduce reimbursement for over-the-counter  
12 medications while maintaining reimbursement for those over-the-counter  
13 medications that can replace more costly prescription medications.

14 (27) The department shall seek public-private partnerships and  
15 federal funds that are or may become available to implement health  
16 information technology projects under the federal American recovery and  
17 reinvestment act of 2009.

18 (28) The department shall target funding for maternity support  
19 services towards pregnant women with factors that lead to higher rates  
20 of poor birth outcomes, including hypertension, a preterm or low birth  
21 weight birth in the most recent previous birth, a cognitive deficit or  
22 developmental disability, substance abuse, severe mental illness,  
23 unhealthy weight or failure to gain weight, tobacco use, or African  
24 American or Native American race. The department shall prioritize  
25 evidence-based practices for delivery of maternity support services.  
26 To the extent practicable, the department shall develop a mechanism to  
27 increase federal funding for maternity support services by leveraging  
28 local public funding for those services.

29 (29) \$260,036,000 of the hospital safety net assessment fund--state  
30 appropriation and \$255,448,000 of the general fund--federal  
31 appropriation are provided solely for the implementation of Engrossed  
32 Second Substitute House Bill No. 2956 (hospital safety net assessment).  
33 If the bill is not enacted by June 30, 2010, the amounts provided in  
34 this subsection shall lapse.

35 (30) \$79,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$53,000 of the general fund--federal appropriation are  
37 provided solely to implement Substitute House Bill No. 1845 (medical  
38 support obligations).

1 (31) \$63,000 of the general fund--state appropriation for fiscal  
2 year 2010, \$583,000 of the general fund--state appropriation for fiscal  
3 year 2011, and \$864,000 of the general fund--federal appropriation are  
4 provided solely to implement Engrossed House Bill No. 2194  
5 (extraordinary medical placement for offenders). The department shall  
6 work in partnership with the department of corrections to identify  
7 services and find placements for offenders who are released through the  
8 extraordinary medical placement program. The department shall  
9 collaborate with the department of corrections to identify and track  
10 cost savings to the department of corrections, including medical cost  
11 savings, and to identify and track expenditures incurred by the aging  
12 and disability services program for community services and by the  
13 medical assistance program for medical expenses. A joint report  
14 regarding the identified savings and expenditures shall be provided to  
15 the office of financial management and the appropriate fiscal  
16 committees of the legislature by November 30, 2010. If this bill is  
17 not enacted by June 30, 2009, the amounts provided in this subsection  
18 shall lapse.

19 (32) \$73,000 of the general fund--state appropriation for fiscal  
20 year 2011 and \$50,000 of the general fund--federal appropriation is  
21 provided solely for supplemental services that will be provided to  
22 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of  
23 2010 (Substitute Senate Bill No. 6639).

24 (33) Sufficient amounts are provided in this section to provide  
25 full benefit dual eligible beneficiaries with medicare part D  
26 prescription drug copayment coverage in accordance with RCW 74.09.520  
27 until December 31, 2010.

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

34 (35) \$331,000 of the general fund--state appropriation for fiscal  
35 year 2010, \$331,000 of the general fund--state appropriation for fiscal  
36 year 2011, and \$1,228,000 of the general fund--federal appropriation  
37 are provided solely for the department to support the activities of the

1 Washington poison center. The department shall seek federal authority  
2 to receive matching funds from the federal government through the  
3 children's health insurance program.

4 (36) \$528,000 of the general fund--state appropriation and  
5 \$2,955,000 of the general fund--federal appropriation are provided  
6 solely for the implementation of the lifeline program under chapter 8,  
7 Laws of 2010 1st sp. sess. (security lifeline act).

8 (37) Reductions in dental services are to be achieved by focusing  
9 on the fastest growing areas of dental care. Reductions in  
10 preventative care, particularly for children, will be avoided to the  
11 extent possible.

12 (38) \$1,307,000 of the general fund--state appropriation for fiscal  
13 year 2011 and \$1,770,000 of the general fund--federal appropriation are  
14 provided solely to continue to provide dental services in calendar year  
15 2011 for qualifying adults with developmental disabilities. Services  
16 shall include preventive, routine, and emergent dental care, and  
17 support for continued operation of the dental education in care of  
18 persons with disabilities (DECOD) program at the University of  
19 Washington.

20 (39) The department shall develop the capability to implement apple  
21 health for kids express lane eligibility enrollments for children  
22 receiving basic food assistance by June 30, 2011.

23 (40)(a) The department, in coordination with the health care  
24 authority, shall actively continue to negotiate a medicaid section 1115  
25 waiver with the federal centers for medicare and medicaid services that  
26 would provide federal matching funds for services provided to persons  
27 enrolled in the basic health plan under chapter 70.47 RCW and the  
28 medical care services program under RCW 74.09.035.

29 (b) If the waiver in (a) of this subsection is granted, the  
30 department and the health care authority may implement the waiver if it  
31 allows the program to remain within appropriated levels, after  
32 providing notice of its terms and conditions to the relevant policy and  
33 fiscal committees of the legislature in writing thirty days prior to  
34 the planned implementation date of the waiver.

35 (41) \$704,000 of the general fund--state appropriation for fiscal  
36 year 2010, \$812,000 of the general fund--state appropriation for fiscal  
37 year 2011, and \$1,516,000 of the general fund--federal appropriation

1 are provided solely for maintaining employer-sponsored insurance  
2 program staff, coordination of benefits unit staff, the payment  
3 integrity audit team, and family planning nursing.

4 (42) Every effort shall be made to maintain current employment  
5 levels and achieve administrative savings through vacancies and  
6 employee attrition. Efficiencies shall be implemented as soon as  
7 possible in order to minimize actual reduction in force. The  
8 department shall implement a management strategy that minimizes  
9 disruption of service and negative impacts on employees.

10 (43) \$1,199,000 of the general fund--private/local appropriation  
11 for fiscal year 2011 and \$1,671,000 of the general fund--federal  
12 appropriation are provided solely to support medical airlift services.

13 (44) \$5,000,000 of the general fund--state appropriation for fiscal  
14 year 2011 and \$7,191,000 of the general fund--federal appropriation are  
15 provided solely for payments to federally qualified health clinics and  
16 rural health centers under a new alternative payment methodology that  
17 the department shall develop in consultation with the legislature and  
18 the office of financial management.

19 (45) \$1,695,000 of the general fund--state appropriation for fiscal  
20 year 2011 and \$3,131,000 of the general fund--federal appropriation are  
21 provided solely to continue the current system for provision of  
22 essential foreign language medical interpreter services during the last  
23 four months of fiscal year 2011 and to develop a permanent, more cost-  
24 effective alternative to the current service delivery system. Within  
25 the amounts provided in this subsection, the department shall complete  
26 design and implementation no later than September 2011 of a new model  
27 for delivery of medical interpreter services. Under the new model,  
28 which shall include use of state-of-the-art electronic scheduling and  
29 time-tracking systems, the department shall either contract directly  
30 with individual language access providers certified by the state or  
31 shall contract with a statewide scheduling and coordinating entity that  
32 shall contract directly with individual language access providers  
33 certified by the state.

34 (46) \$33,000 of the general fund--state appropriation for fiscal  
35 year 2011 and \$61,000 of the general fund--federal appropriation are  
36 provided solely to continue operation by a nonprofit organization of a  
37 toll-free line that assists families to learn about and enroll in apple

1 health for kids, which provides publicly funded medical and dental care  
2 for families with incomes below 300 percent of the federal poverty  
3 level.

4 (47) \$150,000 of the general fund--state appropriation for fiscal  
5 year 2011 and \$150,000 of the general fund--federal appropriation are  
6 provided solely for initiation of a prescriptive practices improvement  
7 collaborative focusing upon atypical antipsychotics and other  
8 medications commonly used in the treatment of severe and persistent  
9 mental illnesses among adults. The project shall promote collaboration  
10 among community mental health centers, other major prescribers of  
11 atypical antipsychotic medications to adults enrolled in state medical  
12 assistance programs, and psychiatrists, pharmacists, and other  
13 specialists at the University of Washington department of psychiatry  
14 and/or other research universities. The collaboration shall include  
15 patient-specific prescriber consultations by psychiatrists and  
16 pharmacists specializing in treatment of severe and persistent mental  
17 illnesses among adults; production of profiles to assist prescribers  
18 and clinics track their prescriptive practices and their patients'  
19 medication use and adherence relative to evidence-based practice  
20 guidelines, other prescribers, and patients at other clinics; and  
21 in-service seminars at which participants can share and increase their  
22 knowledge of evidence-based and other effective prescriptive practices.

23 (48) \$75,000 of the general fund--state appropriation for fiscal  
24 year 2011 and \$75,000 of the general fund--federal appropriation are  
25 provided solely to assist with development and implementation of  
26 evidence-based strategies regarding the appropriate, safe, and  
27 effective role of C-section surgeries and early induced labor in births  
28 and neonatal care. The strategies shall be identified and implemented  
29 in consultation with clinical research specialists, physicians,  
30 hospitals, advanced registered nurse practitioners, and organizations  
31 concerned with maternal and child health.

32 **Sec. 209.** 2010 2nd sp.s. c 1 s 209 (uncodified) is amended to read  
33 as follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**  
35 **REHABILITATION PROGRAM**

36	General Fund--State Appropriation (FY 2010) . . . . .	\$10,327,000
37	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$10,045,000</del> ))



1		<u>\$27,745,000</u>
2	General Fund--Federal Appropriation . . . . .	(( <del>\$50,981,000</del> ))
3		<u>\$51,304,000</u>
4	General Fund--Private/Local Appropriation . . . . .	\$1,121,000
5	Institutional Impact Account--State Appropriation . . . . .	\$22,000
6	TOTAL APPROPRIATION . . . . .	(( <del>\$114,869,000</del> ))
7		<u>\$113,771,000</u>

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

15 (1) \$333,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$300,000 of the general fund--state appropriation for  
17 fiscal year 2011 are provided solely for the Washington state mentors  
18 program to continue its public-private partnerships to provide  
19 technical assistance and training to mentoring programs that serve at-  
20 risk youth.

21 (2) \$445,000 of the general fund--state appropriation for fiscal  
22 year 2010 and \$445,000 of the general fund--state appropriation for  
23 fiscal year 2011 are provided solely for funding of the teamchild  
24 project through the governor's juvenile justice advisory committee.

25 (3) \$178,000 of the general fund--state appropriation for fiscal  
26 year 2010 and \$178,000 of the general fund--state appropriation for  
27 fiscal year 2011 are provided solely for the juvenile detention  
28 alternatives initiative.

29 (4) Amounts appropriated in this section reflect a reduction to the  
30 family policy council. The family policy council shall reevaluate  
31 staffing levels and administrative costs to ensure to the extent  
32 possible a maximum ratio of grant moneys provided and administrative  
33 costs.

34 (5) Amounts appropriated in this section reflect a reduction to the  
35 council on children and families. The council on children and families  
36 shall reevaluate staffing levels and administrative costs to ensure to  
37 the extent possible a maximum ratio of grant moneys provided and  
38 administrative costs.



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

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

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

26 (4)(a) In order to maximize the funding appropriated for the basic  
27 health plan, the health care authority is directed to make  
28 modifications that will reduce the total number of subsidized enrollees  
29 to approximately 65,000 by January 1, 2010. In addition to the reduced  
30 enrollment, other modifications may include changes in enrollee premium  
31 obligations, changes in benefits, enrollee cost-sharing, and  
32 termination of the enrollment of individuals concurrently enrolled in  
33 a medical assistance program as provided in Substitute House Bill No.  
34 2341.

35 (b) The health care authority shall coordinate with the department  
36 of social and health services to negotiate a medicaid section 1115  
37 waiver with the federal centers for medicare and medicaid services that

1 would provide matching funds for services provided to persons enrolled  
2 in the basic health plan under chapter 70.47 RCW.

3 (c) If the waiver in (b) of this subsection is granted, the health  
4 care authority may implement the waiver if it allows the program to  
5 remain within appropriated levels, after providing notice of its terms  
6 and conditions to the relevant policy and fiscal committees of the  
7 legislature in writing thirty days prior to the planned implementation  
8 date of the waiver.

9 (5) \$250,000 of the general fund--state appropriation for fiscal  
10 year 2010 and \$250,000 of the general fund--state appropriation for  
11 fiscal year 2011 are provided solely for the implementation of  
12 Substitute Senate Bill No. 5360 (community collaboratives). If the  
13 bill is not enacted by June 30, 2009, the amounts provided in this  
14 section shall lapse.

15 (6) The authority shall seek public-private partnerships and  
16 federal funds that are or may become available to implement health  
17 information technology projects under the federal American recovery and  
18 reinvestment act of 2009.

19 (7) \$20,000 of the general fund--state appropriation for fiscal  
20 year 2010 and \$63,000 of the general fund--state appropriation for  
21 fiscal year 2011 are provided solely for the implementation of chapter  
22 220, Laws of 2010 (accountable care organizations).

23 (8) In accordance with RCW 70.47.060(6) and 70.47.060(8), the  
24 director shall terminate enrollment effective March 1, 2011, of any  
25 adult enrollee aged 64 years or younger who has not by that date  
26 provided a valid social security number or other documentation  
27 acceptable to the director that the enrollee is legally residing in the  
28 United States.

29 **Sec. 214.** 2010 1st sp.s. c 37 s 215 (uncodified) is amended to  
30 read as follows:

31 **FOR THE HUMAN RIGHTS COMMISSION**

32	General Fund--State Appropriation (FY 2010) . . . . .	\$2,638,000
33	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,511,000)</del>
34		<u>\$2,353,000</u>
35	General Fund--Federal Appropriation . . . . .	\$1,584,000
36	TOTAL APPROPRIATION . . . . .	<del>(\$6,733,000)</del>
37		<u>\$6,575,000</u>



1 (iii) For level III offenders, every three months.

2 For the purposes of this subsection, unclassified offenders and  
3 kidnapping offenders shall be considered at risk level I unless in the  
4 opinion of the local jurisdiction a higher classification is in the  
5 interest of public safety.

6 (b) Collect performance data from all participating jurisdictions  
7 sufficient to evaluate the efficiency and effectiveness of the address  
8 and residency verification program; and

9 (c) Submit a report on the effectiveness of the address and  
10 residency verification program to the governor and the appropriate  
11 committees of the house of representatives and senate by December 31,  
12 each year.

13 The Washington association of sheriffs and police chiefs may retain up  
14 to three percent of the amount provided in this subsection for the cost  
15 of administration. Any funds not disbursed for address and residency  
16 verification or retained for administration may be allocated to local  
17 prosecutors for the prosecution costs associated with failing-to-  
18 register offenses.

19 (3) \$30,000 of the general fund--state appropriation for fiscal  
20 year 2010 is provided solely for the implementation of Second  
21 Substitute House Bill No. 2078 (persons with developmental disabilities  
22 in correctional facilities or jails). If the bill is not enacted by  
23 June 30, 2009, the amount provided in this subsection shall lapse.

24 (4) \$171,000 of the general fund--local appropriation is provided  
25 solely to purchase ammunition for the basic law enforcement academy.  
26 Jurisdictions with one hundred or more full-time commissioned officers  
27 shall reimburse to the criminal justice training commission the costs  
28 of ammunition, based on the average cost of ammunition per cadet, for  
29 cadets that they enroll in the basic law enforcement academy.

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

32 ~~((6) \$1,500,000 of the general fund--state appropriation for  
33 fiscal year 2011 is provided solely for continuing the enforcement of  
34 illegal drug laws in the rural pilot project enforcement areas as set  
35 forth in chapter 339, Laws of 2006.))~~

36 **Sec. 216.** 2010 1st sp.s. c 37 s 218 (uncodified) is amended to  
37 read as follows:

1	<b>FOR THE DEPARTMENT OF LABOR AND INDUSTRIES</b>	
2	General Fund--State Appropriation (FY 2010) . . . . .	\$24,975,000
3	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$19,336,000)</del>
4		<u>\$18,120,000</u>
5	General Fund--Federal Appropriation . . . . .	<del>(\$10,100,000)</del>
6		<u>\$11,316,000</u>
7	Asbestos Account--State Appropriation . . . . .	\$923,000
8	Electrical License Account--State Appropriation . . . . .	\$36,977,000
9	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
10	Worker and Community Right-to-Know Account--	
11	State Appropriation . . . . .	\$1,987,000
12	Public Works Administration Account--State	
13	Appropriation . . . . .	\$6,021,000
14	Manufactured Home Installation Training Account--	
15	State Appropriation . . . . .	\$143,000
16	Accident Account--State Appropriation . . . . .	\$250,509,000
17	Accident Account--Federal Appropriation . . . . .	\$13,621,000
18	Medical Aid Account--State Appropriation . . . . .	\$249,232,000
19	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000
20	Plumbing Certificate Account--State Appropriation . . . . .	\$1,704,000
21	Pressure Systems Safety Account--State Appropriation . . . . .	\$4,144,000
22	TOTAL APPROPRIATION . . . . .	\$622,886,000

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

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

32 (2) \$424,000 of the accident account--state appropriation and  
33 \$76,000 of the medical aid account--state appropriation are provided  
34 solely for implementation of a community agricultural worker safety  
35 grant at the department of agriculture. The department shall enter  
36 into an interagency agreement with the department of agriculture to  
37 implement the grant.

1 (3) \$4,850,000 of the medical aid account--state appropriation is  
2 provided solely to continue the program of safety and health as  
3 authorized by RCW 49.17.210 to be administered under rules adopted  
4 pursuant to chapter 34.05 RCW, provided that projects funded involve  
5 workplaces insured by the medical aid fund, and that priority is given  
6 to projects fostering accident prevention through cooperation between  
7 employers and employees or their representatives.

8 (4) \$150,000 of the medical aid account--state appropriation is  
9 provided solely for the department to contract with one or more  
10 independent experts to evaluate and recommend improvements to the  
11 rating plan under chapter 51.18 RCW, including analyzing how risks are  
12 pooled, the effect of including worker premium contributions in  
13 adjustment calculations, incentives for accident and illness  
14 prevention, return-to-work practices, and other sound risk-management  
15 strategies that are consistent with recognized insurance principles.

16 (5) The department shall continue to conduct utilization reviews of  
17 physical and occupational therapy cases at the 24th visit. The  
18 department shall continue to report performance measures and targets  
19 for these reviews on the agency web site. The reports are due  
20 September 30th for the prior fiscal year and must include the amount  
21 spent and the estimated savings per fiscal year.

22 (6) The appropriations in this section reflect reductions in the  
23 appropriations for the department of labor and industries'  
24 administrative expenses. It is the intent of the legislature that  
25 these reductions shall be achieved, to the greatest extent possible, by  
26 reducing administrative costs only.

27 (7) \$500,000 of the accident account--state appropriation is  
28 provided solely for the department to contract with one or more  
29 independent experts to oversee and assist the department's  
30 implementation of improvements to the rating plan under chapter 51.18  
31 RCW, in collaboration with the department and with the department's  
32 work group of retrospective rating and workers' compensation  
33 stakeholders. The independent experts will validate the impact of  
34 recommended changes on retrospective rating participants and  
35 nonparticipants, confirm implementation technology changes, and provide  
36 other implementation assistance as determined by the department.

37 (8) \$194,000 of the accident account--state appropriation and

1 \$192,000 of the medical aid account--state appropriation are provided  
2 solely for implementation of Senate Bill No. 5346 (health care  
3 administrative procedures).

4 (9) \$131,000 of the accident account--state appropriation and  
5 \$128,000 of the medical aid account--state appropriation are provided  
6 solely for implementation of Senate Bill No. 5613 (stop work orders).

7 (10) \$68,000 of the accident account--state appropriation and  
8 \$68,000 of the medical aid account--state appropriation are provided  
9 solely for implementation of Senate Bill No. 5688 (registered domestic  
10 partners).

11 (11) \$320,000 of the accident account--state appropriation and  
12 \$147,000 of the medical aid account--state appropriation are provided  
13 solely for implementation of Senate Bill No. 5873 (apprenticeship  
14 utilization).

15 (12) \$73,000 of the general fund--state appropriation for fiscal  
16 year 2010, \$66,000 of the general fund--state appropriation for fiscal  
17 year 2011, \$606,000 of the accident account--state appropriation, and  
18 \$600,000 of the medical aid account--state appropriation are provided  
19 solely for the implementation of House Bill No. 1555 (underground  
20 economy).

21 (13) \$574,000 of the accident account--state appropriation and  
22 \$579,000 of the medical account--state appropriation are provided  
23 solely for the implementation of House Bill No. 1402 (industrial  
24 insurance appeals).

25 (14) Within statutory guidelines, the boiler program shall explore  
26 opportunities to increase program efficiency. Strategies may include  
27 the consolidation of routine multiple inspections to the same site and  
28 trip planning to ensure the least number of miles traveled.

29 (15) \$16,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$50,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for the crime victims compensation  
32 program to pay claims for mental health services for crime victim  
33 compensation program clients who have an established relationship with  
34 a mental health provider and subsequently obtain coverage under the  
35 medicaid program or the medical care services program under chapter  
36 74.09 RCW. Prior to making such payment, the program must have  
37 determined that payment for the specific treatment or provider is not  
38 available under the medicaid or medical care services program. In

1 addition, the program shall make efforts to contact any healthy options  
2 or medical care services health plan in which the client may be  
3 enrolled to help the client obtain authorization to pay the claim on an  
4 out-of-network basis.

5 (16) \$48,000 of the accident account--state appropriation and  
6 \$48,000 of the medical aid account--state appropriation are provided  
7 solely for the implementation of Substitute House Bill No. 2789  
8 (issuance of subpoenas for purposes of agency investigations of  
9 underground economic activity). If the bill is not enacted by June 30,  
10 2010, the amount provided in this subsection shall lapse.

11 (17) \$71,000 of the general fund--state appropriation for fiscal  
12 year 2011 is provided solely for implementation of Senate Bill No. 6349  
13 (farm internship program). If the bill is not enacted by June 30,  
14 2010, the amount provided in this subsection shall lapse.

15 (18) \$127,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$133,000 of the general fund--state appropriation for  
17 fiscal year 2011 are provided solely for the department to provide  
18 benefits in excess of the cap established by sections 1 and 2, chapter  
19 122, Laws of 2010. These benefits shall be paid for claimants who were  
20 determined eligible for and who were receiving crime victims'  
21 compensation benefits because they were determined to be permanently  
22 and totally disabled, as defined by RCW 51.08.160, prior to April 1,  
23 2010. The director shall establish, by May 1, 2010, a process to aid  
24 crime victims' compensation recipients in identifying and applying for  
25 appropriate alternative benefit programs.

26 (19) \$155,000 of the public works administration account--state  
27 appropriation is provided solely for the implementation of Engrossed  
28 House Bill No. 2805 (offsite prefabricated items). If the bill is not  
29 enacted by June 30, 2010, the amount provided in this subsection shall  
30 lapse.

31 **Sec. 217.** 2010 1st sp.s. c 37 s 219 (uncodified) is amended to  
32 read as follows:

33 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

34	General Fund--State Appropriation (FY 2010) . . . . .	\$1,882,000
35	( <del>General Fund--State Appropriation (FY 2011) . . . . .</del> )	<del>\$1,864,000</del>
36	<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$3,746,000)</b>



1 and long-term financial assistance through the competitive grant  
2 program.

3 (c) In addition to other reductions, the appropriations in this  
4 section reflect reductions targeted specifically to state government  
5 administrative costs. These administrative reductions shall be  
6 achieved, to the greatest extent possible, by reducing those  
7 administrative costs that do not affect direct client services or  
8 direct service delivery or programs.

9 (3) INSTITUTIONAL SERVICES

10	General Fund--State Appropriation (FY 2010) . . . . .	\$3,318,000
11	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,371,000)</del>
12		<u>\$1,793,000</u>
13	General Fund--Federal Appropriation . . . . .	<del>(\$50,353,000)</del>
14		<u>\$50,931,000</u>
15	General Fund--Private/Local Appropriation . . . . .	\$34,189,000
16	TOTAL APPROPRIATION . . . . .	\$90,231,000

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

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

25 (b) The reductions in this subsection shall be achieved through  
26 savings from contract revisions and shall not impact the availability  
27 of goods and services for residents of the three state veterans homes.

28 **Sec. 219.** 2010 2nd sp.s. c 1 s 213 (uncodified) is amended to read  
29 as follows:

30 **FOR THE DEPARTMENT OF HEALTH**

31	General Fund--State Appropriation (FY 2010) . . . . .	\$98,414,000
32	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$81,735,000)</del>
33		<u>\$72,427,000</u>
34	General Fund--Federal Appropriation . . . . .	\$564,379,000
35	General Fund--Private/Local Appropriation . . . . .	\$162,237,000
36	Hospital Data Collection Account--State Appropriation . . . . .	\$218,000
37	Health Professions Account--State Appropriation . . . . .	\$82,850,000

1	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$603,000
2	Emergency Medical Services and Trauma Care Systems	
3	Trust Account--State Appropriation . . . . .	\$13,206,000
4	Safe Drinking Water Account--State Appropriation . . . . .	\$2,731,000
5	Drinking Water Assistance Account--Federal	
6	Appropriation . . . . .	\$22,862,000
7	Waterworks Operator Certification--State	
8	Appropriation . . . . .	\$1,522,000
9	Drinking Water Assistance Administrative Account--	
10	State Appropriation . . . . .	\$326,000
11	State Toxics Control Account--State Appropriation . . . . .	<del>(\$4,106,000)</del>
12		<u>\$4,348,000</u>
13	Medical Test Site Licensure Account--State	
14	Appropriation . . . . .	\$2,261,000
15	Youth Tobacco Prevention Account--State Appropriation . . . .	\$1,512,000
16	Public Health Supplemental Account--Private/Local	
17	Appropriation . . . . .	\$3,804,000
18	Community and Economic Development Fee Account--State	
19	Appropriation . . . . .	\$298,000
20	Accident Account--State Appropriation . . . . .	\$292,000
21	Medical Aid Account--State Appropriation . . . . .	\$48,000
22	Tobacco Prevention and Control Account--State	
23	Appropriation . . . . .	\$41,196,000
24	Biotoxin Account--State Appropriation . . . . .	\$1,163,000
25	TOTAL APPROPRIATION . . . . .	<del>(\$1,085,763,000)</del>
26		<u>\$1,076,697,000</u>

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

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

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

12 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
13 is authorized to establish and raise fees in fiscal year 2011 as  
14 necessary to meet the actual costs of conducting business and the  
15 appropriation levels in this section. This authorization applies to  
16 fees for the review of sewage tank designs, fees related to regulation  
17 and inspection of farmworker housing, and fees associated with the  
18 following professions: Acupuncture, dental, denturist, mental health  
19 counselor, nursing, nursing assistant, optometry, radiologic  
20 technologist, recreational therapy, respiratory therapy, social worker,  
21 cardiovascular invasive specialist, and practitioners authorized under  
22 chapter 18.240 RCW.

23 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is  
24 authorized to establish fees by the amount necessary to fully support  
25 the cost of activities related to the administration of long-term care  
26 worker certification. The department is further authorized to increase  
27 fees by the amount necessary to implement the regulatory requirements  
28 of the following bills: House Bill No. 1414 (health care assistants),  
29 House Bill No. 1740 (dental residency licenses), and House Bill No.  
30 1899 (retired active physician licenses).

31 (4) \$764,000 of the health professions account--state appropriation  
32 is provided solely for the medical quality assurance commission to  
33 maintain disciplinary staff and associated costs sufficient to reduce  
34 the backlog of disciplinary cases and to continue to manage the  
35 disciplinary caseload of the commission.

36 (5) \$57,000 of the general fund--state appropriation for fiscal  
37 year 2010 and (~~(\$58,000)~~) \$54,000 of the general fund--state  
38 appropriation for fiscal year 2011 are provided solely for the

1 midwifery licensure and regulatory program to offset a reduction in  
2 revenue from fees. The department shall convene the midwifery advisory  
3 committee on a quarterly basis to address issues related to licensed  
4 midwifery. The appropriations in this section assume that the current  
5 application and renewal fee for midwives shall be increased by fifty  
6 dollars and all other fees for midwives be adjusted accordingly.

7 (6) Funding for the human papillomavirus vaccine shall not be  
8 included in the department's universal vaccine purchase program in  
9 fiscal year 2010. Remaining funds for the universal vaccine purchase  
10 program shall be used to continue the purchase of all other vaccines  
11 included in the program until May 1, 2010, at which point state funding  
12 for the universal vaccine purchase program shall be discontinued.

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

21 (8) The department shall eliminate outreach activities for the  
22 health care directives registry and use the remaining amounts to  
23 maintain the contract for the registry and minimal staffing necessary  
24 to administer the basic entry functions for the registry.

25 (9) Funding in this section reflects a temporary reduction of  
26 resources for the 2009-11 fiscal biennium for the state board of health  
27 to conduct health impact reviews.

28 (10) Pursuant to RCW 43.135.055 and 43.70.125, the department is  
29 authorized to adopt rules to establish a fee schedule to apply to  
30 applicants for initial certification surveys of health care facilities  
31 for purposes of receiving federal health care program reimbursement.  
32 The fees shall only apply when the department has determined that  
33 federal funding is not sufficient to compensate the department for the  
34 cost of conducting initial certification surveys. The fees for initial  
35 certification surveys may be established as follows: Up to \$1,815 for  
36 ambulatory surgery centers, up to \$2,015 for critical access hospitals,  
37 up to \$980 for end stage renal disease facilities, up to \$2,285 for

1 home health agencies, up to \$2,285 for hospice agencies, up to \$2,285  
2 for hospitals, up to \$520 for rehabilitation facilities, up to \$690 for  
3 rural health clinics, and up to \$7,000 for transplant hospitals.

4 (11) Funding for family planning grants for fiscal year 2011 is  
5 reduced in the expectation that federal funding shall become available  
6 to expand coverage of services for individuals through programs at the  
7 department of social and health services. In the event that such  
8 funding is not provided, the legislature intends to continue funding  
9 through a supplemental appropriation at fiscal year 2010 levels.  
10 (~~(\$4,500,000)~~) \$4,360,000 of the general fund--state appropriation is  
11 provided solely for the department of health-funded family planning  
12 clinic grants due to federal funding not becoming available.

13 (12) \$16,000,000 of the tobacco prevention and control account--  
14 state appropriation is provided solely for local health jurisdictions  
15 to conduct core public health functions as defined in RCW 43.70.514.

16 (13) \$100,000 of the health professions account appropriation is  
17 provided solely for implementation of Substitute House Bill No. 1414  
18 (health care assistants). If the bill is not enacted by June 30, 2009,  
19 the amount provided in this subsection shall lapse.

20 (14) \$42,000 of the health professions account--state appropriation  
21 is provided solely to implement Substitute House Bill No. 1740  
22 (dentistry license issuance). If the bill is not enacted by June 30,  
23 2009, the amount provided in this section shall lapse.

24 (15) \$23,000 of the health professions account--state appropriation  
25 is provided solely to implement Second Substitute House Bill No. 1899  
26 (retired active physician licenses). If the bill is not enacted by  
27 June 30, 2009, the amount provided in this section shall lapse.

28 (16) \$12,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$67,000 of the general fund--private/local appropriation  
30 are provided solely to implement House Bill No. 1510 (birth  
31 certificates). If the bill is not enacted by June 30, 2009, the amount  
32 provided in this section shall lapse.

33 (17) \$31,000 of the health professions account is provided for the  
34 implementation of Second Substitute Senate Bill No. 5850 (human  
35 trafficking). If the bill is not enacted by June 2009, the amount  
36 provided in this subsection shall lapse.

37 (18) \$282,000 of the health professions account is provided for the

1 implementation of Substitute Senate Bill No. 5752 (dentists cost  
2 recovery). If the bill is not enacted by June 2009, the amount  
3 provided in this subsection shall lapse.

4 (19) \$106,000 of the health professions account is provided for the  
5 implementation of Substitute Senate Bill No. 5601 (speech language  
6 assistants). If the bill is not enacted by June 2009, the amount  
7 provided in this subsection shall lapse.

8 (20) Subject to existing resources, the department of health is  
9 encouraged to examine, in the ordinary course of business, current and  
10 prospective programs, treatments, education, and awareness of  
11 cardiovascular disease that are needed for a thriving and healthy  
12 Washington.

13 (21) \$390,000 of the health professions account--state  
14 appropriation is provided solely to implement chapter 169, Laws of 2010  
15 (nursing assistants). The amount provided in this subsection is from  
16 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

17 (22) \$10,000 of the health professions account--state appropriation  
18 for fiscal year 2010 and \$40,000 of the health professions  
19 account--state appropriation for fiscal year 2011 are provided solely  
20 for the department to study cost effective options for collecting  
21 demographic data related to the health care professions workforce to be  
22 submitted to the legislature by December 1, 2010.

23 (23) \$66,000 of the health professions account--state appropriation  
24 is provided solely to implement chapter 209, Laws of 2010 (pain  
25 management).

26 (24) \$10,000 of the health professions account--state appropriation  
27 is provided solely to implement chapter 92, Laws of 2010  
28 (cardiovascular invasive specialists).

29 (25) \$23,000 of the general fund--state appropriation is provided  
30 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,  
31 etc.).

32 (26) The department is authorized to coordinate a tobacco cessation  
33 media campaign using all appropriate media with the purpose of  
34 maximizing the use of quit-line services and youth smoking prevention.

35 (27) It is the intent of the legislature that the reductions in  
36 appropriations to the AIDS/HIV programs shall be achieved, to the  
37 greatest extent possible, by reducing those state government  
38 administrative costs that do not affect direct client services or

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

4 (28) \$400,000 of the state toxics control account--state  
5 appropriation is provided solely for granting to a willing local public  
6 entity to provide emergency water supplies or water treatment for  
7 households with individuals at high public health risk from nitrate-  
8 contaminated wells in the lower Yakima basin.

9 (29) \$100,000 of the state toxics control account--state  
10 appropriation is provided solely for an interagency contract to the  
11 department of ecology to grant to agencies involved in improving  
12 groundwater quality in the lower Yakima Valley. These agencies will  
13 develop a local plan for improving water quality and reducing nitrate  
14 contamination. The department of ecology will report to the  
15 appropriate committees of the legislature and to the office of  
16 financial management no later than December 1, 2010, summarizing  
17 progress towards developing and implementing this plan.

18 (30) In accordance with RCW 43.135.055, the department is  
19 authorized to adopt and increase all fees set forth in and previously  
20 authorized in section 221(2), chapter 37, Laws of 2010 1st sp.s.

21 **Sec. 220.** 2010 2nd sp.s. c 1 s 214 (uncodified) is amended to read  
22 as follows:

23 **FOR THE DEPARTMENT OF CORRECTIONS**

24 (1) ADMINISTRATION AND SUPPORT SERVICES

25	General Fund--State Appropriation (FY 2010) . . . . .	\$55,772,000
26	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$51,929,000</del> ))
27		<u>\$54,239,000</u>
28	TOTAL APPROPRIATION . . . . .	(( <del>\$107,701,000</del> ))
29		<u>\$110,011,000</u>

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

32 (a) Within funds appropriated in this section, the department shall  
33 seek contracts for chemical dependency vendors to provide chemical  
34 dependency treatment of offenders in corrections facilities, including  
35 corrections centers and community supervision facilities, which have  
36 demonstrated effectiveness in treatment of offenders and are able to  
37 provide data to show a successful treatment rate.

1 (b) \$35,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$35,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for the support of a statewide  
4 council on mentally ill offenders that includes as its members  
5 representatives of community-based mental health treatment programs,  
6 current or former judicial officers, and directors and commanders of  
7 city and county jails and state prison facilities. The council will  
8 investigate and promote cost-effective approaches to meeting the long-  
9 term needs of adults and juveniles with mental disorders who have a  
10 history of offending or who are at-risk of offending, including their  
11 mental health, physiological, housing, employment, and job training  
12 needs.

13 (2) CORRECTIONAL OPERATIONS

14	General Fund--State Appropriation (FY 2010) . . . . .	\$458,503,000
15	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$562,483,000 ))</del>
16		<u>\$562,084,000</u>
17	General Fund--Federal Appropriation . . . . .	<del>(( \$186,719,000 ))</del>
18		<u>\$186,651,000</u>
19	Washington Auto Theft Prevention Authority Account--	
20	State Appropriation . . . . .	\$5,936,000
21	State Efficiency and Restructuring Account--State	
22	Appropriation . . . . .	\$34,522,000
23	TOTAL APPROPRIATION . . . . .	<del>(( \$1,248,163,000 ))</del>
24		<u>\$1,247,696,000</u>

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

27 (a) The department may expend funds generated by contractual  
28 agreements entered into for mitigation of severe overcrowding in local  
29 jails. Any funds generated in excess of actual costs shall be  
30 deposited in the state general fund. Expenditures shall not exceed  
31 revenue generated by such agreements and shall be treated as a recovery  
32 of costs.

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

1 (c) During the 2009-11 biennium, when contracts are established or  
2 renewed for offender pay phone and other telephone services provided to  
3 inmates, the department shall select the contractor or contractors  
4 primarily based on the following factors: (i) The lowest rate charged  
5 to both the inmate and the person paying for the telephone call; and  
6 (ii) the lowest commission rates paid to the department, while  
7 providing reasonable compensation to cover the costs of the department  
8 to provide the telephone services to inmates and provide sufficient  
9 revenues for the activities funded from the institutional welfare  
10 betterment account.

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

16 (e) A political subdivision which is applying for funding to  
17 mitigate one-time impacts associated with construction or expansion of  
18 a correctional institution, consistent with WAC 137-12A-030, may apply  
19 for the mitigation funds in the fiscal biennium in which the impacts  
20 occur or in the immediately succeeding fiscal biennium.

21 (f) Within amounts provided in this subsection, the department,  
22 jointly with the department of social and health services, shall  
23 identify the number of offenders released through the extraordinary  
24 medical placement program, the cost savings to the department of  
25 corrections, including estimated medical cost savings, and the costs  
26 for medical services in the community incurred by the department of  
27 social and health services. The department and the department of  
28 social and health services shall jointly report to the office of  
29 financial management and the appropriate fiscal committees of the  
30 legislature by November 30, 2010.

31 (g) \$11,863,000 of the general fund--state appropriation for fiscal  
32 year 2010, (~~(\$7,467,000)~~) \$7,953,000 of the general fund--state  
33 appropriation for fiscal year 2011, and \$2,336,000 of the general fund-  
34 private/local appropriation are provided solely for in-prison evidence-  
35 based programs and for the reception diagnostic center program as part  
36 of the offender re-entry initiative.

37 (h) The appropriations in this subsection are based on savings

1 assumed from the closure of the McNeil Island corrections center, the  
2 Ahtanum View corrections center, and the Pine Lodge corrections center  
3 for women.

4 (3) COMMUNITY SUPERVISION

5	General Fund--State Appropriation (FY 2010) . . . . .	\$150,729,000
6	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$134,744,000)</del>
7		<u>\$134,840,000</u>
8	TOTAL APPROPRIATION . . . . .	<del>(\$285,473,000)</del>
9		<u>\$285,569,000</u>

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

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

17 (b) \$2,083,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$2,083,000 of the general fund--state appropriation for  
19 fiscal year 2011 are provided solely to implement Senate Bill No. 5525  
20 (state institutions/release). If the bill is not enacted by June 30,  
21 2009, the amounts provided in this subsection shall lapse.

22 (c) The appropriations in this subsection are based upon savings  
23 assumed from the implementation of Engrossed Substitute Senate Bill No.  
24 5288 (supervision of offenders).

25 (d) \$2,791,000 of the general fund--state appropriation for fiscal  
26 year 2010 and ~~(\$3,166,000)~~ \$2,680,000 of the general fund--state  
27 appropriation for fiscal year 2011 are provided solely for evidence-  
28 based community programs and for community justice centers as part of  
29 the offender re-entry initiative.

30 (e) \$418,300 of the general fund--state appropriation for fiscal  
31 year 2010 is provided solely for the purposes of settling all claims in  
32 *Hilda Solis, Secretary of Labor, United States Department of Labor v.*  
33 *State of Washington, Department of Corrections*, United States District  
34 Court, Western District of Washington, Cause No. C08-cv-05362-RJB. The  
35 expenditure of this amount is contingent on the release of all claims  
36 in the case, and total settlement costs shall not exceed the amount  
37 provided in this subsection. If settlement is not fully executed by  
38 June 30, 2010, the amount provided in this subsection shall lapse.

1 (f) \$984,000 of the general fund--state appropriation for fiscal  
2 year 2011 is provided solely for supplemental services that will be  
3 provided to offenders in lieu of a prison sentence, pursuant to chapter  
4 224, Laws of 2010 (confinement alternatives).

5 (4) CORRECTIONAL INDUSTRIES

6 General Fund--State Appropriation (FY 2010) . . . . .	\$2,574,000
7 General Fund--State Appropriation (FY 2011) . . . . .	\$2,441,000
8 TOTAL APPROPRIATION . . . . .	\$5,015,000

9 The appropriations in this subsection are subject to the following  
10 conditions and limitations: \$132,000 of the general fund--state  
11 appropriation for fiscal year 2010 and \$132,000 of the general fund--  
12 state appropriation for fiscal year 2011 are provided solely for  
13 transfer to the jail industries board. The board shall use the amounts  
14 provided only for administrative expenses, equipment purchases, and  
15 technical assistance associated with advising cities and counties in  
16 developing, promoting, and implementing consistent, safe, and efficient  
17 offender work programs.

18 (5) INTERAGENCY PAYMENTS

19 General Fund--State Appropriation (FY 2010) . . . . .	\$40,728,000
20 General Fund--State Appropriation (FY 2011) . . . . .	\$38,629,000
21 TOTAL APPROPRIATION . . . . .	\$79,357,000

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

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

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

31 (6) Funding in this section may not be used to purchase radios or  
32 base station repeaters related to the movement to narrowband  
33 frequencies, or for reprogramming existing narrowband radios.

34 **Sec. 221.** 2010 1st sp.s. c 37 s 224 (uncodified) is amended to  
35 read as follows:

1 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

2	General Fund--State Appropriation (FY 2010) . . . . .	\$2,504,000
3	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$2,390,000 ))</del>
4		<u>\$2,160,000</u>
5	General Fund--Federal Appropriation . . . . .	\$18,116,000
6	General Fund--Private/Local Appropriation . . . . .	\$30,000
7	TOTAL APPROPRIATION . . . . .	<del>(( \$23,040,000 ))</del>
8		<u>\$22,810,000</u>

9 ~~((The amounts appropriated in this section are subject to the~~  
10 ~~following conditions and limitations: Sufficient amounts are~~  
11 ~~appropriated in this section to support contracts for services that~~  
12 ~~provide employment support and help with life activities for deaf and~~  
13 ~~blind individuals in King county.))~~

14 **Sec. 222.** 2010 1st sp.s. c 37 s 225 (uncodified) is amended to  
15 read as follows:

16 **FOR THE SENTENCING GUIDELINES COMMISSION**

17	General Fund--State Appropriation (FY 2010) . . . . .	\$962,000
18	<del>((General Fund--State Appropriation (FY 2011) . . . . .</del>	<del>\$948,000</del>
19	TOTAL APPROPRIATION . . . . .	\$1,910,000

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

22 ~~(1) Within the amounts appropriated in this section, the sentencing~~  
23 ~~guidelines commission, in partnership with the courts, shall develop a~~  
24 ~~plan to implement an evidence based system of community custody for~~  
25 ~~adult felons that will include the consistent use of evidence based~~  
26 ~~risk and needs assessment tools, programs, supervision modalities, and~~  
27 ~~monitoring of program integrity. The plan for the evidence based~~  
28 ~~system of community custody shall include provisions for identifying~~  
29 ~~cost effective rehabilitative programs; identifying offenders for whom~~  
30 ~~such programs would be cost effective; monitoring the system for cost~~  
31 ~~effectiveness; and reporting annually to the legislature. In~~  
32 ~~developing the plan, the sentencing guidelines shall consult with: The~~  
33 ~~Washington state institute for public policy; the legislature; the~~  
34 ~~department of corrections; local governments; prosecutors; defense~~  
35 ~~attorneys; victim advocate groups; law enforcement; the Washington~~  
36 ~~federation of state employees; and other interested entities. The~~

1 ~~sentencing guidelines commission shall report its recommendations to~~  
2 ~~the governor and the legislature by December 1, 2009.~~

3 ~~(2)(a) Except as provided in subsection (b), during the 2009-11~~  
4 ~~biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d)~~  
5 ~~and (h) shall be prepared within the available funds and may be delayed~~  
6 ~~or suspended at the discretion of the commission.~~

7 ~~(b) The commission shall submit the analysis described in section~~  
8 ~~15 of Engrossed Substitute Senate Bill No. 5288 no later than December~~  
9 ~~1, 2011.~~

10 ~~(3) Within the amounts appropriated in this section, the sentencing~~  
11 ~~guidelines commission shall survey the practices of other states~~  
12 ~~relating to offenders who violate any conditions of their community~~  
13 ~~custody. In conducting the survey, the sentencing guidelines~~  
14 ~~commission shall perform a review of the research studies to determine~~  
15 ~~if a mandatory minimum confinement policy is an evidence based~~  
16 ~~practice, investigate the implementation of such a policy in other~~  
17 ~~states, and estimate the fiscal impacts of implementing such a policy~~  
18 ~~in Washington state. The sentencing guidelines commission shall report~~  
19 ~~its findings to the governor and the legislature by December 1, 2010.)~~

20 **Sec. 223.** 2010 1st sp.s. c 37 s 226 (uncodified) is amended to  
21 read as follows:

22 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

23	General Fund--State Appropriation (FY 2010) . . . . .	\$2,054,000
24	General Fund--State Appropriation (FY 2011) . . . . .	(( \$5,053,000 ))
25		<u>\$4,735,000</u>
26	General Fund--Federal Appropriation . . . . .	\$324,135,000
27	General Fund--Private/Local Appropriation . . . . .	\$33,640,000
28	Unemployment Compensation Administration Account--	
29	Federal Appropriation . . . . .	(( \$362,740,000 ))
30		<u>\$348,000,000</u>
31	Administrative Contingency Account--State Appropriation . . .	\$345,000
32	Employment Service Administrative Account--State	
33	Appropriation . . . . .	\$37,775,000
34	TOTAL APPROPRIATION . . . . .	(( \$765,742,000 ))
35		<u>\$750,684,000</u>

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

1 (1) \$59,829,000 of the unemployment compensation administration  
2 account--federal appropriation is provided from amounts made available  
3 to the state by section 903(d) and (f) of the social security act (Reed  
4 act). This amount is authorized to continue current unemployment  
5 insurance functions and department services to employers and job  
6 seekers.

7 (2) (~~(\$32,067,000)~~) \$17,327,000 of the unemployment compensation  
8 administration account--federal appropriation is provided from amounts  
9 made available to the state by section 903(d) and (f) of the social  
10 security act (Reed act). This amount is authorized to fund the  
11 replacement of the unemployment insurance tax information system  
12 (TAXIS) for the employment security department. This section is  
13 subject to section 902 of this act. After the effective date of this  
14 section, the employment security department may not incur further  
15 obligations for the replacement of the unemployment insurance tax  
16 information system (TAXIS). Nothing in this act prohibits the  
17 department from meeting obligations incurred prior to the effective  
18 date of this section.

19 (3) \$110,000 of the unemployment compensation administration  
20 account--federal appropriation is provided solely for implementation of  
21 Senate Bill No. 5804 (leaving part time work voluntarily).

22 (4) \$1,263,000 of the unemployment compensation administration  
23 account--federal appropriation is provided solely for implementation of  
24 Senate Bill No. 5963 (unemployment insurance).

25 (5) \$159,000 of the unemployment compensation account--federal  
26 appropriation is provided solely for the implementation of House Bill  
27 No. 1555 (underground economy) from funds made available to the state  
28 by section 903(d) of the social security act (Reed act).

29 (6) \$295,000 of the administrative contingency--state appropriation  
30 for fiscal year 2010 is provided solely for the implementation of House  
31 Bill No. 2227 (evergreen jobs act).

32 (7) (~~(\$7,000,000)~~) \$2,000,000 of the general fund--state  
33 appropriation for fiscal year 2010 (~~(is)~~) and \$4,682,000 of the general  
34 fund--state appropriation for fiscal year 2011 are provided solely for  
35 the implementation of Senate Bill No. 5809 (WorkForce employment and  
36 training).

37 (8) \$444,000 of the unemployment compensation administration  
38 account--federal appropriation is provided solely for the

1 implementation of Substitute Senate Bill No. 6524 (unemployment  
2 insurance penalties and contribution rates) from funds made available  
3 to the state by section 903 (d) or (f) of the social security act (Reed  
4 12 act). If the bill is not enacted by June 30, 2010, the amount  
5 provided in this subsection shall lapse.

6 (9) \$232,000 of the unemployment compensation administration  
7 account--federal appropriation from funds made available to the state  
8 by section 903(c) or (f) of the social security act (Reed act) is  
9 provided solely for the implementation of Substitute House Bill No.  
10 2789 (underground economic activity). If the bill is not enacted by  
11 June 30, 2010, the amount provided in this subsection shall lapse.

(End of Part)

PART III  
NATURAL RESOURCES

Sec. 301. 2010 2nd sp.s. c 1 s 302 (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
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
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
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	<del>(\$612,000)</del>
	<u>\$582,000</u>
Worker and Community Right-to-Know Account--State Appropriation	\$1,663,000
State Toxics Control Account--State Appropriation	\$106,642,000
State Toxics Control Account--Private/Local Appropriation	\$379,000
Local Toxics Control Account--State Appropriation	\$24,690,000

1	Water Quality Permit Account--State Appropriation . . . . .	\$37,018,000
2	Underground Storage Tank Account--State	
3	Appropriation . . . . .	\$3,270,000
4	Biosolids Permit Account--State Appropriation . . . . .	\$1,866,000
5	Hazardous Waste Assistance Account--State	
6	Appropriation . . . . .	\$5,880,000
7	Air Pollution Control Account--State Appropriation . . . . .	<del>(\$2,111,000)</del>
8		<u>\$1,565,000</u>
9	Oil Spill Prevention Account--State Appropriation . . . . .	\$10,599,000
10	Air Operating Permit Account--State Appropriation . . . . .	\$2,758,000
11	Freshwater Aquatic Weeds Account--State Appropriation . . . . .	\$1,693,000
12	Oil Spill Response Account--State Appropriation . . . . .	\$7,077,000
13	Metals Mining Account--State Appropriation . . . . .	\$14,000
14	Water Pollution Control Revolving Account--State	
15	Appropriation . . . . .	\$535,000
16	Water Pollution Control Revolving Account--Federal	
17	Appropriation . . . . .	\$2,210,000
18	Water Rights Processing Account--State Appropriation . . . . .	\$68,000
19	TOTAL APPROPRIATION . . . . .	<del>(\$437,612,000)</del>
20		<u>\$437,036,000</u>

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

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

28 (2) \$240,000 of the woodstove education and enforcement account--  
29 state appropriation is provided solely for citizen outreach efforts to  
30 improve understanding of burn curtailments, the proper use of wood  
31 heating devices, and public awareness of the adverse health effects of  
32 woodsmoke pollution.

33 (3) \$3,000,000 of the general fund--private/local appropriation is  
34 provided solely for contracted toxic-site cleanup actions at sites  
35 where multiple potentially liable parties agree to provide funding.

36 (4) \$3,600,000 of the local toxics account--state appropriation is  
37 provided solely for the standby emergency rescue tug stationed at Neah  
38 Bay.

1 (5) \$811,000 of the state toxics account--state appropriation is  
2 provided solely for oversight of toxic cleanup at facilities that  
3 treat, store, and dispose of hazardous wastes.

4 (6) \$1,456,000 of the state toxics account--state appropriation is  
5 provided solely for toxic cleanup at sites where willing parties  
6 negotiate prepayment agreements with the department and provide  
7 necessary funding.

8 (7) \$558,000 of the state toxics account--state appropriation and  
9 \$3,000,000 of the local toxics account--state appropriation are  
10 provided solely for grants and technical assistance to Puget Sound-area  
11 local governments engaged in updating shoreline master programs.

12 (8) \$950,000 of the state toxics control account--state  
13 appropriation is provided solely for measuring water and habitat  
14 quality to determine watershed health and assist salmon recovery,  
15 beginning in fiscal year 2011.

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

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

7 (11) \$63,000 of the state toxics control account--state  
8 appropriation is provided solely for implementation of Substitute  
9 Senate Bill No. 5797 (solid waste handling permits). If the bill is  
10 not enacted by June 30, 2009, the amount provided in this subsection  
11 shall lapse.

12 (12) \$225,000 of the general fund--state appropriation for fiscal  
13 year 2010 and (~~(\$193,000)~~) \$181,000 of the general fund--state  
14 appropriation for fiscal year 2011 are provided solely for  
15 implementation of Engrossed Second Substitute Bill No. 5560 (agency  
16 climate leadership). If the bill is not enacted by June 30, 2009, the  
17 amounts provided in this subsection shall lapse.

18 (13) \$150,000 of the general fund--state appropriation for fiscal  
19 year 2010 and (~~(\$150,000)~~) \$141,000 of the general fund--state  
20 appropriation for fiscal year 2011 are provided solely for watershed  
21 planning implementation grants to continue ongoing efforts to develop  
22 and implement water agreements in the Nooksack Basin and the Bertrand  
23 watershed. These amounts are intended to support project  
24 administration; monitoring; negotiations in the Nooksack watershed  
25 between tribes, the department, and affected water users; continued  
26 implementation of a flow augmentation project; plan implementation in  
27 the Fishtrap watershed; and the development of a water bank.

28 (14) \$215,000 of the general fund--state appropriation for fiscal  
29 year 2010 and (~~(\$235,000)~~) \$220,000 of the general fund--state  
30 appropriation for fiscal year 2011 are provided solely to provide  
31 watershed planning implementation grants for WRIA 32 to implement  
32 Substitute House Bill No. 1580 (pilot local water management program).  
33 If the bill is not enacted by June 30, 2009, the amounts provided in  
34 this subsection shall lapse.

35 (15) \$200,000 of the general fund--state appropriation for fiscal  
36 year 2010 and (~~(\$200,000)~~) \$187,000 of the general fund--state  
37 appropriation for fiscal year 2011 are provided solely for the purpose

1 of supporting the trust water rights program and processing trust water  
2 right transfer applications that improve instream flow.

3 (16)(a) The department shall convene a stock water working group  
4 that includes: Legislators, four members representing agricultural  
5 interests, three members representing environmental interests, the  
6 attorney general or designee, the director of the department of ecology  
7 or designee, the director of the department of agriculture or designee,  
8 and affected federally recognized tribes shall be invited to send  
9 participants.

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

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

16 (17) \$73,000 of the water quality permit account--state  
17 appropriation is provided solely to implement Substitute House Bill No.  
18 1413 (water discharge fees). If the bill is not enacted by June 30,  
19 2009, the amount provided in this subsection shall lapse.

20 (18) The department shall continue to work with the Columbia Snake  
21 River irrigators' association to determine how seasonal water operation  
22 and maintenance conservation can be utilized. In implementing this  
23 proviso, the department shall also consult with the Columbia River  
24 policy advisory group as appropriate.

25 (19) The department shall track any changes in costs, wages, and  
26 benefits that would have resulted if House Bill No. 1716 (public  
27 contract living wages), as introduced in the 2009 regular session of  
28 the legislature, were enacted and made applicable to contracts and  
29 related subcontracts entered into, renewed, or extended during the  
30 2009-11 biennium. The department shall submit a report to the house of  
31 representatives commerce and labor committee and the senate labor,  
32 commerce, and consumer protection committee by December 1, 2011. The  
33 report shall include data on any aggregate changes in wages and  
34 benefits that would have resulted during the 2009-11 biennium.

35 (20) Within amounts appropriated in this section the department  
36 shall develop recommendations by December 1, 2009, for a convenient and  
37 effective mercury-containing light recycling program for residents,  
38 small businesses, and small school districts throughout the state. The

1 department shall consider options including but not limited to, a  
2 producer-funded program, a recycler-supported or recycle fee program,  
3 a consumer fee at the time of purchase, general fund appropriations, or  
4 a currently existing dedicated account. The department shall involve  
5 and consult with stakeholders including persons who represent  
6 retailers, waste haulers, recyclers, mercury-containing light  
7 manufacturers or wholesalers, cities, counties, environmental  
8 organizations and other interested parties. The department shall  
9 report its findings and recommendations for a recycling program for  
10 mercury-containing lights to the appropriate committees of the  
11 legislature by December 1, 2009.

12 (21) \$140,000 of the freshwater aquatic algae control account--  
13 state appropriation is provided solely for grants to cities, counties,  
14 tribes, special purpose districts, and state agencies for capital and  
15 operational expenses used to manage and study excessive saltwater algae  
16 with an emphasis on the periodic accumulation of sea lettuce on Puget  
17 Sound beaches.

18 (22) By December 1, 2009, the department in consultation with local  
19 governments shall conduct a remedial action grant financing  
20 alternatives report. The report shall address options for financing the  
21 remedial action grants identified in the department's report, entitled  
22 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing  
23 Plan" and shall include but not be limited to the following: (a)  
24 Capitalizing cleanup costs using debt insurance; (b) capitalizing  
25 cleanup costs using prefunded cost-cap insurance; (c) other contractual  
26 instruments with local governments; and (d) an assessment of overall  
27 economic benefits of the remedial action grants funded using the  
28 instruments identified in this section.

29 (23) \$220,000 of the site closure account--state appropriation is  
30 provided solely for litigation expenses associated with the lawsuit  
31 filed by energy solutions, inc., against the Northwest interstate  
32 compact on low-level radioactive waste management and its executive  
33 director.

34 (24) \$68,000 of the water rights processing account--state  
35 appropriation is provided solely for implementation of Engrossed Second  
36 Substitute Senate Bill No. 6267 (water rights processing). If the bill  
37 is not enacted by June 30, 2010, the amount provided in this subsection  
38 shall lapse.

1 (25) \$10,000 of the state toxics control account--state  
2 appropriation is provided solely for implementation of Engrossed  
3 Substitute Senate Bill No. 5543 (mercury-containing lights). If the  
4 bill is not enacted by June 30, 2010, the amount provided in this  
5 subsection shall lapse.

6 (26) \$300,000 of the state toxics control account--state  
7 appropriation is provided solely for piloting and evaluating two  
8 coordinated, multijurisdictional permitting teams for nontransportation  
9 projects.

10 (27)(a) \$4,000,000 of the state drought preparedness account--state  
11 appropriation is provided solely for response to a drought declaration  
12 pursuant to chapter 43.83B RCW. If such a drought declaration occurs,  
13 the department of ecology may provide funding to public bodies as  
14 defined in RCW 43.83B.050 in connection with projects and measures  
15 designed to alleviate drought conditions that may affect public health  
16 and safety, drinking water supplies, agricultural activities, or fish  
17 and wildlife survival.

18 (b) Projects or measures for which funding will be provided must be  
19 connected with a water system, water source, or water body that is  
20 receiving, or has been projected to receive, less than seventy-five  
21 percent of normal water supply, as the result of natural drought  
22 conditions. This reduction in water supply must be such that it is  
23 causing, or will cause, undue hardship for the entities or fish or  
24 wildlife depending on the water supply. The department shall issue  
25 guidelines outlining grant program and matching fund requirements  
26 within ten days of a drought declaration.

27 (28) In accordance with RCW 43.135.055, the department is  
28 authorized to increase the fees set forth in and previously authorized  
29 in section 302(10), chapter 564, Laws of 2009.

30 (29) In accordance with RCW 43.135.055, the department is  
31 authorized to adopt and increase the fees set forth in and previously  
32 authorized in sections 3, 5, 7, and 12, chapter 285, Laws of 2010.

33 **Sec. 302.** 2010 2nd sp.s. c 1 s 303 (uncodified) is amended to read  
34 as follows:

35 **FOR THE STATE PARKS AND RECREATION COMMISSION**

36	General Fund--State Appropriation (FY 2010) . . . . .	\$23,176,000
37	General Fund--State Appropriation (FY 2011) . . . . .	\$18,309,000



1 fiscal committees no later than September 30, 2009, a list of leases  
2 the commission proposes be managed by the department of general  
3 administration.

4 **Sec. 303.** 2010 2nd sp.s. c 1 s 304 (uncodified) is amended to read  
5 as follows:

6 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

7	General Fund--State Appropriation (FY 2010) . . . . .	\$1,486,000
8	General Fund--State Appropriation (FY 2011) . . . . .	\$1,312,000
9	General Fund--Federal Appropriation . . . . .	<del>(( \$10,322,000 ))</del>
10		<u>\$10,427,000</u>
11	General Fund--Private/Local Appropriation . . . . .	\$250,000
12	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$278,000
13	Firearms Range Account--State Appropriation . . . . .	\$39,000
14	Recreation Resources Account--State Appropriation . . . . .	<del>(( \$2,710,000 ))</del>
15		<u>\$2,738,000</u>
16	NOVA Program Account--State Appropriation . . . . .	<del>(( \$1,049,000 ))</del>
17		<u>\$1,059,000</u>
18	TOTAL APPROPRIATION . . . . .	<del>(( \$17,446,000 ))</del>
19		<u>\$17,589,000</u>

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

22 (1) \$204,000 of the general fund--state appropriation for fiscal  
23 year 2010 and ~~(( \$244,000 ))~~ \$194,000 of the general fund--state  
24 appropriation for fiscal year 2011 are provided solely for the  
25 implementation of Substitute House Bill No. 2157 (salmon recovery). If  
26 the bill is not enacted by June 30, 2009, the amounts provided in this  
27 subsection shall lapse.

28 (2) The recreation and conservation office, under the direction of  
29 the salmon recovery funding board, shall assess watershed and regional-  
30 scale capacity issues relating to the support and implementation of  
31 salmon recovery. The assessment shall examine priority setting and  
32 incentives to further promote coordination to ensure that effective and  
33 efficient mechanisms for delivery of salmon recovery funding board  
34 funds are being utilized. The salmon recovery funding board shall  
35 distribute its operational funding to the appropriate entities based on  
36 this assessment.

1 (3) The recreation and conservation office shall negotiate an  
 2 agreement with the Puget Sound partnership to consolidate or share  
 3 certain administrative functions currently performed by each agency  
 4 independently. The agencies shall proportionately share the costs of  
 5 such shared functions. Examples of shared functions may include, but  
 6 are not limited to, support for personnel, information technology,  
 7 grant and contract management, invasive species work, legislative  
 8 coordination, and policy and administrative support of various boards  
 9 and councils.

10 **Sec. 304.** 2010 2nd sp.s. c 1 s 307 (uncodified) is amended to read  
 11 as follows:

12 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

13	General Fund--State Appropriation (FY 2010) . . . . .	\$41,263,000
14	General Fund--State Appropriation (FY 2011) . . . . .	\$30,560,000
15	General Fund--Federal Appropriation . . . . .	<del>(\$85,799,000)</del>
16		<u>\$88,799,000</u>
17	General Fund--Private/Local Appropriation . . . . .	\$47,211,000
18	Off Road Vehicle Account--State Appropriation . . . . .	\$413,000
19	Aquatic Lands Enhancement Account--State Appropriation . . .	\$6,739,000
20	Recreational Fisheries Enhancement--State	
21	Appropriation . . . . .	\$3,472,000
22	Warm Water Game Fish Account--State Appropriation . . . . .	\$2,861,000
23	Eastern Washington Pheasant Enhancement Account--	
24	State Appropriation . . . . .	\$851,000
25	Aquatic Invasive Species Enforcement Account--State	
26	Appropriation . . . . .	\$207,000
27	Aquatic Invasive Species Prevention Account-- State	
28	Appropriation . . . . .	\$833,000
29	Wildlife Account--State Appropriation . . . . .	<del>(\$86,878,000)</del>
30		<u>\$86,998,000</u>
31	Wildlife Account--Federal Appropriation . . . . .	\$101,000
32	Wildlife Account--Private/Local Appropriation . . . . .	\$39,000
33	Game Special Wildlife Account--State Appropriation . . . . .	\$2,367,000
34	Game Special Wildlife Account--Federal Appropriation . . . . .	\$3,426,000
35	Game Special Wildlife Account--Private/Local	
36	Appropriation . . . . .	\$487,000
37	Wildlife Rehabilitation Account--State Appropriation . . . . .	\$269,000



1 (3) Prior to submitting its 2011-2013 biennial operating and  
2 capital budget request related to state fish hatcheries to the office  
3 of financial management, the department shall contract with the  
4 hatchery scientific review group (HSRG) to review this request. This  
5 review shall: (a) Determine if the proposed requests are consistent  
6 with HSRG recommendations; (b) prioritize the components of the  
7 requests based on their contributions to protecting wild salmonid  
8 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
9 whether the proposed requests are being made in the most cost effective  
10 manner. The department shall provide a copy of the HSRG review to the  
11 office of financial management with their agency budget proposal.

12 (4) Within existing funds, the department shall continue  
13 implementing its capital program action plan dated September 1, 2007,  
14 including the purchase of the necessary maintenance and support costs  
15 for the capital programs and engineering tools. The department shall  
16 report to the office of financial management and the appropriate  
17 committees of the legislature, its progress in implementing the plan,  
18 including improvements instituted in its capital program, by September  
19 30, 2010.

20 (5) \$1,232,000 of the state wildlife account--state appropriation  
21 is provided solely to implement Substitute House Bill No. 1778 (fish  
22 and wildlife). If the bill is not enacted by June 30, 2009, the amount  
23 provided in this subsection shall lapse.

24 (6) \$400,000 of the general fund--state appropriation for fiscal  
25 year 2010 and \$400,000 of the general fund--state appropriation for  
26 fiscal year 2011 are provided solely for a state match to support the  
27 Puget Sound nearshore partnership between the department and the U.S.  
28 army corps of engineers.

29 (7) \$50,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$50,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for removal of derelict gear in  
32 Washington waters.

33 (8) The department of fish and wildlife shall dispose of all Cessna  
34 aircraft it currently owns. The proceeds from the aircraft shall be  
35 deposited into the state wildlife account. Disposal of the aircraft  
36 must occur no later than June 30, 2010. The department shall  
37 coordinate with the department of natural resources on the installation  
38 of fire surveillance equipment into its Partenavia aircraft. The

1 department shall make its Partenavia aircraft available to the  
2 department of natural resources on a cost-reimbursement basis for its  
3 use in coordinating fire suppression efforts. The two agencies shall  
4 develop an interagency agreement that defines how they will share  
5 access to the plane.

6 (9) \$50,000 of the general fund--state appropriation for fiscal  
7 year 2010 is provided solely for an electron project fish passage study  
8 consistent with the recommendations and protocols contained in the 2008  
9 electron project downstream fish passage final report.

10 (10) \$60,000 of the general fund--state appropriation for fiscal  
11 year 2010 and \$60,000 of the general fund--state appropriation for  
12 fiscal year 2011 are provided solely for implementation of Engrossed  
13 Second Substitute Bill No. 5560 (agency climate leadership). If the  
14 bill is not enacted by June 30, 2009, the amounts provided in this  
15 subsection shall lapse.

16 (11) If sufficient new revenues are not identified to continue  
17 hatchery operations, within the constraints of legally binding tribal  
18 agreements, the department shall dispose of, by removal, sale, lease,  
19 reversion, or transfer of ownership, the following hatcheries:  
20 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.  
21 Disposal of the hatcheries must occur by June 30, 2011, and any  
22 proceeds received from disposal shall be deposited in the state  
23 wildlife account. Within available funds, the department shall provide  
24 quarterly reports on the progress of disposal to the office of  
25 financial management and the appropriate fiscal committees of the  
26 legislature. The first report shall be submitted no later than  
27 September 30, 2009.

28 (12) \$100,000 of the eastern Washington pheasant enhancement  
29 account--state appropriation is provided solely for the department to  
30 support efforts to enhance permanent and temporary pheasant habitat on  
31 public and private lands in Grant, Franklin, and Adams counties. The  
32 department may support efforts by entities including conservation  
33 districts, nonprofit organizations, and landowners, and must require  
34 such entities to provide significant nonstate matching resources, which  
35 may be in the form of funds, material, or labor.

36 (13) Within the amounts appropriated in this section, the  
37 department of fish and wildlife shall develop a method for allocating  
38 its administrative and overhead costs proportionate to program fund

1 use. As part of its 2011-2013 biennial operating budget, the  
2 department shall submit a decision package that rebalances expenditure  
3 authority for all agency funds based upon proportionate contributions.

4 (14) Within the amounts appropriated in this section, the  
5 department shall identify additional opportunities for partnerships in  
6 order to keep fish hatcheries operational. Such partnerships shall aim  
7 to maintain fish production and salmon recovery with less reliance on  
8 state operating funds.

9 (15) Within the amounts appropriated in this section, the  
10 department shall work with stakeholders to develop a long-term funding  
11 model that sustains the department's work of conserving species and  
12 habitat, providing sustainable recreational and commercial  
13 opportunities and using sound business practices. The funding model  
14 analysis shall assess the appropriate uses of each fund source and  
15 whether the department's current and projected revenue levels are  
16 adequate to sustain its current programs. The department shall report  
17 its recommended funding model including supporting analysis and  
18 stakeholder participation summary to the office of financial management  
19 and the appropriate committees of the legislature by October 1, 2010.

20 (16) By October 1, 2010, the department shall enter into an  
21 interagency agreement with the department of natural resources for land  
22 management services for the department's wildlife conservation and  
23 recreation lands. Land management services may include but are not  
24 limited to records management, real estate services such as surveying,  
25 and land acquisition and disposal services. The interagency agreement  
26 shall describe business processes, service delivery expectations, cost,  
27 and timing. In the agreement, the department shall define its roles  
28 and responsibilities. A draft agreement shall be submitted to the  
29 office of financial management and the appropriate fiscal committees of  
30 the legislature by July 1, 2010.

31 (17) Prior to opening game management unit 490 to public hunting,  
32 the department shall complete an environmental impact statement that  
33 includes an assessment of how public hunting activities will impact the  
34 ongoing protection of the public water supply.

35 (18) The department must work with appropriate stakeholders to  
36 facilitate the disposition of salmon to best utilize the resource,  
37 increase revenues to regional fisheries enhancement groups, and enhance  
38 the provision of nutrients to food banks. By November 1, 2010, the

1 department must provide a report to the appropriate committees of the  
2 legislature summarizing these discussions, outcomes, and  
3 recommendations. After November 1, 2010, the department shall not  
4 solicit or award a surplus salmon disposal contract without first  
5 giving due consideration to implementing the recommendations developed  
6 during the stakeholder process.

7 (19) \$50,000 of the general fund--state appropriation for fiscal  
8 year 2011 is provided solely for increased fish production at Voight  
9 Creek hatchery.

10 **Sec. 305.** 2010 2nd sp.s. c 1 s 308 (uncodified) is amended to read  
11 as follows:

12 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

13	General Fund--State Appropriation (FY 2010) . . . . .	\$48,822,000
14	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$33,387,000)</del>
15		<u>\$37,321,000</u>
16	General Fund--Federal Appropriation . . . . .	\$28,784,000
17	General Fund--Private/Local Appropriation . . . . .	\$2,369,000
18	Forest Development Account--State Appropriation . . . . .	\$41,640,000
19	Off Road Vehicle Account--State Appropriation . . . . .	\$4,406,000
20	Surveys and Maps Account--State Appropriation . . . . .	\$2,332,000
21	Aquatic Lands Enhancement Account--State	
22	Appropriation . . . . .	\$8,315,000
23	Resources Management Cost Account--State	
24	Appropriation . . . . .	\$78,704,000
25	Surface Mining Reclamation Account--State	
26	Appropriation . . . . .	\$3,494,000
27	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
28	Forest and Fish Support Account--State Appropriation . . . . .	\$8,000,000
29	Aquatic Land Dredged Material Disposal Site	
30	Account--State Appropriation . . . . .	\$1,333,000
31	Natural Resources Conservation Areas Stewardship	
32	Account--State Appropriation . . . . .	\$184,000
33	State Toxics Control Account--State Appropriation . . . . .	\$720,000
34	Air Pollution Control Account--State Appropriation . . . . .	<del>(\$568,000)</del>
35		<u>\$478,000</u>
36	NOVA Program Account--State Appropriation . . . . .	\$974,000
37	Derelict Vessel Removal Account--State Appropriation . . . . .	\$1,749,000

1	Agricultural College Trust Management Account--	
2	State Appropriation . . . . .	\$1,941,000
3	TOTAL APPROPRIATION . . . . .	(( <del>\$272,722,000</del> ))
4		<u>\$276,566,000</u>

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

7 (1) \$1,355,000 of the general fund--state appropriation for fiscal  
8 year 2010 and ((~~\$349,000~~)) \$327,000 of the general fund--state  
9 appropriation for fiscal year 2011 are provided solely for deposit into  
10 the agricultural college trust management account and are provided  
11 solely to manage approximately 70,700 acres of Washington State  
12 University's agricultural college trust lands.

13 (2) \$22,670,000 of the general fund--state appropriation for fiscal  
14 year 2010, ((~~\$11,128,000~~)) \$15,089,000 of the general fund--state  
15 appropriation for fiscal year 2011, and \$5,000,000 of the disaster  
16 response account--state appropriation are provided solely for emergency  
17 fire suppression. None of the general fund and disaster response  
18 account amounts provided in this subsection may be used to fund agency  
19 indirect and administrative expenses. Agency indirect and  
20 administrative costs shall be allocated among the agency's remaining  
21 accounts and appropriations. The department of natural resources shall  
22 submit a quarterly report to the office of financial management and the  
23 legislative fiscal committees detailing information on current and  
24 planned expenditures from the disaster response account. This work  
25 shall be done in coordination with the military department.

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

31 (4) \$600,000 of the derelict vessel removal account--state  
32 appropriation is provided solely for removal of derelict and abandoned  
33 vessels that have the potential to contaminate Puget Sound.

34 (5) \$666,000 of the general fund--federal appropriation is provided  
35 solely to implement House Bill No. 2165 (forest biomass energy  
36 project). If the bill is not enacted by June 30, 2009, the amount  
37 provided in this subsection shall lapse.

1 (6) \$5,000 of the general fund--state appropriation for fiscal year  
2 2010 and \$5,000 of the general fund--state appropriation for fiscal  
3 year 2011 are provided solely to implement Substitute House Bill No.  
4 1038 (specialized forest products). If the bill is not enacted by June  
5 30, 2009, the amounts provided in this subsection shall lapse.

6 (7) \$440,000 of the state general fund--state appropriation for  
7 fiscal year 2010 and \$440,000 of the state general fund--state  
8 appropriation for fiscal year 2011 are provided solely for forest work  
9 crews that support correctional camps and are contingent upon  
10 continuing operations of Naselle youth camp at the level provided in  
11 fiscal year 2008. The department shall consider using up to \$2,000,000  
12 of the general fund--federal appropriation to support and utilize  
13 correctional camp crews to implement natural resource projects approved  
14 by the federal government for federal stimulus funding.

15 (8) The department of natural resources shall dispose of the King  
16 Air aircraft it currently owns. Before disposal and within existing  
17 funds, the department shall transfer specialized equipment for fire  
18 surveillance to the department of fish and wildlife's Partenavia  
19 aircraft. Disposal of the aircraft must occur no later than June 30,  
20 2010, and the proceeds from the sale of the aircraft shall be deposited  
21 into the forest and fish support account. ~~((No later than June 30,  
22 2011, the department shall lease facilities in eastern Washington  
23 sufficient to house the necessary aircraft, mechanics, and pilots used  
24 for forest fire prevention and suppression.))~~

25 (9) \$30,000 of the general fund--state appropriation for fiscal  
26 year 2010 and ~~(( \$30,000 ))~~ \$28,000 of the general fund--state  
27 appropriation for fiscal year 2011 are provided solely for  
28 implementation of Engrossed Second Substitute Bill No. 5560 (agency  
29 climate leadership). If the bill is not enacted by June 30, 2009, the  
30 amounts provided in this subsection shall lapse.

31 (10) \$1,030,000 of the aquatic lands enhancement account--state  
32 appropriation for fiscal year 2011 is provided solely for continuing  
33 scientific studies already underway as part of the adaptive management  
34 process. Funds may not be used to initiate new studies unless the  
35 department secures new federal funding for the adaptive management  
36 process.

37 (11) Within available funds, the department of natural resources  
38 shall review the statutory method for determining aquatic lands lease

1 rates for private marinas, public marinas not owned and operated by  
2 port districts, yacht clubs, and other entities leasing state land for  
3 boat moorage. The review shall consider alternative methods for  
4 determining rents for these entities for a fair distribution of rent,  
5 consistent with the department management mandates for state aquatic  
6 lands.

7 (12) (~~(\$40,000)~~) \$37,000 of the general fund--state appropriation  
8 for fiscal year 2011 and \$100,000 of the aquatic lands enhancement  
9 account--state appropriation are provided solely to install up to  
10 twenty mooring buoys in Eagle Harbor and to remove abandoned boats,  
11 floats, and other trespassing structures.

12 (13) By October 1, 2010, the department shall enter into an  
13 interagency agreement with the department of fish and wildlife for  
14 providing land management services on the department of fish and  
15 wildlife's wildlife conservation and recreation lands. Land management  
16 services may include but are not limited to records management, real  
17 estate services such as surveying, and land acquisition and disposal  
18 services. The interagency agreement shall describe business processes,  
19 service delivery expectations, cost, and timing. A draft agreement  
20 shall be submitted to the office of financial management and the  
21 appropriate fiscal committees of the legislature by July 1, 2010.

22 (14) \$41,000 of the forest development account--state  
23 appropriation, \$44,000 of the resources management cost account--state  
24 appropriation, and \$2,000 of the agricultural college trust management  
25 account--state appropriation are provided solely for the implementation  
26 of Second Substitute House Bill No. 2481 (DNR forest biomass  
27 agreements). If the bill is not enacted by June 30, 2010, the amount  
28 provided in this subsection shall lapse.

29 **Sec. 306.** 2010 2nd sp.s. c 1 s 309 (uncodified) is amended to read  
30 as follows:

31 **FOR THE DEPARTMENT OF AGRICULTURE**

32	General Fund--State Appropriation (FY 2010) . . . . .	\$12,320,000
33	General Fund--State Appropriation (FY 2011) . . . . .	( <del>(\$15,830,000)</del> )
34		<u>\$15,391,000</u>
35	General Fund--Federal Appropriation . . . . .	( <del>(\$20,947,000)</del> )
36		<u>\$21,047,000</u>
37	General Fund--Private/Local Appropriation . . . . .	\$193,000

1 Aquatic Lands Enhancement Account--State  
 2 Appropriation . . . . . (~~(\$2,551,000)~~)  
 3 \$2,564,000  
 4 State Toxics Control Account--State Appropriation . . . . . \$4,724,000  
 5 Water Quality Permit Account--State Appropriation . . . . . \$61,000  
 6 TOTAL APPROPRIATION . . . . . (~~(\$56,626,000)~~)  
 7 \$56,300,000

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

10 (1) \$350,000 of the aquatic lands enhancement account appropriation  
 11 is provided solely for funding to the Pacific county noxious weed  
 12 control board to eradicate remaining spartina in Willapa Bay.

13 (2) \$19,000 of the general fund--state appropriation for fiscal  
 14 year 2010 and \$6,000 of the general fund--state appropriation for  
 15 fiscal year 2011 are provided solely to implement Substitute Senate  
 16 Bill No. 5797 (solid waste handling permits). If the bill is not  
 17 enacted by June 30, 2009, the amounts provided in this subsection shall  
 18 lapse.

19 (3) The department is authorized to establish or increase the  
 20 following fees in the 2009-11 biennium as necessary to meet the actual  
 21 costs of conducting business: Christmas tree grower licensing, nursery  
 22 dealer licensing, plant pest inspection and testing, and commission  
 23 merchant licensing.

24 (4) (~~(\$5,420,000)~~) \$5,179,000 of the general fund--state  
 25 appropriation for fiscal year 2011 and \$2,782,000 of the general fund--  
 26 federal appropriation are provided solely for implementation of  
 27 Substitute Senate Bill No. 6341 (food assistance/department of  
 28 agriculture). Within amounts appropriated in this subsection, \$65,000  
 29 of the general fund--state appropriation for fiscal year 2011 is  
 30 provided solely for a contract with a food distribution program for  
 31 communities in the southwestern portion of the state and for workers  
 32 impacted by timber and salmon fishing closures and reductions. The  
 33 department may not charge administrative overhead or expenses to this  
 34 contract. If the bill is not enacted by June 30, 2010, the amounts  
 35 provided in this subsection shall lapse.

36 (5) The department shall, if public or private funds are available,  
 37 partner with eligible public and private entities with experience in  
 38 food collection and distribution to review funding sources for eight

1 full-time volunteers in the AmeriCorps VISTA program to conduct  
2 outreach to local growers, agricultural donors, and community  
3 volunteers. Public and private partners shall also be utilized to  
4 coordinate gleaning unharvested tree fruits and fresh produce for  
5 distribution to individuals throughout Washington state.

6 (6) When reducing laboratory activities and functions, the  
7 department shall not impact any research or analysis pertaining to  
8 bees.

9 **Sec. 307.** 2010 2nd sp.s. c 1 s 310 (uncodified) is amended to read  
10 as follows:

11 **FOR THE PUGET SOUND PARTNERSHIP**

12	General Fund--State Appropriation (FY 2010) . . . . .	\$3,143,000
13	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,684,000)</del>
14		<u>\$2,528,000</u>
15	General Fund--Federal Appropriation . . . . .	<del>(\$7,214,000)</del>
16		<u>\$8,096,000</u>
17	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$493,000
18	State Toxics Control Account--State Appropriation . . . . .	\$794,000
19	TOTAL APPROPRIATION . . . . .	<del>(\$14,328,000)</del>
20		<u>\$15,054,000</u>

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

23 (1) \$305,000 of the general fund--state appropriation for fiscal  
24 year 2010 is provided solely for measuring water and habitat quality to  
25 determine watershed health and assist salmon recovery.

26 (2) \$794,000 of the state toxics control account--state  
27 appropriation is provided solely for activities that contribute to  
28 Puget Sound protection and recovery, including provision of independent  
29 advice and assessment of the state's oil spill prevention,  
30 preparedness, and response programs, including review of existing  
31 activities and recommendations for any necessary improvements. The  
32 partnership may carry out this function through an existing committee,  
33 such as the ecosystem coordination board or the leadership council, or  
34 may appoint a special advisory council. Because this is a unique  
35 statewide program, the partnership may invite participation from  
36 outside the Puget Sound region.



**PART IV**  
**TRANSPORTATION**

**Sec. 401.** 2010 1st sp.s. c 37 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)	<del>(\$1,524,000)</del>
	<u>\$1,322,000</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	<del>(\$53,948,000)</del>
	<u>\$53,746,000</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

1 appropriation is provided solely to implement Senate Bill No. 6126  
2 (professional athletics). If the bill is not enacted by June 30, 2009,  
3 the amount provided in this subsection shall lapse.

4 (4) \$151,000 of the real estate research account appropriation is  
5 provided solely to implement chapter 156, Laws of 2010 (real estate  
6 broker licensure fees).

7 (5) \$158,000 of the architects' license account--state  
8 appropriation is provided solely to implement chapter 129, Laws of 2010  
9 (architect licensing).

10 (6) \$60,000 of the master license account--state appropriation is  
11 provided solely to implement chapter 174, Laws of 2010 (vaccine  
12 association). The amount provided in this subsection shall be from fee  
13 revenue authorized in chapter 174, Laws of 2010.

14 **Sec. 402.** 2010 1st sp.s. c 37 s 402 (uncodified) is amended to  
15 read as follows:

16 **FOR THE STATE PATROL**

17	General Fund--State Appropriation (FY 2010) . . . . .	\$38,977,000
18	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$36,059,000)</del>
19		<u>\$33,292,000</u>
20	General Fund--Federal Appropriation . . . . .	\$15,793,000
21	General Fund--Private/Local Appropriation . . . . .	\$4,986,000
22	Death Investigations Account--State Appropriation . . . . .	\$5,580,000
23	Enhanced 911 Account--State Appropriation . . . . .	\$603,000
24	County Criminal Justice Assistance Account--State	
25	Appropriation . . . . .	\$3,146,000
26	Municipal Criminal Justice Assistance Account--State	
27	Appropriation . . . . .	\$1,255,000
28	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
29	Disaster Response Account--State Appropriation . . . . .	\$8,002,000
30	Fire Service Training Account--State Appropriation . . . . .	\$8,821,000
31	Aquatic Invasive Species Enforcement Account--State	
32	Appropriation . . . . .	\$54,000
33	State Toxics Control Account--State Appropriation . . . . .	\$509,000
34	Fingerprint Identification Account--State	
35	Appropriation . . . . .	\$10,454,000
36	TOTAL APPROPRIATION . . . . .	<del>(\$134,370,000)</del>
37		<u>\$131,603,000</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 V**  
**EDUCATION**

**Sec. 501.** 2010 2nd sp.s. c 1 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) . . . . .	<del>(\$29,696,000)</del>
	<u>\$30,196,000</u>
General Fund--Federal Appropriation . . . . .	\$87,081,000
TOTAL APPROPRIATION . . . . .	<del>(\$152,192,000)</del>
	<u>\$152,692,000</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 ~~(\$19,570,000)~~ \$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) (~~(\$500,000)~~) \$1,000,000 of the general fund--state  
18 appropriation for fiscal year 2011 is provided solely for contracting  
19 with a college scholarship organization with expertise in conducting  
20 outreach to students concerning eligibility for the Washington college  
21 bound scholarship 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 provided solely for office of the attorney general costs  
30 related to *McCleary v. State of Washington*.

31 (2) \$12,320,000 of the general fund--state appropriation for fiscal  
32 year 2010, \$10,127,000 of the general fund--state appropriation for  
33 fiscal year 2011, and \$55,890,000 of the general fund--federal  
34 appropriation are for statewide programs.

35 (a) HEALTH AND SAFETY

36 (i) \$2,541,000 of the general fund--state appropriation for fiscal  
37 year 2010 and \$2,381,000 of the general fund--state appropriation for  
38 fiscal year 2011 are provided solely for a corps of nurses located at

1 educational service districts, as determined by the superintendent of  
2 public instruction, to be dispatched to the most needy schools to  
3 provide direct care to students, health education, and training for  
4 school staff.

5 (ii) \$100,000 of the general fund--state appropriation for fiscal  
6 year 2010 and \$94,000 of the general fund--state appropriation for  
7 fiscal year 2011 are provided solely for a school safety training  
8 program provided by the criminal justice training commission. The  
9 commission, in collaboration with the school safety center advisory  
10 committee, shall provide the school safety training for all school  
11 administrators and school safety personnel, including school safety  
12 personnel hired after the effective date of this section.

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

16 (iv) \$96,000 of the general fund--state appropriation for fiscal  
17 year 2010 and \$90,000 of the general fund--state appropriation for  
18 fiscal year 2011 are provided solely for the school safety center in  
19 the office of the superintendent of public instruction subject to the  
20 following conditions and limitations:

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

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

33 (v) \$70,000 of the general fund--state appropriation for fiscal  
34 year 2010 is provided solely for the youth suicide prevention program.

35 (vi) \$50,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$47,000 of the general fund--state appropriation for  
37 fiscal year 2011 are provided solely for a nonviolence and leadership  
38 training program provided by the institute for community leadership.

1 (b) TECHNOLOGY

2 (i) \$1,842,000 of the general fund--state appropriation for fiscal  
3 year 2010 and \$1,635,000 of the general fund--state appropriation for  
4 fiscal year 2011 are provided solely for K-20 telecommunications  
5 network technical support in the K-12 sector to prevent system failures  
6 and avoid interruptions in school utilization of the data processing  
7 and video-conferencing capabilities of the network. These funds may be  
8 used to purchase engineering and advanced technical support for the  
9 network.

10 (ii) \$1,475,000 of the general fund--state appropriation for fiscal  
11 year 2010, \$1,045,000 of the general fund--state appropriation for  
12 fiscal year 2011, and \$435,000 of the general fund--federal  
13 appropriation are provided solely for implementing a comprehensive data  
14 system to include financial, student, and educator data. The office of  
15 the superintendent of public instruction will convene a data governance  
16 group to create a comprehensive needs-requirement document, conduct a  
17 gap analysis, and define operating rules and a governance structure for  
18 K-12 data collections.

19 (c) GRANTS AND ALLOCATIONS

20 (i) \$1,329,000 of the general fund--state appropriation for fiscal  
21 year 2010 and \$664,000 of the general fund--state appropriation for  
22 fiscal year 2011 are provided solely for the special services pilot  
23 project to include up to seven participating districts. The office of  
24 the superintendent of public instruction shall allocate these funds to  
25 the district or districts participating in the pilot program according  
26 to the provisions of RCW 28A.630.016.

27 (ii) \$750,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$750,000 of the general fund--state appropriation for  
29 fiscal year 2011 are provided solely for the Washington state achievers  
30 scholarship program. The funds shall be used to support community  
31 involvement officers that recruit, train, and match community volunteer  
32 mentors with students selected as achievers scholars.

33 (iii) \$25,000 of the general fund--state appropriation for fiscal  
34 year 2010 is provided solely for developing and disseminating  
35 curriculum and other materials documenting women's role in World War  
36 II.

37 (iv) \$175,000 of the general fund--state appropriation for fiscal  
38 year 2010 and \$87,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for incentive grants for districts  
2 and pilot projects to develop preapprenticeship programs. Incentive  
3 grant awards up to \$10,000 each shall be used to support the program's  
4 design, school/business/labor agreement negotiations, and recruiting  
5 high school students for preapprenticeship programs in the building  
6 trades and crafts.

7 (v) \$2,898,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$2,924,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely for the dissemination of the  
10 navigation 101 curriculum to all districts. The funding shall support  
11 electronic student planning tools and software for analyzing the impact  
12 of navigation 101 on student performance, as well as grants to a  
13 maximum of one hundred school districts each year, based on progress  
14 and need for the implementation of the navigation 101 program. The  
15 implementation grants shall be awarded to a cross-section of school  
16 districts reflecting a balance of geographic and demographic  
17 characteristics. Within the amounts provided, the office of the  
18 superintendent of public instruction will create a navigation 101  
19 accountability model to analyze the impact of the program.

20 (vi) \$627,000 of the general fund--state appropriation for fiscal  
21 year 2010 and \$225,000 of the general fund--state appropriation for  
22 fiscal year 2011 are provided solely for implementation of a statewide  
23 program for comprehensive dropout prevention, intervention, and  
24 retrieval.

25 (vii) \$40,000 of the general fund--state appropriation for fiscal  
26 year 2010 is provided solely for program initiatives to address the  
27 educational needs of Latino students and families. Using the full  
28 amounts of the appropriations under this subsection (2)(c)(vii), the  
29 office of the superintendent of public instruction shall contract with  
30 the Seattle community coalition of compaña quetzal to provide for three  
31 initiatives: (A) Early childhood education; (B) parent leadership  
32 training; and (C) high school success and college preparation programs.

33 (viii) \$60,000 of the general fund--state appropriation for fiscal  
34 year 2010 is provided solely for a pilot project to encourage bilingual  
35 high school students to pursue public school teaching as a profession.  
36 Using the full amounts of the appropriation under this subsection, the  
37 office of the superintendent of public instruction shall contract with  
38 the Latino/a educational achievement project (LEAP) to work with school

1 districts to identify and mentor not fewer than fifty bilingual  
2 students in their junior year of high school, encouraging them to  
3 become bilingual instructors in schools with high English language  
4 learner populations. Students shall be mentored by bilingual teachers  
5 and complete a curriculum developed and approved by the participating  
6 districts.

7 (ix) \$145,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$37,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely to the office of the  
10 superintendent of public instruction to enhance the reading skills of  
11 students with dyslexia by implementing the findings of the dyslexia  
12 pilot program. Funds shall be used to provide information and training  
13 to classroom teachers and reading specialists, for development of a  
14 dyslexia handbook, and to take other statewide actions to improve the  
15 reading skills of students with dyslexia. The training program shall  
16 be delivered regionally through the educational service districts.

17 (x) \$97,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$48,000 of the general fund--state appropriation for  
19 fiscal year 2011 are provided solely to support vocational student  
20 leadership organizations.

21 (xi) \$100,000 of the general fund--state appropriation for fiscal  
22 year 2011 is provided solely for drop-out prevention programs at the  
23 office of the superintendent of public instruction including the jobs  
24 for America's graduates (JAG) program.

25 **Sec. 502.** 2010 2nd sp.s. c 1 s 502 (uncodified) is amended to read  
26 as follows:

27	<b>FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL</b>	
28	<b>APPORTIONMENT</b>	
29	General Fund--State Appropriation (FY 2010) . . . . .	\$5,126,153,000
30	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$4,912,103,000 ))</del>
31		<u>\$4,887,369,000</u>
32	General Fund--Federal Appropriation . . . . .	\$208,098,000
33	TOTAL APPROPRIATION . . . . .	<del>(( \$10,246,354,000 ))</del>
34		<u>\$10,221,620,000</u>

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

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

4 (b) The appropriations in this section include federal funds  
5 provided through section 101 of Public Law No. 111-226 (education jobs  
6 fund), which shall be used to support general apportionment program  
7 funding. In distributing general apportionment allocations under this  
8 section for the 2010-11 school year, the superintendent shall include  
9 the entire allocation from the federal funds provided through section  
10 101 of Public Law No. 111-226 (education jobs fund) as part of each  
11 district's general apportionment allocation.

12 (2) Allocations for certificated staff salaries for the 2009-10 and  
13 2010-11 school years shall be determined using formula-generated staff  
14 units calculated pursuant to this subsection. Staff allocations for  
15 small school enrollments in (e) through (g) of this subsection shall be  
16 reduced for vocational full-time equivalent enrollments. Staff  
17 allocations for small school enrollments in grades K-6 shall be the  
18 greater of that generated under (a) of this subsection, or under (d)  
19 and (e) of this subsection. Certificated staffing allocations shall be  
20 as follows:

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

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

27 (ii) (~~For the 2009-10 school year and the portion of the 2010-11~~  
28 ~~school year from September 1, 2010, through January 31, 2011:))~~)

29 (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((~~7~~)): For the 2009-10 school year,  
33 fifty-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 full-  
3 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 two-  
20 tenths certificated instructional staff units per thousand full-time  
21 equivalent students in grade four, and for the portion of the 2010-11  
22 school year from September 1, 2010, through January 31, 2011, (~~forty-~~  
23 ~~seven and forty three~~) forty-six and twenty-seven one-hundredths  
24 certificated instructional staff units per thousand full-time  
25 equivalent students in grade four.

26 (II) For all other districts:

27 For the 2009-10 school year, a minimum of forty-six certificated  
28 instructional staff units per 1,000 full-time equivalent (FTE) students  
29 in grade four, and additional certificated instructional staff units to  
30 equal the documented staffing level in grade four, up to a maximum of  
31 fifty-three and two-tenths certificated instructional staff units per  
32 1,000 FTE students.

33 For the portion of the 2010-11 school year from September 1, 2010,  
34 through January 31, 2011, a minimum of forty-six certificated  
35 instructional staff units per 1,000 full-time equivalent (FTE) students  
36 in grade four, and additional certificated instructional staff units to  
37 equal the documented staffing level in grade four, up to a maximum of

1 ((~~forty seven and forty three~~)) forty-six and twenty-seven one-  
2 hundredths certificated instructional staff units per 1,000 FTE  
3 students;

4 (iii) For the portion of the 2010-11 school year beginning February  
5 1, 2010:

6 (A) Forty-nine certificated instructional staff units per thousand  
7 full-time equivalent students in grades kindergarten through three;

8 (B) Forty-six certificated instructional staff units per thousand  
9 full-time equivalent students in grade 4;

10 (iv) All allocations for instructional staff units per thousand  
11 full-time equivalent students above forty-nine in grades kindergarten  
12 through three and forty-six in grade four shall occur in apportionments  
13 in the monthly periods prior to February 1, 2011;

14 (v) Forty-six certificated instructional staff units per thousand  
15 full-time equivalent students in grades 5-12;

16 (vi) Certificated staff allocations in this subsection (2)(a)  
17 exceeding the statutory minimums established in RCW 28A.150.260 shall  
18 not be considered part of basic education;

19 (b) For school districts with a minimum enrollment of 250 full-time  
20 equivalent students whose full-time equivalent student enrollment count  
21 in a given month exceeds the first of the month full-time equivalent  
22 enrollment count by 5 percent, an additional state allocation of 110  
23 percent of the share that such increased enrollment would have  
24 generated had such additional full-time equivalent students been  
25 included in the normal enrollment count for that particular month;

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

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

31 (B) Middle school vocational STEM programs approved by the  
32 superintendent of public instruction, a maximum of 0.92 certificated  
33 instructional staff units and 0.8 certificated administrative staff  
34 units for each 19.5 full-time equivalent vocational students; and

35 (C) Skills center programs meeting the standards for skills center  
36 funding established in January 1999 by the superintendent of public  
37 instruction with a waiver allowed for skills centers in current  
38 operation that are not meeting this standard until the 2010-11 school

1 year, 0.92 certificated instructional staff units and 0.08 certificated  
2 administrative units for each 16.67 full-time equivalent vocational  
3 students;

4 (ii) Vocational full-time equivalent enrollment shall be reported  
5 on the same monthly basis as the enrollment for students eligible for  
6 basic support, and payments shall be adjusted for reported vocational  
7 enrollments on the same monthly basis as those adjustments for  
8 enrollment for students eligible for basic support; and

9 (iii) Indirect cost charges by a school district to vocational-  
10 secondary programs and vocational middle-school shall not exceed 15  
11 percent of the combined basic education and vocational enhancement  
12 allocations of state funds;

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

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

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

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

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

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

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

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

13 (ii) For all other small high schools under this subsection, nine  
14 certificated instructional staff units and one-half of a certificated  
15 administrative staff unit for the first sixty average annual full time  
16 equivalent students, and additional staff units based on a ratio of  
17 0.8732 certificated instructional staff units and 0.1268 certificated  
18 administrative staff units per each additional forty-three and one-half  
19 average annual full time equivalent students.

20 Units calculated under (f)(ii) of this subsection shall be reduced  
21 by certificated staff units at the rate of forty-six certificated  
22 instructional staff units and four certificated administrative staff  
23 units per thousand vocational full-time equivalent students;

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

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

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

37 (a) For enrollments generating certificated staff unit allocations

1 under subsection (2)(e) through (h) of this section, one classified  
2 staff unit for each 2.94 certificated staff units allocated under such  
3 subsections;

4 (b) For all other enrollment in grades K-12, including vocational  
5 full-time equivalent enrollments, one classified staff unit for each  
6 58.75 average annual full-time equivalent students; and

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

11 (4) Fringe benefit allocations shall be calculated at a rate of  
12 14.43 percent in the 2009-10 school year and 14.43 percent in the 2010-  
13 11 school year for certificated salary allocations provided under  
14 subsection (2) of this section, and a rate of 16.59 percent in the  
15 2009-10 school year and 16.59 percent in the 2010-11 school year for  
16 classified salary allocations provided under subsection (3) of this  
17 section.

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

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

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

29 (6)(a) For nonemployee-related costs associated with each  
30 certificated staff unit allocated under subsection (2)(a), (b), and (d)  
31 through (g) of this section, there shall be provided a maximum of  
32 \$10,179 per certificated staff unit in the 2009-10 school year and a  
33 maximum of \$10,424 per certificated staff unit in the 2010-11 school  
34 year.

35 (b) For nonemployee-related costs associated with each vocational  
36 certificated staff unit allocated under subsection (2)(c)(i)(A) of this  
37 section, there shall be provided a maximum of \$24,999 per certificated

1 staff unit in the 2009-10 school year and a maximum of \$25,399 per  
2 certificated staff unit in the 2010-11 school year.

3 (c) For nonemployee-related costs associated with each vocational  
4 certificated staff unit allocated under subsection (2)(c)(i)(B) of this  
5 section, there shall be provided a maximum of \$19,395 per certificated  
6 staff unit in the 2009-10 school year and a maximum of \$19,705 per  
7 certificated staff unit in the 2010-11 school year.

8 (7) Allocations for substitute costs for classroom teachers shall  
9 be distributed at a maintenance rate of \$607.44 for the 2009-10 and  
10 2010-11 school years per allocated classroom teachers exclusive of  
11 salary increase amounts provided in section 504 of this act. Solely  
12 for the purposes of this subsection, allocated classroom teachers shall  
13 be equal to the number of certificated instructional staff units  
14 allocated under subsection (2) of this section, multiplied by the ratio  
15 between the number of actual basic education certificated teachers and  
16 the number of actual basic education certificated instructional staff  
17 reported statewide for the prior school year.

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

27 (9) Funding in this section is sufficient to provide additional  
28 service year credits to educational staff associates pursuant to  
29 chapter 403, Laws of 2007.

30 (10)(a) The superintendent may distribute a maximum of  
31 (~~(\$7,286,000)~~) \$5,452,000 outside the basic education formula during  
32 fiscal years 2010 and 2011 as follows:

33 (i) For fire protection for school districts located in a fire  
34 protection district as now or hereafter established pursuant to chapter  
35 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010  
36 and a maximum of \$576,000 may be expended in fiscal year 2011;

37 (ii) For summer vocational programs at skills centers, a maximum of

1 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of  
2 (~~(\$2,385,000)~~) \$600,000 for the 2011 fiscal year(~~(.20 percent of each~~  
3 ~~fiscal year amount may carry over from one year to the next))~~);

4 (iii) A maximum of \$403,000 may be expended for school district  
5 emergencies; and

6 (iv) A maximum of \$485,000 (~~(each fiscal year)~~) for fiscal year  
7 2010 and \$436,000 for fiscal year 2011 may be expended for programs  
8 providing skills training for secondary students who are enrolled in  
9 extended day school-to-work programs, as approved by the superintendent  
10 of public instruction. The funds shall be allocated at a rate not to  
11 exceed \$500 per full-time equivalent student enrolled in those  
12 programs.

13 (b) Funding in this section is sufficient to fund a maximum of 1.6  
14 FTE enrollment for skills center students pursuant to chapter 463, Laws  
15 of 2007.

16 (11) For purposes of RCW 84.52.0531, the increase per full-time  
17 equivalent student is 4.0 percent from the 2008-09 school year to the  
18 2009-10 school year and 4.0 percent from the 2009-10 school year to the  
19 2010-11 school year.

20 (12) If two or more school districts consolidate and each district  
21 was receiving additional basic education formula staff units pursuant  
22 to subsection (2)(b) through (g) of this section, the following shall  
23 apply:

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

28 (b) For the fourth through eighth school years following  
29 consolidation, the difference between the basic education formula staff  
30 units received by the districts for the school year prior to  
31 consolidation and the basic education formula staff units after  
32 consolidation pursuant to subsection (2)(a) through (h) of this section  
33 shall be reduced in increments of twenty percent per year.

34 (13) General apportionment payments to the Steilacoom historical  
35 school district shall reflect changes to operation of the Harriet  
36 Taylor elementary school consistent with the timing of reductions in  
37 correctional facility capacity and staffing.

1 (14) \$2,500,000 of the general fund--state appropriation for fiscal  
2 year 2011 is provided solely for the superintendent for financial  
3 contingency funds for eligible school districts. The financial  
4 contingency funds shall be allocated to eligible districts in the form  
5 of an advance of their respective general apportionment allocations.

6 (a) Eligibility:

7 The superintendent shall determine a district's eligibility for  
8 receipt of financial contingency funds, and districts shall be eligible  
9 only if the following conditions are met:

10 (i) A petition is submitted by the school district as provided in  
11 RCW 28A.510.250 and WAC 392-121-436; and

12 (ii) The district's projected general fund balance for the month of  
13 March is less than one-half of one percent of its budgeted general fund  
14 expenditures as submitted to the superintendent for the 2010-11 school  
15 year on the F-196 report.

16 (b) Calculations:

17 The superintendent shall calculate the financial contingency  
18 allocation to each district as the lesser of:

19 (i) The amount set forth in the school district's resolution;

20 (ii) An amount not to exceed 10 percent of the total amount to  
21 become due and apportionable to the district from September 1st through  
22 August 31st of the current school year;

23 (iii) The highest negative monthly cash and investment balance of  
24 the general fund between the date of the resolution and May 31st of the  
25 school year based on projections approved by the county treasurer and  
26 the educational service district.

27 (c) Repayment:

28 For any amount allocated to a district in state fiscal year 2011,  
29 the superintendent shall deduct in state fiscal year 2012 from the  
30 district's general apportionment the amount of the emergency  
31 contingency allocation and any earnings by the school district on the  
32 investment of a temporary cash surplus due to the emergency contingency  
33 allocation. Repayments or advances will be accomplished by a reduction  
34 in the school district's apportionment payments on or before June 30th  
35 of the school year following the distribution of the emergency  
36 contingency allocation. All disbursements, repayments, and outstanding  
37 allocations to be repaid of the emergency contingency pool shall be

1 reported to the office of financial management and the appropriate  
2 fiscal committees of the legislature on July 1st and January 1st of  
3 each year.

4 **Sec. 503.** 2010 1st sp.s. c 37 s 505 (uncodified) is amended to  
5 read as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

7 General Fund--State Appropriation (FY 2010) . . . . .	\$317,116,000
8 General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$296,747,000)</del>
9	<u>\$296,408,000</u>
10 TOTAL APPROPRIATION . . . . .	<del>(\$613,863,000)</del>
11	<u>\$613,524,000</u>

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

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

17 (2) A maximum of \$878,000 of this fiscal year 2010 appropriation  
18 and a maximum of ~~(\$892,000)~~ \$803,000 of the fiscal year 2011  
19 appropriation may be expended for regional transportation coordinators  
20 and related activities. The transportation coordinators shall ensure  
21 that data submitted by school districts for state transportation  
22 funding shall, to the greatest extent practical, reflect the actual  
23 transportation activity of each district.

24 (3) Allocations for transportation of students shall be based on  
25 reimbursement rates of \$48.15 per weighted mile in the 2009-10 school  
26 year and \$48.37 per weighted mile in the 2010-11 school year exclusive  
27 of salary and benefit adjustments provided in section 504 of this act.  
28 Allocations for transportation of students transported more than one  
29 radius mile shall be based on weighted miles as determined by  
30 superintendent of public instruction multiplied by the per mile  
31 reimbursement rates for the school year pursuant to the formulas  
32 adopted by the superintendent of public instruction. Allocations for  
33 transportation of students living within one radius mile shall be based  
34 on the number of enrolled students in grades kindergarten through five  
35 living within one radius mile of their assigned school multiplied by  
36 the per mile reimbursement rate for the school year multiplied by 1.29.

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

8 (5) The superintendent of public instruction shall base  
9 depreciation payments for school district buses on the pre-sales tax  
10 five-year average of lowest bids in the appropriate category of bus.  
11 In the final year on the depreciation schedule, the depreciation  
12 payment shall be based on the lowest bid in the appropriate bus  
13 category for that school year.

14 (6) Funding levels in this section reflect reductions from the  
15 implementation of Substitute House Bill No. 1292 (authorizing waivers  
16 from the one hundred eighty-day school year requirement in order to  
17 allow four-day school weeks).

18 **Sec. 504.** 2010 1st sp.s. c 37 s 506 (uncodified) is amended to  
19 read as follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**  
21 **PROGRAMS**

22	General Fund--State Appropriation (FY 2010) . . . . .	\$3,159,000
23	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$3,159,000 ))</del>
24		<u>\$7,111,000</u>
25	General Fund--Federal Appropriation . . . . .	<del>(( \$391,988,000 ))</del>
26		<u>\$448,588,000</u>
27	TOTAL APPROPRIATION . . . . .	<del>(( \$398,306,000 ))</del>
28		<u>\$458,858,000</u>

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

31 (1) \$3,000,000 of the general fund--state appropriation for fiscal  
32 year 2010 (~~and \$3,000,000 of the general fund--state appropriation for~~  
33 ~~fiscal year 2011 are~~) is provided for state matching money for federal  
34 child nutrition programs.

35 (2) \$100,000 of the general fund--state appropriation for fiscal  
36 year 2010 (~~and \$100,000 of the 2011 fiscal year appropriation are~~) is  
37 provided for summer food programs for children in low-income areas.

1 (3) \$59,000 of the general fund--state appropriation for fiscal  
2 year 2010 (~~and \$59,000 of the general fund--state appropriation for~~  
3 ~~fiscal year 2011 are~~) is provided solely to reimburse school districts  
4 for school breakfasts served to students enrolled in the free or  
5 reduced price meal program pursuant to chapter 287, Laws of 2005  
6 (requiring school breakfast programs in certain schools).

7 (4) \$7,111,000 of the general fund--state appropriation for fiscal  
8 year 2011 is provided solely for state matching money for federal child  
9 nutrition programs, and may support the meals for kids program through  
10 the following allowable uses:

11 (a) Elimination of breakfast copays and lunch copays for students  
12 in grades kindergarten through third grade who are eligible for reduced  
13 price lunch;

14 (b) Assistance to school districts for supporting summer food  
15 service programs, and initiating new summer food service programs in  
16 low-income areas; and

17 (c) Reimbursements to school districts for school breakfasts served  
18 to students eligible for free and reduced price lunch, pursuant to  
19 chapter 287, Laws of 2005.

20 **Sec. 505.** 2010 1st sp.s. c 37 s 507 (uncodified) is amended to  
21 read as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
23 **PROGRAMS**

24	General Fund--State Appropriation (FY 2010) . . . . .	\$632,136,000
25	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$650,856,000 ))</del>
26		<u>\$626,099,000</u>
27	General Fund--Federal Appropriation . . . . .	\$664,601,000
28	Education Legacy Trust Account--State	
29	Appropriation . . . . .	\$756,000
30	TOTAL APPROPRIATION . . . . .	<del>(( \$1,948,349,000 ))</del>
31		<u>\$1,923,592,000</u>

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

34 (1) Funding for special education programs is provided on an excess  
35 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
36 that special education students as a class receive their full share of  
37 the general apportionment allocation accruing through sections 502 and

1 504 of this act. To the extent a school district cannot provide an  
2 appropriate education for special education students under chapter  
3 28A.155 RCW through the general apportionment allocation, it shall  
4 provide services through the special education excess cost allocation  
5 funded in this section.

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

7 (i) Special education students are basic education students first;

8 (ii) As a class, special education students are entitled to the  
9 full basic education allocation; and

10 (iii) Special education students are basic education students for  
11 the entire school day.

12 (b) The superintendent of public instruction shall continue to  
13 implement the full cost method of excess cost accounting, as designed  
14 by the committee and recommended by the superintendent, pursuant to  
15 section 501(1)(k), chapter 372, Laws of 2006.

16 (3) Each fiscal year appropriation includes such funds as are  
17 necessary to complete the school year ending in the fiscal year and for  
18 prior fiscal year adjustments.

19 (4) The superintendent of public instruction shall distribute state  
20 funds to school districts based on two categories: (a) The first  
21 category includes (i) children birth through age two who are eligible  
22 for the optional program for special education eligible developmentally  
23 delayed infants and toddlers, and (ii) students eligible for the  
24 mandatory special education program and who are age three or four, or  
25 five and not yet enrolled in kindergarten; and (b) the second category  
26 includes students who are eligible for the mandatory special education  
27 program and who are age five and enrolled in kindergarten and students  
28 age six through 21.

29 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent  
30 shall make allocations to each district based on the sum of:

31 (i) A district's annual average headcount enrollment of students  
32 ages birth through four and those five year olds not yet enrolled in  
33 kindergarten, as defined in subsection (4) of this section, multiplied  
34 by the district's average basic education allocation per full-time  
35 equivalent student, multiplied by 1.15; and

36 (ii) A district's annual average full-time equivalent basic  
37 education enrollment multiplied by the funded enrollment percent

1 determined pursuant to subsection (6)(b) of this section, multiplied by  
2 the district's average basic education allocation per full-time  
3 equivalent student multiplied by 0.9309.

4 (b) For purposes of this subsection, "average basic education  
5 allocation per full-time equivalent student" for a district shall be  
6 based on the staffing ratios required by RCW 28A.150.260 and shall not  
7 include enhancements, secondary vocational education, or small schools  
8 in the 2009-10 school year. In the 2010-11 school year, the per  
9 student allocation under this subsection (5)(b) shall include the same  
10 factors as in the 2009-10 school year, but shall also include the  
11 classified staff enhancements included in section 502(3)(b).

12 (6) The definitions in this subsection apply throughout this  
13 section.

14 (a) "Annual average full-time equivalent basic education  
15 enrollment" means the resident enrollment including students enrolled  
16 through choice (RCW 28A.225.225) and students from nonhigh districts  
17 (RCW 28A.225.210) and excluding students residing in another district  
18 enrolled as part of an interdistrict cooperative program (RCW  
19 28A.225.250).

20 (b) "Enrollment percent" means the district's resident special  
21 education annual average enrollment, excluding the birth through age  
22 four enrollment and those five year olds not yet enrolled in  
23 kindergarten, as a percent of the district's annual average full-time  
24 equivalent basic education enrollment.

25 Each district's general fund--state funded special education  
26 enrollment shall be the lesser of the district's actual enrollment  
27 percent or 12.7 percent.

28 (7) At the request of any interdistrict cooperative of at least 15  
29 districts in which all excess cost services for special education  
30 students of the districts are provided by the cooperative, the maximum  
31 enrollment percent shall be calculated in accordance with subsection  
32 (6)(b) of this section, and shall be calculated in the aggregate rather  
33 than individual district units. For purposes of this subsection, the  
34 average basic education allocation per full-time equivalent student  
35 shall be calculated in the aggregate rather than individual district  
36 units.

37 (8) To the extent necessary, (~~(\$44,269,000)~~) \$19,512,000 of the  
38 general fund--state appropriation and \$29,574,000 of the general fund--

1 federal appropriation are provided for safety net awards for districts  
2 with demonstrated needs for special education funding beyond the  
3 amounts provided in subsection (5) of this section. If the federal  
4 safety net awards based on the federal eligibility threshold exceed the  
5 federal appropriation in this subsection (8) in any fiscal year, the  
6 superintendent shall expend all available federal discretionary funds  
7 necessary to meet this need. Safety net funds shall be awarded by the  
8 state safety net oversight committee subject to the following  
9 conditions and limitations:

10 (a) The committee shall consider unmet needs for districts that can  
11 convincingly demonstrate that all legitimate expenditures for special  
12 education exceed all available revenues from state funding formulas.  
13 In the determination of need, the committee shall also consider  
14 additional available revenues from federal sources. Differences in  
15 program costs attributable to district philosophy, service delivery  
16 choice, or accounting practices are not a legitimate basis for safety  
17 net awards. In the determination of need, the committee shall require  
18 that districts demonstrate that they are maximizing their eligibility  
19 for all state and federal revenues related to services for special  
20 education-eligible students. Awards associated with (b) and (c) of  
21 this subsection shall not exceed the total of a district's specific  
22 determination of need.

23 (b) The committee shall then consider the extraordinary high cost  
24 needs of one or more individual special education students.  
25 Differences in costs attributable to district philosophy, service  
26 delivery choice, or accounting practices are not a legitimate basis for  
27 safety net awards.

28 (c) Using criteria developed by the committee, the committee shall  
29 then consider extraordinary costs associated with communities that draw  
30 a larger number of families with children in need of special education  
31 services. The safety net awards to school districts shall be adjusted  
32 to reflect amounts awarded under (b) of this subsection.

33 (d) The maximum allowable indirect cost for calculating safety net  
34 eligibility may not exceed the federal restricted indirect cost rate  
35 for the district plus one percent.

36 (e) Safety net awards must be adjusted for any audit findings or  
37 exceptions related to special education funding.

1 (f) Safety net awards shall be adjusted based on the percent of  
2 potential medicaid eligible students billed as calculated by the  
3 superintendent in accordance with chapter 318, Laws of 1999. The state  
4 safety net oversight committee shall ensure that safety net  
5 documentation and awards are based on current medicaid revenue amounts.

6 ~~(g) ((The office of the superintendent of public instruction, at  
7 the conclusion of each school year, shall recover safety net funds that  
8 were distributed prospectively but for which districts were not  
9 subsequently eligible))~~ Beginning with the 2010-11 school year award  
10 cycle, the office of the superintendent of public instruction shall  
11 make award determinations for state safety net funding in August of  
12 each school year. Determinations on school district eligibility for  
13 state safety net awards shall be based on analysis of actual  
14 expenditure data from the current school year.

15 (9) The superintendent of public instruction may adopt such rules  
16 and procedures as are necessary to administer the special education  
17 funding and safety net award process. Prior to revising any standards,  
18 procedures, or rules, the superintendent shall consult with the office  
19 of financial management and the fiscal committees of the legislature.

20 (10) The safety net oversight committee appointed by the  
21 superintendent of public instruction shall consist of:

22 (a) One staff from the office of superintendent of public  
23 instruction;

24 (b) Staff of the office of the state auditor who shall be nonvoting  
25 members of the committee; and

26 (c) One or more representatives from school districts or  
27 educational service districts knowledgeable of special education  
28 programs and funding.

29 (11) The office of the superintendent of public instruction shall  
30 review and streamline the application process to access safety net  
31 funds, provide technical assistance to school districts, and annually  
32 survey school districts regarding improvement to the process.

33 (12) A maximum of \$678,000 may be expended from the general fund--  
34 state appropriations to fund 5.43 full-time equivalent teachers and 2.1  
35 full-time equivalent aides at children's orthopedic hospital and  
36 medical center. This amount is in lieu of money provided through the  
37 home and hospital allocation and the special education program.

1 (13) The superintendent shall maintain the percentage of federal  
2 flow-through to school districts at 85 percent. In addition to other  
3 purposes, school districts may use increased federal funds for high-  
4 cost students, for purchasing regional special education services from  
5 educational service districts, and for staff development activities  
6 particularly relating to inclusion issues.

7 (14) A school district may carry over from one year to the next  
8 year up to 10 percent of the general fund--state funds allocated under  
9 this program; however, carryover funds shall be expended in the special  
10 education program.

11 (15) \$262,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$251,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely for two additional full-time  
14 equivalent staff to support the work of the safety net committee and to  
15 provide training and support to districts applying for safety net  
16 awards.

17 (16) \$50,000 of the general fund--state appropriation for fiscal  
18 year 2010, \$50,000 of the general fund--state appropriation for fiscal  
19 2011, and \$100,000 of the general fund--federal appropriation shall be  
20 expended to support a special education ombudsman program within the  
21 office of superintendent of public instruction.

22 **Sec. 506.** 2010 1st sp.s. c 37 s 508 (uncodified) is amended to  
23 read as follows:

24 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**  
25 **DISTRICTS**

26	General Fund--State Appropriation (FY 2010) . . . . .	\$8,394,000
27	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$8,319,000)</del>
28		<u>\$7,487,000</u>
29	TOTAL APPROPRIATION . . . . .	<del>(\$16,713,000)</del>
30		<u>\$15,881,000</u>

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

33 (1) The educational service districts shall continue to furnish  
34 financial services required by the superintendent of public instruction  
35 and RCW 28A.310.190 (3) and (4).

36 (2) \$3,355,000 of the general fund--state appropriation for fiscal  
37 year 2010 and ~~(\$3,355,000)~~ \$3,020,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely for regional  
 2 professional development related to mathematics and science curriculum  
 3 and instructional strategies. Funding shall be distributed among the  
 4 educational service districts in the same proportion as distributions  
 5 in the 2007-2009 biennium. Each educational service district shall use  
 6 this funding solely for salary and benefits for a certificated  
 7 instructional staff with expertise in the appropriate subject matter  
 8 and in professional development delivery, and for travel, materials,  
 9 and other expenditures related to providing regional professional  
 10 development support. The office of superintendent of public  
 11 instruction shall also allocate to each educational service district  
 12 additional amounts provided in section 504 of this act for compensation  
 13 increases associated with the salary amounts and staffing provided in  
 14 this subsection (2).

15 (3) The educational service districts, at the request of the state  
 16 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may  
 17 receive and screen applications for school accreditation, conduct  
 18 school accreditation site visits pursuant to state board of education  
 19 rules, and submit to the state board of education post-site visit  
 20 recommendations for school accreditation. The educational service  
 21 districts may assess a cooperative service fee to recover actual plus  
 22 reasonable indirect costs for the purposes of this subsection.

23 **Sec. 507.** 2010 1st sp.s. c 37 s 511 (uncodified) is amended to  
 24 read as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**  
 26 **CAPABLE STUDENTS**

27	General Fund--State Appropriation (FY 2010) . . . . .	\$9,189,000
28	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$9,188,000)</del>
29		<u>\$9,162,000</u>
30	TOTAL APPROPRIATION . . . . .	<del>(\$18,377,000)</del>
31		<u>\$18,351,000</u>

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

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

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of \$401.08 per funded student for the 2009-10 school year and \$401.08 per funded student for the 2010-11 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. For the 2009-10 and 2010-11 school years, the number of funded students shall be a maximum of 2.314 percent of each district's full-time equivalent basic education enrollment.

(3) \$90,000 of the fiscal year 2010 appropriation and (~~(\$90,000)~~) \$81,000 of the fiscal year 2011 appropriation are provided for the Washington destination imagination network and future problem-solving programs.

(4) \$170,000 of the fiscal year 2010 appropriation and (~~(\$170,000)~~) \$153,000 of the fiscal year 2011 appropriation are provided for the centrum program at Fort Worden state park.

**Sec. 508.** 2010 2nd sp.s. c 1 s 503 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2010) . . . . .	\$93,642,000
General Fund--State Appropriation (FY 2011) . . . . .	( <del>(\$92,643,000)</del> )
	<u>\$85,691,000</u>
General Fund--Federal Appropriation . . . . .	\$154,627,000
Education Legacy Trust Account--State	
Appropriation . . . . .	( <del>(\$100,381,000)</del> )
	<u>\$98,981,000</u>
TOTAL APPROPRIATION . . . . .	( <del>(\$441,293,000)</del> )
	<u>\$432,941,000</u>

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

(1) \$35,804,000 of the general fund--state appropriation for fiscal year 2010, \$31,850,000 of the general fund--state appropriation for fiscal year 2011, \$1,350,000 of the education legacy trust account--state appropriation, and \$17,869,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington state assessment system, including:  
 (i) Development and implementation of retake assessments for high

1 school students who are not successful in one or more content areas;  
2 and (ii) development and implementation of alternative assessments or  
3 appeals procedures to implement the certificate of academic  
4 achievement. The superintendent of public instruction shall report  
5 quarterly on the progress on development and implementation of  
6 alternative assessments or appeals procedures. Within these amounts,  
7 the superintendent of public instruction shall contract for the early  
8 return of 10th grade student assessment results, on or around June 10th  
9 of each year.

10 (2) \$3,249,000 of the general fund--state appropriation for fiscal  
11 year 2010 and \$3,249,000 of the general fund--state appropriation for  
12 fiscal year 2011 are provided solely for the design of the state  
13 assessment system and the implementation of end of course assessments  
14 for high school math.

15 (3) Within amounts provided in subsections (1) and (2) of this  
16 section, the superintendent of public instruction, in consultation with  
17 the state board of education, shall develop a statewide high school  
18 end-of-course assessment measuring student achievement of the state  
19 science standards in biology to be implemented statewide in the 2011-12  
20 school year. By December 1, 2010, the superintendent of public  
21 instruction shall recommend whether additional end-of-course  
22 assessments in science should be developed and in which content areas.  
23 Any recommendation for additional assessments must include an  
24 implementation timeline and the projected cost to develop and  
25 administer the assessments.

26 (4) \$1,014,000 of the education legacy trust account appropriation  
27 is provided solely for allocations to districts for salaries and  
28 benefits for the equivalent of two additional professional development  
29 days for fourth and fifth grade teachers during the 2008-2009 school  
30 year. The allocations shall be made based on the calculations of  
31 certificated instructional staff units for fourth and fifth grade  
32 provided in section 502 of this act and on the calculations of  
33 compensation provided in sections 503 and 504 of this act. Districts  
34 may use the funding to support additional days for professional  
35 development as well as job-embedded forms of professional development.

36 (5) \$3,241,000 of the education legacy trust fund appropriation is  
37 provided solely for allocations to districts for salaries and benefits  
38 for the equivalent of three additional professional development days

1 for middle and high school math and science teachers during the 2008-  
2 2009 school year, as well as specialized training for one math and  
3 science teacher in each middle school and high school during the 2008-  
4 2009 school year. Districts may use the funding to support additional  
5 days for professional development as well as job-embedded forms of  
6 professional development.

7 (6) \$3,773,000 of the education legacy trust account--state  
8 appropriation is provided solely for a math and science instructional  
9 coaches program pursuant to chapter 396, Laws of 2007. Funding shall  
10 be used to provide grants to schools and districts to provide salaries,  
11 benefits, and professional development activities for up to twenty-five  
12 instructional coaches in middle and high school math and twenty-five  
13 instructional coaches in middle and high school science in each year of  
14 the biennium; and up to \$300,000 may be used by the office of the  
15 superintendent of public instruction to administer and coordinate the  
16 program.

17 (7) \$1,740,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$1,775,000 of the general fund--state appropriation for  
19 fiscal year 2011 are provided solely to allow approved middle and  
20 junior high school career and technical education programs to receive  
21 enhanced vocational funding. The office of the superintendent of  
22 public instruction shall provide allocations to districts for middle  
23 and junior high school students in accordance with the funding formulas  
24 provided in section 502 of this act. If Second Substitute Senate Bill  
25 No. 5676 is enacted the allocations are formula-driven, otherwise the  
26 office of the superintendent shall consider the funding provided in  
27 this subsection as a fixed amount, and shall adjust funding to stay  
28 within the amounts provided in this subsection.

29 (8) \$139,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$93,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for (a) staff at the office of the  
32 superintendent of public instruction to coordinate and promote efforts  
33 to develop integrated math, science, technology, and engineering  
34 programs in schools and districts across the state; and (b) grants of  
35 \$2,500 to provide twenty middle and high school teachers each year  
36 professional development training for implementing integrated math,  
37 science, technology, and engineering program in their schools.

1 (9) \$1,473,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$197,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for the Washington state  
4 leadership and assistance for science education reform (LASER) regional  
5 partnership activities coordinated at the Pacific science center,  
6 including instructional material purchases, teacher and principal  
7 professional development, and school and community engagement events.  
8 Funding shall be distributed to the various LASER activities in a  
9 manner proportional to LASER program spending during the 2007-2009  
10 biennium.

11 (10) \$88,981,000 of the education legacy trust account--state  
12 appropriation is provided solely for grants for voluntary full-day  
13 kindergarten at the highest poverty schools, as provided in chapter  
14 400, Laws of 2007. The office of the superintendent of public  
15 instruction shall provide allocations to districts for recipient  
16 schools in accordance with the funding formulas provided in section 502  
17 of this act. Each kindergarten student who enrolls for the voluntary  
18 full-day program in a recipient school shall count as one-half of one  
19 full-time equivalent student for the purpose of making allocations  
20 under this subsection. Although the allocations are formula-driven,  
21 the office of the superintendent shall consider the funding provided in  
22 this subsection as a fixed amount, and shall limit the number of  
23 recipient schools so as to stay within the amounts appropriated each  
24 fiscal year in this subsection. The funding provided in this  
25 subsection is estimated to provide full-day kindergarten programs for  
26 20 percent of kindergarten enrollment. Funding priority shall be given  
27 to schools with the highest poverty levels, as measured by prior year  
28 free and reduced priced lunch eligibility rates in each school.  
29 Additionally, as a condition of funding, school districts must agree to  
30 provide the full-day program to the children of parents who request it  
31 in each eligible school. For the purposes of calculating a school  
32 district levy base, funding provided in this subsection shall be  
33 considered a state block grant program under RCW 84.52.0531.

34 (a) Of the amounts provided in this subsection, a maximum of  
35 \$272,000 may be used for administrative support of the full-day  
36 kindergarten program within the office of the superintendent of public  
37 instruction.

1 (b) Student enrollment pursuant to this program shall not be  
2 included in the determination of a school district's overall K-12 FTE  
3 for the allocation of student achievement programs and other funding  
4 formulas unless specifically stated.

5 (11) \$700,000 of the general fund--state appropriation for fiscal  
6 year 2010 and \$450,000 of the general fund--state appropriation for  
7 fiscal year 2011 are provided solely for the development of a  
8 leadership academy for school principals and administrators. The  
9 superintendent of public instruction shall contract with an independent  
10 organization to design, field test, and implement a state-of-the-art  
11 education leadership academy that will be accessible throughout the  
12 state. Initial development of the content of the academy activities  
13 shall be supported by private funds. Semiannually the independent  
14 organization shall report on amounts committed by foundations and  
15 others to support the development and implementation of this program.  
16 Leadership academy partners, with varying roles, shall include the  
17 state level organizations for school administrators and principals, the  
18 superintendent of public instruction, the professional educator  
19 standards board, and others as the independent organization shall  
20 identify.

21 (12) \$105,754,000 of the general fund--federal appropriation is  
22 provided for preparing, training, and recruiting high quality teachers  
23 and principals under Title II of the no child left behind act.

24 (13) \$1,960,000 of the general fund--state appropriation for fiscal  
25 year 2010 and \$761,000 of the general fund--state appropriation for  
26 fiscal year 2011 are provided solely to the office of the  
27 superintendent of public instruction for focused assistance. The  
28 office of the superintendent of public instruction shall conduct  
29 educational audits of low-performing schools and enter into performance  
30 agreements between school districts and the office to implement the  
31 recommendations of the audit and the community. Funding in this  
32 subsection shall be used for focused assistance programs for individual  
33 schools or school districts. The office of the superintendent of  
34 public instruction shall report to the fiscal committees of the  
35 legislature by September 1, 2011, providing an accounting of the uses  
36 of focused assistance funds during the 2009-11 fiscal biennium,  
37 including a list of schools served and the types of services provided.

1 (14) \$1,667,000 of the general fund--state appropriation for fiscal  
2 year 2010 (~~(and \$1,667,000 of the general fund--state appropriation for~~  
3 ~~fiscal year 2011 are))~~ is provided solely to eliminate the lunch co-pay  
4 for students in grades kindergarten through third grade that are  
5 eligible for reduced price lunch.

6 (15) \$5,285,000 of the general fund--state appropriation for fiscal  
7 year 2010 (~~(and \$5,285,000 of the general fund--state appropriation for~~  
8 ~~fiscal year 2011 are))~~ is provided solely for: (a) The meals for kids  
9 program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the  
10 breakfast co-pay for students eligible for reduced price lunch; and (c)  
11 for additional assistance for school districts initiating a summer food  
12 service program.

13 (16) \$1,003,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$528,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely for the Washington reading corps.  
16 The superintendent shall allocate reading corps members to low-  
17 performing schools and school districts that are implementing  
18 comprehensive, proven, research-based reading programs. Two or more  
19 schools may combine their Washington reading corps programs. Grants  
20 provided under this section may be used by school districts for  
21 expenditures from September 2009 through August 31, 2011.

22 (17) \$3,269,000 of the general fund--state appropriation for fiscal  
23 year 2010 and \$3,594,000 of the general fund--state appropriation for  
24 fiscal year 2011 are provided solely for grants to school districts to  
25 provide a continuum of care for children and families to help children  
26 become ready to learn. Grant proposals from school districts shall  
27 contain local plans designed collaboratively with community service  
28 providers. If a continuum of care program exists in the area in which  
29 the school district is located, the local plan shall provide for  
30 coordination with existing programs to the greatest extent possible.  
31 Grant funds shall be allocated pursuant to RCW 70.190.040.

32 (18) \$1,861,000 of the general fund--state appropriation for fiscal  
33 year 2010 and \$1,836,000 of the general fund--state appropriation for  
34 fiscal year 2011 are provided solely for improving technology  
35 infrastructure, monitoring and reporting on school district technology  
36 development, promoting standards for school district technology,  
37 promoting statewide coordination and planning for technology

1 development, and providing regional educational technology support  
2 centers, including state support activities, under chapter 28A.650 RCW.

3 (19) \$225,000 of the general fund--state appropriation for fiscal  
4 year 2010 and \$150,000 of the general fund--state appropriation for  
5 fiscal year 2011 are provided solely for the operation of the center  
6 for the improvement of student learning pursuant to RCW 28A.300.130.

7 (20) \$246,000 of the education legacy trust account--state  
8 appropriation is provided solely for costs associated with the office  
9 of the superintendent of public instruction's statewide director of  
10 technology position.

11 (21)(a) \$28,715,000 of the general fund--state appropriation for  
12 fiscal year 2010 and \$36,168,000 of the general fund--state  
13 appropriation for fiscal year 2011 are provided solely for the  
14 following bonuses for teachers who hold valid, unexpired certification  
15 from the national board for professional teaching standards and who are  
16 teaching in a Washington public school, subject to the following  
17 conditions and limitations:

18 (i) For national board certified teachers, a bonus of \$5,000 per  
19 teacher beginning in the 2007-08 school year and adjusted for inflation  
20 in each school year thereafter in which Initiative 732 cost of living  
21 adjustments are provided;

22 (ii) An additional \$5,000 annual bonus shall be paid to national  
23 board certified teachers who teach in either: (A) High schools where  
24 at least 50 percent of student headcount enrollment is eligible for  
25 federal free or reduced price lunch, (B) middle schools where at least  
26 60 percent of student headcount enrollment is eligible for federal free  
27 or reduced price lunch, or (C) elementary schools where at least 70  
28 percent of student headcount enrollment is eligible for federal free or  
29 reduced price lunch;

30 (iii) The superintendent of public instruction shall adopt rules to  
31 ensure that national board certified teachers meet the qualifications  
32 for bonuses under (a)(ii) of this subsection for less than one full  
33 school year receive bonuses in a pro-rated manner; and

34 (iv) During the 2009-10 and 2010-11 school years, and within the  
35 available state and federal appropriations, certificated instructional  
36 staff who have met the eligibility requirements and have applied for  
37 certification from the national board for professional teaching  
38 standards may receive a conditional two thousand dollars or the amount

1 set by the office of the superintendent of public instruction to  
2 contribute toward the current assessment fee, not including the initial  
3 up-front candidacy payment. The fee shall be an advance on the first  
4 annual bonus under RCW 28A.405.415. The assessment fee for national  
5 certification is provided in addition to compensation received under a  
6 district's salary schedule adopted in accordance with RCW 28A.405.200  
7 and shall not be included in calculations of a district's average  
8 salary and associated salary limitation under RCW 28A.400.200.  
9 Recipients who fail to receive certification after three years are  
10 required to repay the assessment fee, not including the initial up-  
11 front candidacy payment, as set by the national board for professional  
12 teaching standards and administered by the office of the superintendent  
13 of public instruction. The office of the superintendent of public  
14 instruction shall adopt rules to define the terms for initial grant of  
15 the assessment fee and repayment, including applicable fees.

16 (b) Included in the amounts provided in this subsection are amounts  
17 for mandatory fringe benefits.

18 (22) \$2,475,000 of the general fund--state appropriation for fiscal  
19 year 2010 and \$456,000 of the general fund--state appropriation for  
20 fiscal year 2011 are provided solely for secondary career and technical  
21 education grants pursuant to chapter 170, Laws of 2008. This funding  
22 may additionally be used to support FIRST Robotics programs. In fiscal  
23 year 2011, if equally matched by private donations, \$300,000 of the  
24 appropriation shall be used to support FIRST Robotics programs,  
25 including FIRST Robotics professional development.

26 (23) \$75,000 of the general fund--state appropriation for fiscal  
27 year 2011 is provided solely for the implementation of House Bill No.  
28 2621 (K-12 school resource programs). If the bill is not enacted by  
29 June 30, 2010, the amount provided in this subsection shall lapse.

30 (24) \$300,000 of the general fund--state appropriation for fiscal  
31 year 2010 is provided solely for the local farms-healthy kids program  
32 as described in chapter 215, Laws of 2008. The program is suspended in  
33 the 2011 fiscal year, and not eliminated.

34 (25) \$2,348,000 of the general fund--state appropriation for fiscal  
35 year 2010 and \$1,000,000 of the general fund--state appropriation for  
36 fiscal year 2011 are provided solely for a beginning educator support  
37 program. School districts and/or regional consortia may apply for  
38 grant funding beginning in the 2009-10 school year. The superintendent

1 shall implement this program in 5 to 15 school districts and/or  
2 regional consortia. The program provided by a district and/or regional  
3 consortia shall include: A paid orientation; assignment of a qualified  
4 mentor; development of a professional growth plan for each beginning  
5 teacher aligned with professional certification; release time for  
6 mentors and new teachers to work together, and teacher observation time  
7 with accomplished peers. \$250,000 may be used to provide state-wide  
8 professional development opportunities for mentors and beginning  
9 educators. The superintendent of public instruction shall adopt rules  
10 to establish and operate a research-based beginning educator support  
11 program no later than August 31, 2009. OSPI must evaluate the  
12 program's progress and may contract for this work. A report to the  
13 legislature about the beginning educator support program is due  
14 November 1, 2010.

15 (26) (~~(\$1,790,000)~~) \$390,000 of the education legacy trust account-  
16 state appropriation is provided solely for the development and  
17 implementation of diagnostic assessments, consistent with the  
18 recommendations of the Washington assessment of student learning work  
19 group.

20 (27) Funding within this section is provided for implementation of  
21 Engrossed Substitute Senate Bill No. 5414 (statewide assessments and  
22 curricula).

23 (28) \$530,000 of the general fund--state appropriation for fiscal  
24 year 2010 and \$265,000 of the general fund--state appropriation for  
25 fiscal year 2011 are provided solely for the leadership internship  
26 program for superintendents, principals, and program administrators.

27 (29) Funding for the community learning center program, established  
28 in RCW 28A.215.060, and providing grant funding for the 21st century  
29 after-school program, is suspended and not eliminated.

30 (30) \$2,357,000 of the general fund--state appropriation for fiscal  
31 year 2011 is provided solely for implementation of Engrossed Second  
32 Substitute Senate Bill No. 6696 (education reform). Of the amount  
33 provided, \$142,000 is provided to the professional educators' standards  
34 board and \$120,000 is provided to the system of the educational service  
35 districts, to fulfill their respective duties under the bill.

(End of part)

PART VI  
HIGHER EDUCATION

Sec. 601. 2010 1st sp.s. c 37 s 610 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2010)	\$6,402,000
General Fund--State Appropriation (FY 2011)	<del>(\$5,561,000)</del>
	<u>\$4,274,000</u>
General Fund--Federal Appropriation	\$4,332,000
TOTAL APPROPRIATION	<del>(\$16,295,000)</del>
	<u>\$15,008,000</u>

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,

1 or their designees. The board shall report the findings and  
2 recommendations of this system design planning project to the governor  
3 and the appropriate committees of the legislature by December 1, 2009.

4 (2) \$146,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$65,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely for the higher education  
7 coordinating board to administer Engrossed Second Substitute House Bill  
8 No. 2021 (revitalizing student financial aid). If the bill is not  
9 enacted by June 30, 2009, the amounts provided in this subsection shall  
10 lapse.

11 (3) \$167,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$71,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely to implement Engrossed Second  
14 Substitute House Bill No. 1946 (regarding higher education online  
15 technology). If the bill is not enacted by June 30, 2009, the amounts  
16 provided in this subsection shall lapse.

17 (4) \$350,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$200,000 of the general fund--state appropriation for  
19 fiscal year 2011 are provided solely for the higher education  
20 coordinating board to contract with the Pacific Northwest university of  
21 health sciences to conduct training and education of health care  
22 professionals to promote osteopathic physician services in rural and  
23 underserved areas of the state.

24 **Sec. 602.** 2010 1st sp.s. c 37 s 611 (uncodified) is amended to  
25 read as follows:

26 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**  
27 **PROGRAMS**

28	General Fund--State Appropriation (FY 2010) . . . . .	\$188,332,000
29	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$122,218,000)</del>
30		<u>\$96,833,000</u>
31	General Fund--Federal Appropriation . . . . .	\$13,129,000
32	Education Legacy Trust Account--State Appropriation . . .	\$116,060,000
33	Opportunity Pathways Account--State Appropriation . . .	<del>(\$73,500,000)</del>
34		<u>\$98,885,000</u>
35	TOTAL APPROPRIATION . . . . .	\$513,239,000

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

1 (1) \$178,726,000 of the general fund--state appropriation for  
2 fiscal year 2010, (~~(\$120,572,000)~~) \$95,187,000 of the general fund--  
3 state appropriation for fiscal year 2011, \$109,188,000 of the education  
4 legacy trust account appropriation, (~~(\$73,500,000)~~) \$98,885,000 of the  
5 opportunity pathways appropriation, and \$2,545,000 of the general  
6 fund--federal appropriation are provided solely for student financial  
7 aid payments under the state need grant; the state work study program  
8 including up to a four percent administrative allowance; the Washington  
9 scholars program; and the Washington award for vocational excellence.  
10 State need grant and the Washington award for vocational excellence  
11 shall be adjusted to offset the cost of the resident undergraduate  
12 tuition increases, limited to those tuition increases authorized under  
13 this act. The Washington scholars program shall provide awards  
14 sufficient to offset ninety percent of the total tuition and fee award.

15 (2)(a) Within the funds appropriated in this section, eligibility  
16 for the state need grant shall include students with family incomes at  
17 or below 70 percent of the state median family income (MFI), adjusted  
18 for family size. Awards for all students shall be adjusted by the  
19 estimated amount by which Pell grant increases exceed projected  
20 increases in the noninstructional costs of attendance. Awards for  
21 students with incomes between 51 and 70 percent of the state median  
22 shall be prorated at the following percentages of the award amount  
23 granted to those with incomes below 51 percent of the MFI: 70 percent  
24 for students with family incomes between 51 and 55 percent MFI; 65  
25 percent for students with family incomes between 56 and 60 percent MFI;  
26 60 percent for students with family incomes between 61 and 65 percent  
27 MFI; and 50 percent for students with family incomes between 66 and 70  
28 percent MFI.

29 (b) Grant awards for students at private four-year colleges shall  
30 be set at the same level as the student would receive if attending one  
31 of the public research universities.

32 (3) To the maximum extent practicable, the board shall provide  
33 state work study subsidies only to resident students during the 2010-11  
34 academic year. Additionally, in order to provide work opportunities to  
35 as many resident students as possible, the board is encouraged to  
36 increase the proportion of student wages that is to be paid by both  
37 proprietary and nonprofit, public, and private employers.

1 (4) \$3,872,000 of the education legacy trust account--state  
2 appropriation is provided solely for the passport to college  
3 scholarship program pursuant to chapter 28B.117 RCW. The higher  
4 education coordinating board shall contract with a college scholarship  
5 organization with expertise in managing scholarships for low-income,  
6 high-potential students and foster care children and young adults to  
7 administer the program. Of the amount in this subsection, \$39,000 is  
8 provided solely for the higher education coordinating board for  
9 administration of the contract and the remaining shall be contracted  
10 out to the organization for the following purposes:

- 11 (a) \$384,000 is provided solely for program administration, and  
12 (b) \$3,449,000 is provided solely for student financial aid for up  
13 to 151 students and to fund student support services. Funds are  
14 provided for student scholarships, provider training, and for incentive  
15 payments to the colleges they attend for individualized student support  
16 services which may include, but are not limited to, college and career  
17 advising, counseling, tutoring, costs incurred for students while  
18 school is not in session, personal expenses, health insurance, and  
19 emergency services.

20 (5) \$1,250,000 of the general fund--state appropriation for fiscal  
21 year 2010 is provided solely for the health professional scholarship  
22 and loan program. The funds provided in this subsection shall be: (a)  
23 Prioritized for health care deliver sites demonstrating a commitment to  
24 serving the uninsured; and (b) allocated between loan repayments and  
25 scholarships proportional to current program allocations.

26 (6) For fiscal year 2010 and fiscal year 2011, the board shall  
27 defer loan or conditional scholarship repayments to the future teachers  
28 conditional scholarship and loan repayment program for up to one year  
29 for each participant if the participant has shown evidence of efforts  
30 to find a teaching job but has been unable to secure a teaching job per  
31 the requirements of the program.

32 (7) \$246,000 of the general fund--state appropriation for fiscal  
33 year 2010 and \$246,000 of the general fund--state appropriation for  
34 fiscal year 2011 are for community scholarship matching grants and its  
35 administration. To be eligible for the matching grant, nonprofit  
36 groups organized under section 501(c)(3) of the federal internal  
37 revenue code must demonstrate they have raised at least \$2,000 in new  
38 moneys for college scholarships after the effective date of this

1 section. Groups may receive no more than one \$2,000 matching grant per  
2 year and preference shall be given to groups affiliated with  
3 scholarship America. Up to a total of \$46,000 per year of the amount  
4 appropriated in this section may be awarded to a nonprofit community  
5 organization to administer scholarship matching grants, with preference  
6 given to an organization affiliated with scholarship America.

7 (8) \$500,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$500,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely for state need grants provided to  
10 students enrolled in three to five credit-bearing quarter credits, or  
11 the equivalent semester credits. Total state expenditures on this  
12 program shall not exceed the amounts provided in this subsection.

13 (9) \$2,500,000 of the education legacy trust account--state  
14 appropriation is provided solely for the gaining early awareness and  
15 readiness for undergraduate programs project.

16 (10) \$75,000 of the general fund--state appropriation for fiscal  
17 year 2010 is provided solely for higher education student child care  
18 matching grants under chapter 28B.135 RCW.

19 (11) \$200,000 of the general fund--state appropriation for fiscal  
20 year 2011 is provided solely for continuation of the leadership 1000  
21 scholarship sponsorship and matching program.

22 (12) In 2010 and 2011, the board shall continue to designate  
23 Washington scholars and scholar-alternates and to recognize them at  
24 award ceremonies as provided in RCW 28A.600.150, but state funding is  
25 provided for award of only one scholarship per legislative district  
26 during the 2010-11 academic year. After the 2010-11 academic year, and  
27 as provided in RCW 28B.76.660, the board may distribute grants to these  
28 eligible students to the extent that funds are appropriated for this  
29 purpose.

30 **Sec. 603.** 2010 1st sp.s. c 37 s 612 (uncodified) is amended to  
31 read as follows:

32 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

33	General Fund--State Appropriation (FY 2010) . . . . .	\$1,465,000
34	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,444,000)</del>
35		<u>\$1,353,000</u>
36	General Fund--Federal Appropriation . . . . .	\$54,020,000
37	TOTAL APPROPRIATION . . . . .	<del>(\$56,929,000)</del>

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

(1) \$60,000 of the general fund--state appropriation for fiscal year 2010 and \$60,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for implementation of Engrossed Second Substitute House Bill No. 2227 (evergreen jobs act). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(2) In 2010 and 2011, the board shall continue to designate recipients of the Washington award for vocational excellence and to recognize them at award ceremonies as provided in RCW 28C.04.535, but state funding is provided for award of only one scholarship per legislative district during the 2010-11 academic year. After the 2010-11 academic year, and as provided in RCW 28B.76.670, the board may distribute grants to these eligible students to the extent that funds are appropriated for this purpose.

Sec. 604. 2010 1st sp.s. c 37 s 613 (uncodified) is amended to read as follows:

**FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

General Fund--State Appropriation (FY 2010)	. . . . .	\$1,598,000
General Fund--State Appropriation (FY 2011)	. . . . .	<del>(\$1,490,000)</del>
		<u>\$1,327,000</u>
TOTAL APPROPRIATION	. . . . .	<del>(\$3,088,000)</del>
		<u>\$2,925,000</u>

The appropriations in this section are subject to the following conditions and limitations: Within existing resources, the Spokane intercollegiate research and technology institute shall coordinate with the Washington technology center to identify gaps and overlaps in programs and evaluate strategies to reduce administrative overhead expenses per section 122(27) of this act.

Sec. 605. 2010 1st sp.s. c 37 s 614 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund--State Appropriation (FY 2010)	. . . . .	\$60,400,000
General Fund--State Appropriation (FY 2011)	. . . . .	<del>(\$21,241,000)</del>

1		<u>\$18,969,000</u>
2	General Fund--Federal Appropriation . . . . .	(( <del>\$265,305,000</del> ))
3		<u>\$266,004,000</u>
4	Opportunity Pathways Account--State Appropriation . . . . .	\$40,000,000
5	TOTAL APPROPRIATION . . . . .	(( <del>\$386,946,000</del> ))
6		<u>\$385,373,000</u>

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

9 (1) \$54,878,000 of the general fund--state appropriation for fiscal  
10 year 2010 and ((~~\$14,685,000~~)) \$14,405,000 of the general fund--state  
11 appropriation for fiscal year 2011, and \$40,000,000 of the opportunity  
12 pathways account appropriation are provided solely for early childhood  
13 education and assistance program services. This appropriation  
14 temporarily reduces the number of slots for the 2009-11 fiscal biennium  
15 for the early childhood education and assistance program. The  
16 department shall reduce slots where providers serve both federal  
17 headstart and early childhood education and assistance program  
18 children, to the greatest extent possible, in order to achieve no  
19 reduction of slots across the state. The amounts in this subsection  
20 also reflect reductions to the administrative expenditures for the  
21 early childhood education and assistance program. The department shall  
22 reduce administrative expenditures, to the greatest extent possible,  
23 prior to reducing early childhood education and assistance program  
24 slots. Of these amounts, \$10,284,000 is a portion of the biennial  
25 amount of state matching dollars required to receive federal child care  
26 and development fund grant dollars.

27 (2) \$1,000,000 of the general fund--federal appropriation is  
28 provided to the department to contract with Thrive by Five, Washington  
29 for a pilot project for a quality rating and improvement system to  
30 provide parents with information they need to choose quality child care  
31 and education programs and to improve the quality of early care and  
32 education programs. The department in collaboration with Thrive by  
33 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,  
34 and Kitsap counties. The department shall use child care development  
35 fund quality money for this purpose.

36 (3) \$425,000 of the general fund--state appropriation for fiscal  
37 year 2010, \$213,000 of the general fund--state appropriation for fiscal  
38 year 2011, and \$850,000 of the general fund--federal appropriation are

1 provided solely for child care resource and referral network services.  
2 The general fund--federal funding represents moneys from the American  
3 recovery and reinvestment act of 2009 (child care development block  
4 grant).

5 (4) \$750,000 of the general fund--state appropriation for fiscal  
6 year 2010(~~(, \$750,000 of the general fund--state appropriation for~~  
7 ~~fiscal year 2011,)) and \$1,500,000 of the general fund--federal  
8 appropriation are provided solely for the career and wage ladder  
9 program created by chapter 507, Laws of 2005. The general fund--  
10 federal funding represents moneys from the American recovery and  
11 reinvestment act of 2009 (child care development block grant).~~

12 (5) \$50,000 of the general fund--state appropriation for fiscal  
13 year 2010 and \$50,000 of the general fund--state appropriation for  
14 fiscal year 2011 are provided solely for the department to work with  
15 stakeholders and the office of the superintendent of public instruction  
16 to identify and test a kindergarten assessment process and tools in  
17 geographically diverse school districts. School districts may  
18 participate in testing the kindergarten assessment process on a  
19 voluntary basis. The department shall report to the legislature on the  
20 kindergarten assessment process not later than January 15, 2011.  
21 Expenditure of amounts provided in this subsection is contingent on  
22 receipt of an equal match from private sources. As matching funds are  
23 made available, the department may expend the amounts provided in this  
24 subsection.

25 (6) \$1,600,000 of the general fund--federal appropriation is  
26 provided solely for the department to fund programs to improve the  
27 quality of infant and toddler child care through training, technical  
28 assistance, and child care consultation.

29 (7) \$200,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$200,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely to develop and provide culturally  
32 relevant supports for parents, family, and other caregivers.

33 (8) The legislature notes that the department of early learning is  
34 developing a plan for improving child care licensing and is consulting,  
35 as practicable, with parents, licensed child care providers, and  
36 stakeholders from the child care community. The plan shall outline the  
37 processes and specify the resources necessary for improvements such as  
38 continuing licenses, child care licensing technology, and weighted

1 child care regulations, including development of risk-based decision  
2 making models and inclusive, evidence-based rule making. The  
3 department shall submit to the appropriate committees of the  
4 legislature a plan by January 15, 2011.

5 (9) The department is the lead agency for and recipient of the  
6 federal child care and development fund grant. Amounts within this  
7 grant shall be used to fund child care licensing, quality initiatives,  
8 agency administration, and other costs associated with child care  
9 subsidies. The department shall transfer a portion of this grant to  
10 the department of social and health services to partially fund the  
11 child care subsidies paid by the department of social and health  
12 services on behalf of the department of early learning.

13 (10) The department shall use child care development fund money to  
14 satisfy the federal audit requirement of the improper payments act  
15 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent  
16 on the audits will not count against the five percent state limit on  
17 administrative expenditures.

18 (11) Within available amounts, the department in consultation with  
19 the office of financial management and the department of social and  
20 health services shall report quarterly enrollments and active caseload  
21 for the working connections child care program to the legislative  
22 fiscal committees. The report shall also identify the number of cases  
23 participating in both temporary assistance for needy families and  
24 working connections child care.

25 (12) The appropriations in this section reflect reductions in the  
26 appropriations for the department's administrative expenses. It is the  
27 intent of the legislature that these reductions shall be achieved, to  
28 the greatest extent possible, by reducing those administrative costs  
29 that do not affect direct client services or direct service delivery or  
30 program.

31 (13) \$500,000 of the general fund--state appropriation for fiscal  
32 year 2011 is provided solely for the department to contract with the  
33 private-public partnership established in chapter 43.215 RCW for home  
34 visitation programs. Of this amount, \$200,000 of the general fund--  
35 state appropriation for fiscal year 2011 is provided solely for  
36 expenditure into the home visiting services account created in Part IX  
37 of this act to be used for contracts for home visitation with the  
38 private-public partnership.

1 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the  
2 department is authorized to increase child care center licensure fees  
3 by fifty-two dollars for the first twelve children and an additional  
4 four dollars per additional child in fiscal year 2011 for costs to the  
5 department for the licensure activity, including costs of necessary  
6 inspection.

7 (15) In accordance with RCW 43.135.055, the department of early  
8 learning is authorized to adopt and increase the fees set forth in and  
9 previously authorized in section 3, chapter 231, Laws of 2010.

10 (16) As of January 31, 2011, the department may not adopt, enforce,  
11 or implement any rules or policies restricting the eligibility of  
12 consumers for child care subsidy benefits to a countable income level  
13 below one hundred seventy-five percent of the federal poverty  
14 guidelines.

15 **Sec. 606.** 2010 1st sp.s. c 37 s 615 (uncodified) is amended to  
16 read as follows:

17 **FOR THE STATE SCHOOL FOR THE BLIND**

18	General Fund--State Appropriation (FY 2010) . . . . .	\$5,902,000
19	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$5,985,000)</del>
20		<u>\$5,509,000</u>
21	General Fund--Private/Local Appropriation . . . . .	\$1,942,000
22	TOTAL APPROPRIATION . . . . .	<del>(\$13,829,000)</del>
23		<u>\$13,353,000</u>

24 The appropriations in this section are subject to the following  
25 conditions and limitations: \$271,000 of the general fund--  
26 private/local appropriation is provided solely for the school for the  
27 blind to offer short course programs, allowing students the opportunity  
28 to leave their home schools for short periods and receive intensive  
29 training. The school for the blind shall provide this service to the  
30 extent that it is funded by contracts with school districts and  
31 educational services districts.

32 **Sec. 607.** 2010 1st sp.s. c 37 s 616 (uncodified) is amended to  
33 read as follows:

34 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**  
35 **LOSS**

36	General Fund--State Appropriation (FY 2010) . . . . .	\$8,593,000
----	---	-------------

1	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$8,782,000)</del>
2		<u>\$8,230,000</u>
3	General Fund--Private/Local Appropriation . . . . .	\$526,000
4	TOTAL APPROPRIATION . . . . .	<del>(\$17,901,000)</del>
5		<u>\$17,349,000</u>

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

8 (1) \$210,000 of the general fund--private/local appropriation is  
9 provided solely for the operation of the shared reading video outreach  
10 program. The school for the deaf shall provide this service to the  
11 extent it is funded by contracts with school districts and educational  
12 service districts.

13 (2) \$25,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$25,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely for implementation of Engrossed  
16 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If  
17 the bill is not enacted by June 30, 2009, the amounts provided in this  
18 subsection shall lapse.

19 **Sec. 608.** 2010 1st sp.s. c 37 s 617 (uncodified) is amended to  
20 read as follows:

21 **FOR THE WASHINGTON STATE ARTS COMMISSION**

22	General Fund--State Appropriation (FY 2010) . . . . .	\$1,844,000
23	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,347,000)</del>
24		<u>\$1,230,000</u>
25	General Fund--Federal Appropriation . . . . .	\$1,944,000
26	General Fund--Private/Local Appropriation . . . . .	\$1,052,000
27	TOTAL APPROPRIATION . . . . .	<del>(\$6,187,000)</del>
28		<u>\$6,070,000</u>

29 The appropriations in this section are subject to the following  
30 conditions and limitations: It is the intent of the legislature that  
31 the reductions in appropriations in this section shall be achieved, to  
32 the greatest extent possible, by reducing those administrative costs  
33 that do not affect direct client services or direct service delivery or  
34 programs. The agency shall, to the greatest extent possible, reduce  
35 spending in those areas that shall have the least impact on  
36 implementing its mission.



1 Evergreen State University is authorized to adopt and increase all  
2 charges and all fees set forth in and previously authorized in section  
3 603 (4), (7), and (8), chapter 564, Laws of 2009.

4 NEW SECTION. **Sec. 612.** A new section is added to 2009 c 564  
5 (uncodified) to read as follows:

6 In accordance with RCW 43.135.055, the trustees of the state's  
7 community and technical colleges are authorized to adopt and increase  
8 all charges and all fees set forth in and previously authorized in  
9 section 604 (7), (8), and (9), chapter 564, Laws of 2009.

(End of part)

PART VII  
SPECIAL APPROPRIATIONS

Sec. 701. 2010 1st sp.s. c 37 s 705 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF HEALTH--COUNTY PUBLIC HEALTH ASSISTANCE**

General Fund--State Appropriation (FY 2011) . . . . . (~~(\$24,000,000)~~)  
\$22,303,000

The appropriations in this section are subject to the following conditions and limitations: The director of the department of health shall distribute the appropriations to the following counties and health districts in the amounts designated to support public health services, including public health nursing:

<del>(Health District</del>	<b>FY 2011</b>
<del>Adams County Health District</del>	\$30,951
<del>Asotin County Health District</del>	\$67,714
<del>Benton-Franklin Health District</del>	\$1,165,612
<del>Chelan-Douglas Health District</del>	\$184,761
<del>Clallam County Health and Human Services Department</del>	\$141,752
<del>Southwest Washington Health District</del>	\$1,084,473
<del>Columbia County Health District</del>	\$40,529
<del>Cowlitz County Health Department</del>	\$278,560
<del>Garfield County Health District</del>	\$15,028
<del>Grant County Health District</del>	\$118,596
<del>Grays Harbor Health Department</del>	183,870
<del>Island County Health Department</del>	\$91,892
<del>Jefferson County Health and Human Services</del>	\$85,782
<del>Seattle-King County Department of Public Health</del>	\$9,531,747
<del>Bremerton-Kitsap County Health District</del>	\$554,669
<del>Kittitas County Health Department</del>	\$92,499
<del>Klickitat County Health Department</del>	\$62,402
<del>Lewis County Health Department</del>	\$105,801
<del>Lincoln County Health Department</del>	\$29,705

1	Mason County Department of Health Services	\$95,988
2	Okanogan County Health District	\$63,458
3	Pacific County Health Department	\$77,427
4	Tacoma-Pierce County Health Department	\$2,820,590
5	San Juan County Health and Community Services	\$37,531
6	Skagit County Health Department	\$223,927
7	Snohomish Health District	\$2,258,207
8	Spokane County Health District	\$2,101,429
9	Northeast Tri-County Health District	\$110,454
10	Thurston County Health Department	\$600,419
11	Wahkiakum County Health Department	\$13,772
12	Walla Walla County-City Health Department	\$172,062
13	Whecom County Health Department	\$855,863
14	Whitman County Health Department	\$78,733
15	Yakima Health District	\$623,797
16	<b>TOTAL APPROPRIATIONS</b>	<b>(\$24,000,000))</b>
17		
18	<b><u>Health District</u></b>	<b><u>FY 2011</u></b>
19	<u>Clallam County Health and Human Services Department</u>	<u>\$131,729</u>
20	<u>Clark County Health District</u>	<u>\$982,997</u>
21	<u>Skamania County Health Department</u>	<u>\$24,794</u>
22	<u>Columbia County Health District</u>	<u>\$37,663</u>
23	<u>Cowlitz County Health Department</u>	<u>\$258,863</u>
24	<u>Garfield County Health District</u>	<u>\$13,965</u>
25	<u>Grant County Health District</u>	<u>\$110,210</u>
26	<u>Grays Harbor Health Department</u>	<u>\$170,869</u>
27	<u>Island County Health Department</u>	<u>\$85,394</u>
28	<u>Jefferson County Health and Human Services</u>	<u>\$79,716</u>
29	<u>Seattle-King County Department of Public Health</u>	<u>\$8,857,773</u>
30	<u>Bremerton-Kitsap County Health District</u>	<u>\$515,449</u>
31	<u>Kittitas County Health Department</u>	<u>\$85,959</u>
32	<u>Klickitat County Health Department</u>	<u>\$57,990</u>
33	<u>Lewis County Health Department</u>	<u>\$98,320</u>
34	<u>Lincoln County Health Department</u>	<u>\$27,605</u>
35	<u>Mason County Department of Health Services</u>	<u>\$89,201</u>
36	<u>Okanogan County Health District</u>	<u>\$58,971</u>



1 technology efficiencies from the state general fund. From  
 2 appropriations in this act, the office of financial management shall  
 3 reduce general fund--state allotments by (~~(\$30,000,000)~~) \$24,841,000  
 4 for fiscal year 2011. The office of financial management shall,  
 5 utilizing existing fund balance, reduce the data processing revolving  
 6 account rates in an amount to reflect up to half of the reductions  
 7 identified in this section. The office of financial management may use  
 8 savings or existing fund balances from information technology accounts  
 9 to achieve savings in this section. The allotment reductions shall be  
 10 placed in unallotted status and remain unexpended. Nothing in this  
 11 section is intended to impact revenue collection efforts by the  
 12 department of revenue.

13 **Sec. 704.** 2009 c 564 s 711 (uncodified) is amended to read as  
 14 follows:

15 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION TECHNOLOGY REVOLVING**  
 16 **ACCOUNT**

17	General Fund--State Appropriation (FY 2010) . . . . .	\$8,000,000
18	General Fund--State Appropriation (FY 2011) . . . . .	( <del>(\$8,000,000)</del> )
19		<u>\$7,000,000</u>
20	TOTAL APPROPRIATION . . . . .	( <del>(\$16,000,000)</del> )
21		<u>\$15,000,000</u>

22 The appropriations in this section are subject to the following  
 23 conditions and limitations: The appropriations in this section are  
 24 provided solely for expenditure into the education technology revolving  
 25 account for the purpose of covering ongoing operational and equipment  
 26 replacement costs incurred by the K-20 educational network program in  
 27 providing telecommunication services to network participants.

28 NEW SECTION. **Sec. 705.** A new section is added to 2009 c 564  
 29 (uncodified) to read as follows:

30 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--WASHINGTON OPPORTUNITY**  
 31 **PATHWAYS ACCOUNT**

32	General Fund--State Appropriation (FY 2011) . . . . .	\$19,000,000
33	Higher Education Operating Fees Account	
34	Appropriation . . . . .	\$25,385,000
35	TOTAL APPROPRIATION . . . . .	\$44,385,000

1 The appropriations in this section are subject to the following  
2 conditions and limitations: The appropriations are provided solely for  
3 expenditure into the Washington opportunity pathways account. Each of  
4 the four year institutions of higher education and the state board for  
5 community and technical colleges shall provide a portion of the  
6 appropriation from the higher education operating fees account as  
7 follows:

8	University of Washington . . . . .	\$5,658,000
9	Washington State University . . . . .	\$3,718,000
10	Eastern Washington University . . . . .	\$765,000
11	Central Washington University . . . . .	\$705,000
12	The Evergreen State College . . . . .	\$386,000
13	Western Washington University . . . . .	\$1,010,000
14	State Board for Community and Technical Colleges . . . . .	\$13,143,000

15 NEW SECTION. **Sec. 706.** A new section is added to 2009 c 564  
16 (uncodified) to read as follows:

17 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION LEGACY TRUST ACCOUNT**  
18 General Fund--State Appropriation (FY 2011) . . . . . \$1,501,000

19 The appropriation in this section is subject to the following  
20 conditions and limitations: The appropriation is provided solely for  
21 expenditure into the education legacy trust account.

22 NEW SECTION. **Sec. 707.** A new section is added to 2009 c 564  
23 (uncodified) to read as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EMPLOYEE SALARY REDUCTION**  
25 **SAVINGS**

26 From the appropriations provided in this act and in chapter 470,  
27 Laws of 2009, the office of financial management shall reduce general  
28 fund--state allotments by \$3,422,000 for fiscal year 2011 and  
29 allotments in other dedicated funds and accounts by \$4,568,000 as shown  
30 in LEAP document 2011-SA1 dated February 3, 2011. These reductions  
31 reflect savings associated with a temporary three percent reduction in  
32 salaries, effective April 1, 2011, for state employees not subject to  
33 a collective bargaining agreement. State troopers, elected officials,  
34 and employees of the state printer, the marine division of the  
35 department of transportation, and the state institutions of higher

1 education are not subject to the salary reduction in this section. The  
2 allotment reductions in this section shall be placed in reserve status  
3 and remain unexpended.

4 NEW SECTION. **Sec. 708.** A new section is added to 2009 c 564  
5 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--REDUCTION IN COMMUNICATIONS**  
7 **AND PUBLIC RELATIONS STAFF**

8 The office of financial management shall develop a plan to generate  
9 savings of \$1,000,000 from reductions in staffing and other  
10 efficiencies in communications and public relations by state agencies  
11 of the executive branch. It is the intent of the legislature that the  
12 reduction plan developed and implemented in accordance with this  
13 section shall prioritize essential communication functions for public  
14 information as well as executive and legislative branch oversight.  
15 From the appropriations in this act, the office of financial management  
16 shall reduce general fund--state allotments by \$1,000,000 for fiscal  
17 year 2011. The allotment reductions shall be placed in reserve status  
18 and remain unexpended.

19 NEW SECTION. **Sec. 709.** A new section is added to 2009 c 564  
20 (uncodified) to read as follows:

21 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--MANAGEMENT EFFICIENCIES IN THE**  
22 **DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

23 The department of social and health services, in consultation with  
24 the office of financial management, shall develop a plan to generate  
25 savings of at least \$1,728,000 from reductions in management staffing  
26 and other efficiencies in addition to other administrative savings  
27 generated by this act. It is the intent of the legislature that the  
28 reduction plan developed and implemented in accordance with this  
29 section shall focus on achieving management efficiencies and will  
30 avoid, to the extent possible, direct impact on client services and  
31 program operations. After reviewing and approving the management  
32 reduction and efficiency plan, from the appropriations in this act, the  
33 office of financial management shall reduce general fund--state  
34 allotments to the department of social and health services by at least  
35 \$1,728,000 for fiscal year 2011. The allotment reductions shall be  
36 placed in reserve status and remain unexpended.



PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 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
General Fund Appropriation for public utility	
district excise tax distributions . . . . .	\$47,342,000
General Fund Appropriation for prosecuting	
attorney distributions . . . . .	\$6,281,000
General Fund Appropriation for boating	
safety and education distributions . . . . .	\$4,854,000
General Fund Appropriation for other tax	
distributions . . . . .	\$50,000
General Fund Appropriation for habitat conservation	
program distributions . . . . .	\$3,000,000
Death Investigations Account Appropriation for	
distribution to counties for publicly funded	
autopsies . . . . .	\$2,544,000
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
County Criminal Justice Assistance Appropriation . . . . .	\$68,528,000
Municipal Criminal Justice Assistance Appropriation . . . . .	\$27,175,000
City-County Assistance Account Appropriation for local	
government financial assistance distribution . . . . .	\$27,366,000
Liquor Excise Tax Account Appropriation for liquor	
excise tax distribution . . . . .	\$58,268,000
Streamline Sales and Use Tax Account Appropriation for	
distribution to local taxing jurisdictions to	
mitigate the unintended revenue redistribution	
effect of the sourcing law changes . . . . .	\$50,056,000
Columbia River Water Delivery Account Appropriation	

1	for the Confederated Tribes of the Colville	
2	Reservation . . . . .	\$7,315,000
3	Columbia River Water Delivery Account Appropriation	
4	for the Spokane Tribe of Indians . . . . .	\$4,644,000
5	Liquor Revolving Account Appropriation for liquor	
6	profits distribution . . . . .	<del>(\$68,741,000)</del>
7		<u>\$62,741,000</u>
8	Liquor Revolving Account Appropriation for additional	
9	liquor profits distribution to local governments . . .	\$18,677,000
10	TOTAL APPROPRIATION . . . . .	<del>(\$439,234,000)</del>
11		<u>\$433,234,000</u>

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

15 **Sec. 802.** 2010 2nd sp.s. c 1 s 801 (uncodified) is amended to read  
16 as follows:

17 **FOR THE STATE TREASURER--TRANSFERS**

18	State Treasurer's Service Account: For transfer to the	
19	state general fund, \$16,400,000 for fiscal	
20	year 2010 and \$26,400,000 for fiscal year 2011 . . . . .	\$42,800,000
21	Waste Reduction, Recycling and Litter Control Account:	
22	For transfer to the state general fund, \$3,000,000	
23	for fiscal year 2010 and \$3,000,000 for fiscal year	
24	2011 . . . . .	\$6,000,000
25	State Toxics Control Account: For transfer to the	
26	state general fund, \$15,340,000 for fiscal year	
27	2010 and \$37,780,000 for fiscal	
28	year 2011 . . . . .	\$53,120,000
29	Local Toxics Control Account: For transfer to the	
30	state general fund, \$37,060,000 for fiscal year	
31	2010 and <del>(\$48,759,000)</del> <u>\$65,759,000</u> for fiscal	
32	year 2011 . . . . .	<del>(\$85,819,000)</del>
33		<u>\$102,819,000</u>
34	Education Construction Account: For transfer to the	
35	state general fund, \$105,228,000 for fiscal year	
36	2010 and \$106,451,000 for fiscal year 2011 . . . . .	\$211,679,000
37	Aquatics Lands Enhancement Account: For transfer to	

1 the state general fund, \$8,520,000 for fiscal  
2 year 2010 and (~~(\$5,050,000)~~) \$12,550,000 for  
3 fiscal year 2011 . . . . . (~~(\$13,570,000)~~)  
4 \$21,070,000  
5 Drinking Water Assistance Account: For transfer to  
6 the drinking water assistance repayment account . . . . \$28,600,000  
7 Economic Development Strategic Reserve Account: For  
8 transfer to the state general fund, \$2,500,000 for  
9 fiscal year 2010 and (~~(\$2,500,000)~~) \$3,900,000  
10 for fiscal year 2011 . . . . . (~~(\$5,000,000)~~)  
11 \$6,400,000  
12 Tobacco Settlement Account: For transfer to the state  
13 general fund, in an amount not to exceed by more  
14 than \$26,000,000 the actual amount of the annual  
15 payment to the tobacco settlement account . . . . . \$204,098,000  
16 Tobacco Settlement Account: For transfer to the life  
17 sciences discovery fund, in an amount not to exceed  
18 \$26,000,000 less than the actual amount of the  
19 strategic contribution supplemental payment to  
20 the tobacco settlement account . . . . . \$39,170,000  
21 General Fund: For transfer to the streamline sales and  
22 use tax account, \$24,274,000 for fiscal year 2010  
23 and \$24,182,000 for fiscal year 2011 . . . . . \$48,456,000  
24 State Convention and Trade Center Account: For  
25 transfer to the state convention and trade center  
26 operations account, \$1,000,000 for fiscal year  
27 2010 and \$3,100,000 for fiscal year 2011 . . . . . \$4,100,000  
28 Tobacco Prevention and Control Account: For transfer  
29 to the state general fund, \$1,961,000 for fiscal  
30 year 2010 and \$3,000,000 for fiscal year 2011 . . . . . \$4,961,000  
31 Nisqually Earthquake Account: For transfer to the  
32 disaster response account for fiscal year 2010 . . . . . \$500,000  
33 Judicial Information Systems Account: For transfer  
34 to the state general fund, \$3,250,000 for fiscal  
35 year 2010 and \$3,250,000 for fiscal year 2011 . . . . . \$6,500,000  
36 Department of Retirement Systems Expense Account: For  
37 transfer to the state general fund, \$1,000,000 for  
38 fiscal year 2010 and \$1,500,000 for fiscal year



1 legacy trust account, \$9,500,000 for fiscal year  
2 2010 and \$9,500,000 for fiscal year 2011 . . . . . \$19,000,000  
3 College Faculty Awards Trust Fund: For transfer  
4 to the state general fund for fiscal year 2010,  
5 an amount not to exceed the actual cash balance  
6 of the fund and \$1,957,000 for fiscal year 2011 . . . . . ((~~\$4,000,000~~))  
7 \$5,957,000  
8 Washington Distinguished Professorship Trust Fund:  
9 For transfer to the state general fund for fiscal  
10 year 2010, an amount not to exceed the actual cash  
11 balance of the fund and \$2,966,000 for fiscal year  
12 2011 . . . . . ((~~\$6,000,000~~))  
13 \$8,966,000  
14 Washington Graduate Fellowship Trust Account:  
15 For transfer to the state general fund for fiscal  
16 year 2010, an amount not to exceed the actual cash  
17 balance of the fund and \$1,008,000 for fiscal year  
18 2011 . . . . . ((~~\$2,000,000~~))  
19 \$3,008,000  
20 GET Ready for Math and Science Scholarship Account:  
21 For transfer to the state general fund for  
22 fiscal year 2010, an amount not to exceed  
23 the actual cash balance not comprised of or  
24 needed to match private contributions . . . . . \$1,800,000  
25 Financial Services Regulation Account: For transfer  
26 to the state general fund, \$2,000,000 for fiscal  
27 year 2010 and \$7,000,000 for fiscal year 2011 . . . . . \$9,000,000  
28 Data Processing Revolving Fund: For transfer to  
29 the state general fund, \$5,632,000 for fiscal  
30 year 2010 and \$4,159,000 for fiscal year 2011 . . . . . ((~~\$5,632,000~~))  
31 \$9,791,000  
32 Public Service Revolving Account: For transfer to  
33 the state general fund, \$8,000,000 for fiscal  
34 year 2010 and \$7,000,000 for fiscal year 2011 . . . . . \$15,000,000  
35 Water Quality Capital Account: For transfer to the  
36 state general fund, \$278,000 for fiscal year 2011 . . . . . \$278,000  
37 Performance Audits of Government Account: For  
38 transfer to the state general fund, \$10,000,000



1 to the state general fund, \$800,000 for fiscal  
2 year 2011 . . . . . \$800,000  
3 Prevent or Reduce Owner-Occupied Foreclosure  
4 Program Account: For transfer to the financial  
5 education public-private partnership account for  
6 fiscal year 2010, an amount not to exceed the actual  
7 cash balance of the fund as of June 30, 2010 . . . . . \$300,000  
8 Nisqually Earthquake Account: For transfer to the  
9 state general fund for fiscal year 2011 . . . . . ((~~\$1,000,000~~))  
10 \$696,000  
11 Disaster Response Account: For transfer to the state  
12 general fund for fiscal year 2011 . . . . . ((~~\$15,000,000~~))  
13 \$14,500,000  
14 Washington Auto Theft Prevention Account: For  
15 transfer to the state general fund, \$1,500,000  
16 for fiscal year 2011 . . . . . \$1,500,000  
17 Tourism Enterprise Account: For transfer to the  
18 state general fund, \$650,000 for fiscal year  
19 2011 . . . . . \$650,000  
20 Tourism Development and Promotion Account: For  
21 transfer to the state general fund, \$205,000  
22 for fiscal year 2011 . . . . . \$205,000  
23 Life Sciences Discovery Fund: For transfer to  
24 the basic health plan stabilization account . . . . . \$6,000,000  
25 Life Sciences Discovery Fund: For transfer to  
26 the state general fund for fiscal year 2011 . . . . . \$2,200,000  
27 Industrial Insurance Premium Refund Account: For  
28 transfer to the state general fund, \$4,500,000  
29 for fiscal year 2011 . . . . . \$4,500,000  
30 Distressed County Assistance Account: For transfer  
31 to the state general fund, \$205,000 for  
32 fiscal year 2011 . . . . . \$ 205,000  
33 State Drought Preparedness Account: For transfer to  
34 the state general fund, \$4,000,000 for fiscal  
35 year 2011 . . . . . \$4,000,000  
36 Freshwater Aquatic Algae Control Account: For  
37 transfer to the state general fund, \$400,000 for  
38 fiscal year 2011 . . . . . \$400,000

1 Freshwater Aquatic Weeds Account: For transfer to  
 2 the state general fund, \$300,000 for fiscal  
 3 year 2011 . . . . . \$300,000  
 4 Liquor Control Board Construction and Maintenance  
 5 Account: For transfer to the state general fund  
 6 for fiscal year 2011 . . . . . \$3,000,000

7 **Sec. 803.** 2010 1st sp.s. c 31 s 1 (uncodified) is amended to read  
 8 as follows:

9 (1) The state treasurer shall transfer two hundred (~~twenty-nine~~)  
 10 twenty-three million two hundred nine thousand dollars or as much of  
 11 that amount as is available from the budget stabilization account to  
 12 the state general fund for fiscal year 2011.

13 (2) The transfer in subsection (1) of this section is to minimize  
 14 reductions to public school programs in the 2010 supplemental omnibus  
 15 operating budget.

(End of part)

**PART IX**  
**MISCELLANEOUS**

3       **Sec. 901.** 2010 1st sp.s. c 32 s 3 (uncodified) is amended to read  
4 as follows:

5       (1)(a) The office of financial management shall certify to each  
6 executive branch state agency and institution of higher education the  
7 compensation reduction amount to be achieved by that agency or  
8 institution. Each agency and institution shall achieve compensation  
9 expenditure reductions as provided in the omnibus appropriations act.

10       (b) Each executive branch state agency other than institutions of  
11 higher education may submit to the office of financial management a  
12 compensation reduction plan to achieve the cost reductions as provided  
13 in the omnibus appropriations act. The compensation reduction plan of  
14 each executive branch agency may include, but is not limited to,  
15 employee leave without pay, including additional mandatory and  
16 voluntary temporary layoffs, reductions in the agency workforce,  
17 compensation reductions, and reduced work hours, as well as voluntary  
18 retirement, separation, and other incentive programs authorized by  
19 section 912, chapter 564, Laws of 2009. The amount of compensation  
20 cost reductions to be achieved by each agency shall be adjusted to  
21 reflect voluntary and mandatory temporary layoffs at the agency during  
22 the 2009-2011 fiscal biennium and implemented prior to January 1, 2010,  
23 but not adjusted by other compensation reduction plans adopted as a  
24 result of the enactment of chapter 564, Laws of 2009, or the enactment  
25 of other compensation cost reduction measures applicable to the 2009-  
26 2011 fiscal biennium.

27       (c) Each institution of higher education must submit to the office  
28 of financial management a compensation and operations reduction plan to  
29 achieve at least the cost reductions as provided in the omnibus  
30 appropriations act. For purposes of the reduction plan, the state  
31 board of community and technical colleges shall submit a single plan on  
32 behalf of all community and technical colleges. The reduction plan of  
33 each institution may include, but is not limited to, employee leave  
34 without pay, including mandatory and voluntary temporary layoffs,  
35 reductions in the institution workforce, compensation reductions, and

1 reduced work hours, as well as voluntary retirement, separation,  
2 incentive programs authorized by section 912, chapter 564, Laws of  
3 2009, as well as other reductions to the cost of operations. The  
4 amount of cost reductions to be achieved by each institution shall be  
5 adjusted to reflect voluntary and mandatory temporary layoffs at the  
6 institution during the 2009-2011 fiscal biennium and implemented prior  
7 to January 1, 2010, but not adjusted by other compensation reduction  
8 plans adopted as a result of the enactment of chapter 564, Laws of  
9 2009, or the enactment of other compensation cost reduction measures  
10 applicable to the 2009-2011 fiscal biennium.

11 (d) The director of financial management shall review, approve, and  
12 submit to the legislative fiscal committees those executive branch  
13 state agencies and higher education institution plans that achieves the  
14 cost reductions as provided in the omnibus appropriations act. For  
15 those executive branch state agencies and institutions of higher  
16 education that do not have an approved compensation and operations  
17 reduction plan, the institution shall be closed on the dates specified  
18 in subsection (2) of this section.

19 (e) For each agency of the legislative branch, the chief clerk of  
20 the house of representatives and the secretary of the senate shall  
21 review and approve a plan of employee mandatory and voluntary leave for  
22 the 2009-2011 fiscal biennium that achieves the cost reductions as  
23 provided in the omnibus appropriations act. The amount of compensation  
24 cost reductions to be achieved shall be adjusted, if necessary, to  
25 reflect voluntary and mandatory temporary layoffs at the agencies  
26 during the 2009-2011 fiscal biennium and implemented prior to January  
27 1, 2010.

28 (f) For each agency of the judicial branch, the supreme court shall  
29 review and approve a plan of employee mandatory and voluntary leave for  
30 the 2009-2011 fiscal biennium that achieve the cost reductions as  
31 provided in the omnibus appropriations act. The amount of compensation  
32 cost reductions to be achieved shall be adjusted, if necessary, to  
33 reflect voluntary and mandatory temporary layoffs at the agencies  
34 during the 2009-2011 fiscal biennium and implemented prior to January  
35 1, 2010.

36 (2) Each state agency of the executive, legislative, and judicial  
37 branch, and any institution that does not have an approved plan in

1 accordance with subsection (1) of this section shall be closed on the  
2 following dates in addition to the legal holidays specified in RCW  
3 1.16.050:

- 4 (a) Monday, July 12, 2010;
- 5 (b) Friday, August 6, 2010;
- 6 (c) Tuesday, September 7, 2010;
- 7 (d) Monday, October 11, 2010;
- 8 (e) Monday, December 27, 2010;
- 9 (f) Friday, January 28, 2011;
- 10 (g) Tuesday, February 22, 2011;
- 11 (h) Friday, March (~~11~~) 28, 2011;
- 12 (i) Friday, April 22, 2011;
- 13 (j) Friday, June 10, 2011.

14 (3) If the closure of state agencies or institutions under  
15 subsection (2) of this section prevents the performance of any action,  
16 the action shall be considered timely if performed on the next business  
17 day.

18 (4) The following activities of state agencies and institutions of  
19 higher education are exempt from subsections (1) and (2) of this  
20 section:

21 (a) Direct custody, supervision, and patient care in: (i)  
22 Corrections; (ii) juvenile rehabilitation; (iii) institutional care of  
23 veterans, or individuals with mental illness, and individuals with  
24 developmental disabilities; (iv) state hospitals, the University of  
25 Washington medical center, and Harborview medical center; (v) the  
26 special commitment center; (vi) the school for the blind; (vii) the  
27 state center for childhood deafness and hearing loss; and (viii) the  
28 Washington youth academy;

29 (b) Direct protective services to children and other vulnerable  
30 populations, child support enforcement, disability determination  
31 services, complaint investigators, and residential care licensors and  
32 surveyors in the department of social and health services and the  
33 department of health;

34 (c) Washington state patrol investigative services and field  
35 enforcement;

36 (d) Hazardous materials response or emergency response and cleanup;

37 (e) Emergency public health and patient safety response and the  
38 public health laboratory;

1 (f) Military operations and emergency management within the  
2 military department;

3 (g) Firefighting;

4 (h) Enforcement officers in the department of fish and wildlife,  
5 the liquor control board, the gambling commission, the department of  
6 financial institutions, and the department of natural resources;

7 (i) State parks operated by the parks and recreation commission;

8 (j) In institutions of higher education, classroom instruction,  
9 operations not funded from state funds or tuition, campus police and  
10 security, emergency management and response, work performed by student  
11 employees if the duties were not previously assigned to nonstudents  
12 during the current or prior school year, and student health care;

13 (k) Operations of liquor control board business enterprises and  
14 games conducted by the state lottery;

15 (l) Agricultural commodity commissions and boards, and agricultural  
16 inspection programs operated by the department of agriculture;

17 (m) The unemployment insurance program and reemployment services of  
18 the employment security department;

19 (n) The workers' compensation program and workplace safety and  
20 health compliance activities of the department of labor and industries;

21 (o) The operation, maintenance, and construction of state ferries  
22 and state highways;

23 (p) The department of revenue;

24 (q) Licensing service offices in the department of licensing that  
25 are open no more than two days per week, and no licensing service  
26 office closures may occur on Saturdays as a result of this section;

27 (r) The governor, lieutenant governor, legislative agencies, and  
28 the office of financial management, during sessions of the legislature  
29 under Article II, section 12 of the state Constitution and the twenty-  
30 day veto period under Article IV, section 12 of the state Constitution;

31 (s) The office of the attorney general, except for management and  
32 administrative functions not directly related to civil, criminal, or  
33 administrative actions;

34 (t) The labor relations office of the office of financial  
35 management through November 1, 2010;

36 (u) The minimal use of state employees on the specified closure  
37 dates as necessary to protect public assets and information technology  
38 systems, and to maintain public safety; and

1 (v) The operations of the office of the insurance commissioner that  
2 are funded by industry regulatory fees.

3 (5)(a) The closure of an office of a state agency or institution of  
4 higher education under this section shall result in the temporary  
5 layoff of the employees of the agency or institution. The compensation  
6 of the employees shall be reduced proportionately to the duration of  
7 the temporary layoff. Temporary layoffs under this section shall not  
8 affect the employees' vacation leave accrual, seniority, health  
9 insurance, or sick leave credits. For the purposes of chapter 430,  
10 Laws of 2009, the compensation reductions under this section are deemed  
11 to be an integral part of an employer's expenditure reduction efforts  
12 and shall not result in the loss of retirement benefits in any state  
13 defined benefit retirement plan for an employee whose period of average  
14 final compensation includes a portion of the period from the effective  
15 date of this section through June 30, 2011.

16 (b)(i) During the closure of an office or institution under this  
17 section, any employee with a monthly full-time equivalent salary of two  
18 thousand five hundred dollars or less may, at the employee's option,  
19 use accrued vacation leave in lieu of temporary layoff during the  
20 closure. Solely for this purpose, and during the 2009-2011 fiscal  
21 biennium only, the department of personnel shall adopt rules to permit  
22 employees with less than six months of continuous state employment to  
23 use accrued vacation leave.

24 (ii) If an employee with a monthly full-time equivalent salary of  
25 two thousand five hundred dollars or less has no accrued vacation  
26 leave, that employee may use shared leave, if approved by the agency  
27 director, and if made available through donations under RCW 41.04.665  
28 in lieu of temporary layoff during the closure.

29 (6) Except as provided in subsection (4) of this section, for  
30 employees not scheduled to work on a day specified in subsection (2) of  
31 this section, the employing agency must designate an alternative day  
32 during that month on which the employee is scheduled to work that the  
33 employee will take temporary leave without pay.

34 (7) To the extent that the implementation of this section is  
35 subject to collective bargaining under chapter 41.80 RCW, the  
36 bargaining shall be conducted pursuant to section 4 of this act. To  
37 the extent that the implementation of this section is subject to

1 collective bargaining under chapters 28B.52, 41.56, 41.76, or 47.64  
2 RCW, the bargaining shall be conducted pursuant to these chapters.

3 (8) For all or a portion of the employees of an agency of the  
4 executive branch, the office of financial management may approve the  
5 substitution of temporary layoffs on an alternative date during that  
6 month for any date specified in subsection (2) of this section as  
7 necessary for the critical work of any agency.

8 (9)(a) If any state agency of the executive, legislative, and  
9 judicial branch is unable to achieve its full amount of cost reductions  
10 as provided in the omnibus appropriations act through its approved plan  
11 in accordance with subsection (1) of this section or through ten days  
12 of temporary layoffs in accordance with subsections (2) and (8) of this  
13 section, the remaining amount is a reduction to the agency's cost of  
14 operations and may include savings as a result of sections 601 through  
15 604 of chapter 3, Laws of 2010.

16 (b) If any state agency of the executive, legislative, and judicial  
17 branch is able to achieve its full amount of cost reductions as  
18 provided in the omnibus appropriations act through ten days or less of  
19 temporary layoffs in accordance with subsections (2) and (8) of this  
20 section, any residual amount of cost reductions that cannot be achieved  
21 through a full day of closure is a reduction to the agency's cost of  
22 operations and may include savings as a result of sections 601 through  
23 604 of chapter 3, Laws of 2010.

24 **Sec. 902.** RCW 43.03.220 and 2010 1st sp.s. c 7 s 142 are each  
25 amended to read as follows:

26 (1) Any part-time board, commission, council, committee, or other  
27 similar group which is established by the executive, legislative, or  
28 judicial branch to participate in state government and which functions  
29 primarily in an advisory, coordinating, or planning capacity shall be  
30 identified as a class one group.

31 (2) Absent any other provision of law to the contrary, no money  
32 beyond the customary reimbursement or allowance for expenses may be  
33 paid by or through the state to members of class one groups for  
34 attendance at meetings of such groups.

35 (3) Beginning July 1, 2010, through June 30, 2011, no person  
36 designated as a member of a class one board, commission, council,  
37 committee, or similar group may receive an allowance for subsistence,

1 lodging, or travel expenses if the allowance cost is funded by the  
2 state general fund. Exceptions may be granted under section 605,  
3 chapter 3, Laws of 2010. Class one groups, when feasible, shall use an  
4 alternative means of conducting a meeting that does not require travel  
5 while still maximizing member and public participation and may use a  
6 meeting format that requires members to be physically present at one  
7 location only when necessary or required by law. Meetings that require  
8 a member's physical presence at one location must be held in state  
9 facilities whenever possible(~~, and~~). Meetings conducted using  
10 private facilities must be approved by the director of the office of  
11 financial management, except for facilities provided free of charge.

12 (4) Beginning July 1, 2010, through June 30, 2011, class one groups  
13 that are funded by sources other than the state general fund are  
14 encouraged to reduce travel, lodging, and other costs associated with  
15 conducting the business of the group including use of other meeting  
16 formats that do not require travel.

17 **Sec. 903.** RCW 43.03.230 and 2010 1st sp.s. c 7 s 143 are each  
18 amended to read as follows:

19 (1) Any agricultural commodity board or commission established  
20 pursuant to Title 15 or 16 RCW shall be identified as a class two group  
21 for purposes of compensation.

22 (2) Except as otherwise provided in this section, each member of a  
23 class two group is eligible to receive compensation in an amount not to  
24 exceed one hundred dollars for each day during which the member attends  
25 an official meeting of the group or performs statutorily prescribed  
26 duties approved by the chairperson of the group. A person shall not  
27 receive compensation for a day of service under this section if the  
28 person (a) occupies a position, normally regarded as full-time in  
29 nature, in any agency of the federal government, Washington state  
30 government, or Washington state local government; and (b) receives any  
31 compensation from such government for working that day.

32 (3) Compensation may be paid a member under this section only if it  
33 is authorized under the law dealing in particular with the specific  
34 group to which the member belongs or dealing in particular with the  
35 members of that specific group.

36 (4) Beginning July 1, 2010, through June 30, 2011, no person  
37 designated as a member of a class two board, commission, council,

1 committee, or similar group may receive an allowance for subsistence,  
2 lodging, or travel expenses if the allowance cost is funded by the  
3 state general fund. Exceptions may be granted under section 605,  
4 chapter 3, Laws of 2010. Class two groups, when feasible, shall use an  
5 alternative means of conducting a meeting that does not require travel  
6 while still maximizing member and public participation and may use a  
7 meeting format that requires members to be physically present at one  
8 location only when necessary or required by law. Meetings that require  
9 a member's physical presence at one location must be held in state  
10 facilities whenever possible(~~(, and)~~). Meetings conducted using  
11 private facilities must be approved by the director of the office of  
12 financial management, except for facilities provided free of charge.

13 (5) Beginning July 1, 2010, through June 30, 2011, class two groups  
14 that are funded by sources other than the state general fund are  
15 encouraged to reduce travel, lodging, and other costs associated with  
16 conducting the business of the group including use of other meeting  
17 formats that do not require travel.

18 **Sec. 904.** RCW 43.03.240 and 2010 1st sp.s. c 7 s 144 are each  
19 amended to read as follows:

20 (1) Any part-time, statutory board, commission, council, committee,  
21 or other similar group which has rule-making authority, performs quasi  
22 judicial functions, has responsibility for the administration or policy  
23 direction of a state agency or program, or performs regulatory or  
24 licensing functions with respect to a specific profession, occupation,  
25 business, or industry shall be identified as a class three group for  
26 purposes of compensation.

27 (2) Except as otherwise provided in this section, each member of a  
28 class three group is eligible to receive compensation in an amount not  
29 to exceed fifty dollars for each day during which the member attends an  
30 official meeting of the group or performs statutorily prescribed duties  
31 approved by the chairperson of the group. A person shall not receive  
32 compensation for a day of service under this section if the person (a)  
33 occupies a position, normally regarded as full-time in nature, in any  
34 agency of the federal government, Washington state government, or  
35 Washington state local government; and (b) receives any compensation  
36 from such government for working that day.

1 (3) Compensation may be paid a member under this section only if it  
2 is authorized under the law dealing in particular with the specific  
3 group to which the member belongs or dealing in particular with the  
4 members of that specific group.

5 (4) Beginning July 1, 2010, through June 30, 2011, no person  
6 designated as a member of a class three board, commission, council,  
7 committee, or similar group may receive an allowance for subsistence,  
8 lodging, or travel expenses if the allowance cost is funded by the  
9 state general fund. Exceptions may be granted under section 605,  
10 chapter 3, Laws of 2010. Class three groups, when feasible, shall use  
11 an alternative means of conducting a meeting that does not require  
12 travel while still maximizing member and public participation and may  
13 use a meeting format that requires members to be physically present at  
14 one location only when necessary or required by law. Meetings that  
15 require a member's physical presence at one location must be held in  
16 state facilities whenever possible(~~, and~~). Meetings conducted using  
17 private facilities must be approved by the director of the office of  
18 financial management, except for facilities provided free of charge.

19 (5) Beginning July 1, 2010, through June 30, 2011, class three  
20 groups that are funded by sources other than the state general fund are  
21 encouraged to reduce travel, lodging, and other costs associated with  
22 conducting the business of the group including use of other meeting  
23 formats that do not require travel.

24 **Sec. 905.** RCW 43.03.250 and 2010 1st sp.s. c 7 s 145 are each  
25 amended to read as follows:

26 (1) A part-time, statutory board, commission, council, committee,  
27 or other similar group shall be identified as a class four group for  
28 purposes of compensation if the group:

29 (a) Has rule-making authority, performs quasi-judicial functions,  
30 or has responsibility for the administration or policy direction of a  
31 state agency or program;

32 (b) Has duties that are deemed by the legislature to be of  
33 overriding sensitivity and importance to the public welfare and the  
34 operation of state government; and

35 (c) Requires service from its members representing a significant  
36 demand on their time that is normally in excess of one hundred hours of  
37 meeting time per year.

1 (2) Each member of a class four group is eligible to receive  
2 compensation in an amount not to exceed one hundred dollars for each  
3 day during which the member attends an official meeting of the group or  
4 performs statutorily prescribed duties approved by the chairperson of  
5 the group. A person shall not receive compensation for a day of  
6 service under this section if the person (a) occupies a position,  
7 normally regarded as full-time in nature, in any agency of the federal  
8 government, Washington state government, or Washington state local  
9 government; and (b) receives any compensation from such government for  
10 working that day.

11 (3) Compensation may be paid a member under this section only if it  
12 is authorized under the law dealing in particular with the specific  
13 group to which the member belongs or dealing in particular with the  
14 members of that specific group.

15 (4) Beginning July 1, 2010, through June 30, 2011, class four  
16 groups, when feasible, shall use an alternative means of conducting a  
17 meeting that does not require travel while still maximizing member and  
18 public participation and may use a meeting format that requires members  
19 to be physically present at one location only when necessary or  
20 required by law. Meetings that require a member's physical presence at  
21 one location must be held in state facilities whenever possible(~~and~~  
22 and)). Meetings conducted using private facilities must be approved by  
23 the director of the office of financial management, except for  
24 facilities provided free of charge.

25 **Sec. 906.** RCW 43.03.265 and 2010 1st sp.s. c 7 s 146 are each  
26 amended to read as follows:

27 (1) Any part-time commission that has rule-making authority,  
28 performs quasi-judicial functions, has responsibility for the policy  
29 direction of a health profession credentialing program, and performs  
30 regulatory and licensing functions with respect to a health care  
31 profession licensed under Title 18 RCW shall be identified as a class  
32 five group for purposes of compensation.

33 (2) Except as otherwise provided in this section, each member of a  
34 class five group is eligible to receive compensation in an amount not  
35 to exceed two hundred fifty dollars for each day during which the  
36 member attends an official meeting of the group or performs statutorily  
37 prescribed duties approved by the chairperson of the group. A person

1 shall not receive compensation for a day of service under this section  
2 if the person (a) occupies a position, normally regarded as full-time  
3 in nature, in any agency of the federal government, Washington state  
4 government, or Washington state local government; and (b) receives any  
5 compensation from such government for working that day.

6 (3) Compensation may be paid a member under this section only if it  
7 is necessarily incurred in the course of authorized business consistent  
8 with the responsibilities of the commission established by law.

9 (4) Beginning July 1, 2010, through June 30, 2011, no person  
10 designated as a member of a class five board, commission, council,  
11 committee, or similar group may receive an allowance for subsistence,  
12 lodging, or travel expenses if the allowance cost is funded by the  
13 state general fund. Exceptions may be granted under section 605,  
14 chapter 3, Laws of 2010. Class five groups, when feasible, shall use  
15 an alternative means of conducting a meeting that does not require  
16 travel while still maximizing member and public participation and may  
17 use a meeting format that requires members to be physically present at  
18 one location only when necessary or required by law. Meetings that  
19 require a member's physical presence at one location must be held in  
20 state facilities whenever possible(~~, and~~). Meetings conducted using  
21 private facilities must be approved by the director of the office of  
22 financial management, except for facilities provided free of charge.

23 (5) Beginning July 1, 2010, through June 30, 2011, class five  
24 groups that are funded by sources other than the state general fund are  
25 encouraged to reduce travel, lodging, and other costs associated with  
26 conducting the business of the group including use of other meeting  
27 formats that do not require travel.

28 **Sec. 907.** RCW 43.21A.660 and 1999 c 251 s 1 are each amended to  
29 read as follows:

30 Funds in the freshwater aquatic weeds account may be appropriated  
31 to the department of ecology to develop a freshwater aquatic weeds  
32 management program. Funds shall be expended as follows:

33 (1) No less than two-thirds of the appropriated funds shall be  
34 issued as grants to (a) cities, counties, tribes, special purpose  
35 districts, and state agencies to prevent, remove, reduce, or manage  
36 excessive freshwater aquatic weeds; (b) fund demonstration or pilot  
37 projects consistent with the purposes of this section; and (c) fund

1 hydrilla eradication activities in waters of the state. Except for  
2 hydrilla eradication activities, such grants shall only be issued for  
3 lakes, rivers, or streams with a public boat launching ramp or which  
4 are designated by the department of fish and wildlife for fly-fishing.  
5 The department shall give preference to projects having matching funds  
6 or in-kind services; ~~((and))~~

7 (2) No more than one-third of the appropriated funds shall be  
8 expended to:

9 (a) Develop public education programs relating to preventing the  
10 propagation and spread of freshwater aquatic weeds; and

11 (b) Provide technical assistance to local governments and citizen  
12 groups; and

13 (3) During the 2009-2011 fiscal biennium, the legislature may  
14 transfer from the freshwater aquatic weeds account to the state general  
15 fund such amounts as reflect the excess fund balance of the account.

16 **Sec. 908.** RCW 43.21A.667 and 2009 c 564 s 933 are each amended to  
17 read as follows:

18 (1) The freshwater aquatic algae control account is created in the  
19 state treasury. Moneys directed to the account from RCW ~~((88.02.050))~~  
20 88.02.560 must be deposited in the account. Expenditures from the  
21 account may only be used as provided in this section. Moneys in the  
22 account may be spent only after appropriation.

23 (2) Funds in the freshwater aquatic algae control account may be  
24 appropriated to the department to develop a freshwater aquatic algae  
25 control program. Funds must be expended as follows:

26 (a) As grants to cities, counties, tribes, special purpose  
27 districts, and state agencies to manage excessive freshwater algae,  
28 with priority for the treatment of lakes in which harmful algal blooms  
29 have occurred within the past three years; and during the 2009-2011  
30 fiscal biennium to provide grants for sea lettuce research and removal  
31 to assist Puget Sound communities that are impacted by hyperblooms of  
32 sea lettuce; ~~((and))~~

33 (b) To provide technical assistance to applicants and the public  
34 about aquatic algae control; and

35 (c) During the 2009-2011 fiscal biennium, the legislature may  
36 transfer from the freshwater aquatic algae control account to the state

1 general fund such amounts as reflect the excess fund balance of the  
2 account.

3 (3) The department shall submit a biennial report to the  
4 appropriate legislative committees describing the actions taken to  
5 implement this section along with suggestions on how to better fulfill  
6 the intent of chapter 464, Laws of 2005. The first report is due  
7 December 1, 2007.

8 **Sec. 909.** RCW 43.79.460 and 2010 1st sp.s. c 37 s 928 are each  
9 amended to read as follows:

10 (1) The savings incentive account is created in the custody of the  
11 state treasurer. The account shall consist of all moneys appropriated  
12 to the account by the legislature. The account is subject to the  
13 allotment procedures under chapter 43.88 RCW, but no appropriation is  
14 required for expenditures from the account.

15 (2) Within the savings incentive account, the state treasurer may  
16 create subaccounts to be credited with incentive savings attributable  
17 to individual state agencies, as determined by the office of financial  
18 management in consultation with the legislative fiscal committees.  
19 Moneys deposited in the subaccounts may be expended only on the  
20 authorization of the agency's executive head or designee and only for  
21 the purpose of one-time expenditures to improve the quality,  
22 efficiency, and effectiveness of services to customers of the state,  
23 such as one-time expenditures for employee training, employee  
24 incentives, technology improvements, new work processes, or performance  
25 measurement. Funds may not be expended from the account to establish  
26 new programs or services, expand existing programs or services, or  
27 incur ongoing costs that would require future expenditures.

28 (3) For purposes of this section, "incentive savings" means state  
29 general fund appropriations that are unspent as of June 30th of a  
30 fiscal year, excluding any amounts included in across-the-board  
31 reductions under RCW 43.88.110 and excluding unspent appropriations  
32 for:

33 (a) Caseload and enrollment in entitlement programs, except to the  
34 extent that an agency has clearly demonstrated that efficiencies have  
35 been achieved in the administration of the entitlement program.  
36 "Entitlement program," as used in this section, includes programs for

1 which specific sums of money are appropriated for pass-through to third  
2 parties or other entities;

3 (b) Enrollments in state institutions of higher education;

4 (c) A specific amount contained in a condition or limitation to an  
5 appropriation in the biennial appropriations act, if the agency did not  
6 achieve the specific purpose or objective of the condition or  
7 limitation;

8 (d) Debt service on state obligations; and

9 (e) State retirement system obligations.

10 (4) The office of financial management, after consulting with the  
11 legislative fiscal committees, shall report the amount of savings  
12 incentives achieved.

13 (5) (~~For fiscal year 2009, the legislature may transfer from the~~  
14 ~~savings incentive account to the state general fund such amounts as~~  
15 ~~reflect the fund balance of the account attributable to unspent state~~  
16 ~~general fund appropriations for fiscal year 2008.)) For fiscal year  
17 2010, the legislature may transfer from the savings incentive account  
18 to the state general fund such amounts as reflect the fund balance of  
19 the account attributable to unspent state general fund appropriations  
20 for fiscal year 2009. For fiscal year 2011, the legislature may  
21 transfer from the savings incentive account to the state general fund  
22 such amounts as reflect the fund balance of the account attributable to  
23 unspent state general fund appropriations for fiscal year 2010. For  
24 fiscal year 2011, the legislature may transfer from the savings  
25 incentive account to the state general fund eight million dollars or as  
26 much as reflects the fund balance of the account attributable to  
27 unspent agency credits prior to fiscal year 2009. Credits for  
28 legislative and judicial agencies are not included in this action, with  
29 the exception and upon consent of the supreme court, court of appeals,  
30 office of public defense, and office of civil legal aid.~~

31 **Sec. 910.** RCW 43.79.465 and 2010 1st sp.s. c 37 s 929 are each  
32 amended to read as follows:

33 The education savings account is created in the state treasury.  
34 The account shall consist of all moneys appropriated to the account by  
35 the legislature.

36 (1) Ten percent of legislative appropriations to the education  
37 savings account shall be distributed as follows: (a) Fifty percent to

1 the distinguished professorship trust fund under RCW 28B.76.565; (b)  
2 seventeen percent to the graduate fellowship trust fund under RCW  
3 28B.76.610; and (c) thirty-three percent to the college faculty awards  
4 trust fund under RCW 28B.50.837.

5 (2) The remaining moneys in the education savings account may be  
6 appropriated solely for (a) common school construction projects that  
7 are eligible for funding from the common school construction account,  
8 (b) technology improvements in the common schools, (c) during the 2001-  
9 03 fiscal biennium, technology improvements in public higher education  
10 institutions, (d) during the 2007-2009 fiscal biennium, the legislature  
11 may transfer from the education savings account to the state general  
12 fund such amounts as reflect the excess fund balance of the account  
13 attributable to unspent state general fund appropriations for fiscal  
14 year 2008, and (e) for fiscal year (~~(2010)~~) 2011, the legislature may  
15 transfer from the education savings account to the state general fund  
16 such amounts as reflect the fund balance of the account attributable to  
17 unspent general fund appropriations for fiscal year (~~(2009)~~) 2010.

18 **Sec. 911.** RCW 43.83B.430 and 2002 c 371 s 910 are each amended to  
19 read as follows:

20 The state drought preparedness account is created in the state  
21 treasury. All receipts from appropriated funds designated for the  
22 account and funds transferred from the state emergency water projects  
23 revolving account must be deposited into the account. Moneys in the  
24 account may be spent only after appropriation. Expenditures from the  
25 account may be used only for drought preparedness. During the (~~(2001-~~  
26 ~~2003)~~) 2009-2011 fiscal biennium, the legislature may transfer from the  
27 state drought preparedness account to the state general fund such  
28 amounts as reflect the excess fund balance of the account.

29 **Sec. 912.** RCW 43.105.080 and 2010 1st sp.s. c 37 s 931 are each  
30 amended to read as follows:

31 There is created a revolving fund to be known as the data  
32 processing revolving fund in the custody of the state treasurer. The  
33 revolving fund shall be used for the acquisition of equipment,  
34 software, supplies, and services and the payment of salaries, wages,  
35 and other costs incidental to the acquisition, development, operation,  
36 and administration of information services, telecommunications,

1 systems, software, supplies and equipment, including the payment of  
2 principal and interest on bonds issued for capital projects, by the  
3 department, Washington State University's computer services center, the  
4 department of personnel's personnel information systems division, the  
5 office of financial management's financial systems management group,  
6 and other users as jointly determined by the department and the office  
7 of financial management. The revolving fund is subject to the  
8 allotment procedure provided under chapter 43.88 RCW. Disbursements  
9 from the revolving fund for the services component of the department  
10 are not subject to appropriation. Disbursements for the strategic  
11 planning and policy component of the department are subject to  
12 appropriation. All disbursements from the fund are subject to the  
13 allotment procedures provided under chapter 43.88 RCW. The department  
14 shall establish and implement a billing structure to assure all  
15 agencies pay an equitable share of the costs.

16 During the 2009-2011 fiscal biennium, the legislature may transfer  
17 from the data processing revolving account to the state general fund  
18 such amounts as reflect the excess fund balance (~~associated with the~~  
19 ~~information technology pool~~)).

20 As used in this section, the word "supplies" shall not be  
21 interpreted to delegate or abrogate the division of purchasing's  
22 responsibilities and authority to purchase supplies as described in RCW  
23 43.19.190 and 43.19.200.

24 **Sec. 913.** RCW 43.330.094 and 2009 c 565 s 6 are each amended to  
25 read as follows:

26 The tourism development and promotion account is created in the  
27 state treasury. All receipts from RCW 36.102.060(10) must be deposited  
28 into the account. Moneys in the account may be spent only after  
29 appropriation. Expenditures from the account may be used by the  
30 department of commerce only for the purposes of expanding and promoting  
31 the tourism industry in the state of Washington. During the 2009-2011  
32 fiscal biennium, the legislature may transfer from the tourism  
33 development and promotion account to the state general fund such  
34 amounts as reflect the excess fund balance of the account.

35 **Sec. 914.** RCW 43.336.050 and 2007 c 228 s 105 are each amended to  
36 read as follows:

1 The tourism enterprise account is created in the custody of the  
2 state treasurer.

3 (1) All receipts from RCW 43.336.030(2)(a) must be deposited into  
4 the account. Only the executive director or the executive director's  
5 designee may authorize expenditures from the account. The account is  
6 subject to allotment procedures under chapter 43.88 RCW, but an  
7 appropriation is not required for expenditures.

8 (2) Moneys transferred from the state convention and trade  
9 (~~(center)~~) center account to this account(~~(, as provided in RCW~~  
10 ~~67.40.040,)~~) shall be available for expenditure in accordance with the  
11 requirements of this section. As provided under subsection (3) of this  
12 section, moneys must be matched with private sector cash contributions,  
13 the value of an advertising equivalency contribution, or through an in-  
14 kind contribution. The commission shall determine criteria for what  
15 qualifies as an in-kind contribution. The moneys subject to match may  
16 be expended as private match is received or with evidence of qualified  
17 expenditure.

18 (3)(a) Twenty-five percent of the moneys transferred in fiscal year  
19 2009 are subject to a match;

20 (b) Fifty percent of the moneys transferred in fiscal year 2010 are  
21 subject to a match; and

22 (c) One hundred percent of the moneys transferred in fiscal year  
23 2011, and thereafter, are subject to a match.

24 (4) Expenditures from the account may be used by the department of  
25 (~~community, trade, and economic development~~) commerce only for the  
26 purposes of expanding and promoting the tourism industry in the state  
27 of Washington.

28 (5) During the 2009-2011 fiscal biennium, the legislature may  
29 transfer from the tourism enterprise account to the state general fund  
30 such amounts as reflect the excess fund balance of the account.

31 **Sec. 915.** RCW 46.66.080 and 2009 c 564 s 945 are each amended to  
32 read as follows:

33 (1) The Washington auto theft prevention authority account is  
34 created in the state treasury, subject to appropriation. All revenues  
35 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all  
36 receipts from gifts, grants, bequests, devises, or other funds from  
37 public and private sources to support the activities of the auto theft

1 prevention authority must be deposited into the account. Expenditures  
2 from the account may be used only for activities relating to motor  
3 vehicle theft, including education, prevention, law enforcement,  
4 investigation, prosecution, and confinement. During the 2009-2011  
5 fiscal biennium, the legislature may appropriate moneys from the  
6 Washington auto theft prevention authority account for criminal justice  
7 purposes and community building and may transfer funds to the state  
8 general fund such amounts as reflect the excess fund balance of the  
9 account.

10 (2) The authority shall allocate moneys appropriated from the  
11 account to public agencies for the purpose of establishing,  
12 maintaining, and supporting programs that are designed to prevent motor  
13 vehicle theft, including:

14 (a) Financial support to prosecution agencies to increase the  
15 effectiveness of motor vehicle theft prosecution;

16 (b) Financial support to a unit of local government or a team  
17 consisting of units of local governments to increase the effectiveness  
18 of motor vehicle theft enforcement;

19 (c) Financial support for the procurement of equipment and  
20 technologies for use by law enforcement agencies for the purpose of  
21 enforcing motor vehicle theft laws; and

22 (d) Financial support for programs that are designed to educate and  
23 assist the public in the prevention of motor vehicle theft.

24 (3) The costs of administration shall not exceed ten percent of the  
25 moneys in the account in any one year so that the greatest possible  
26 portion of the moneys available to the authority is expended on  
27 combating motor vehicle theft.

28 (4) Prior to awarding any moneys from the Washington auto theft  
29 prevention authority account for motor vehicle theft enforcement, the  
30 auto theft prevention authority must verify that the financial award  
31 includes sufficient funding to cover proposed activities, which  
32 include, but are not limited to: (a) State, municipal, and county  
33 offender and juvenile confinement costs; (b) administration costs; (c)  
34 law enforcement costs; (d) prosecutor costs; and (e) court costs, with  
35 a priority being given to ensuring that sufficient funding is available  
36 to cover state, municipal, and county offender and juvenile confinement  
37 costs.

1 (5) Moneys expended from the Washington auto theft prevention  
2 authority account under subsection (2) of this section shall be used to  
3 supplement, not supplant, other moneys that are available for motor  
4 vehicle theft prevention.

5 (6) Grants provided under subsection (2) of this section constitute  
6 reimbursement for purposes of RCW 43.135.060(1).

7 **Sec. 916.** RCW 43.350.070 and 2005 c 424 s 8 are each amended to  
8 read as follows:

9 The life sciences discovery fund is created in the custody of the  
10 state treasurer. Only the board or the board's designee may authorize  
11 expenditures from the fund. Expenditures from the fund may be made  
12 only for purposes of this chapter. Administrative expenses of the  
13 authority, including staff support, may be paid only from the fund.  
14 Revenues to the fund consist of transfers made by the legislature from  
15 strategic contribution payments deposited in the tobacco settlement  
16 account under RCW 43.79.480, moneys received pursuant to contribution  
17 agreements entered into pursuant to RCW 43.350.030, moneys received  
18 from gifts, grants, and bequests, and interest earned on the fund.  
19 During the 2009-2011 fiscal biennium, the legislature may transfer to  
20 other state funds or accounts such amounts as represent the excess  
21 balance of the life sciences discovery fund.

22 **Sec. 917.** RCW 51.44.170 and 2003 1st sp.s. c 25 s 926 are each  
23 amended to read as follows:

24 The industrial insurance premium refund account is created in the  
25 custody of the state treasurer. All industrial insurance refunds  
26 earned by state agencies or institutions of higher education under the  
27 state fund retrospective rating program shall be deposited into the  
28 account. The account is subject to the allotment procedures under  
29 chapter 43.88 RCW, but no appropriation is required for expenditures  
30 from the account. Only the executive head of the agency or institution  
31 of higher education, or designee, may authorize expenditures from the  
32 account. No agency or institution of higher education may make an  
33 expenditure from the account for an amount greater than the refund  
34 earned by the agency. If the agency or institution of higher education  
35 has staff dedicated to workers' compensation claims management,  
36 expenditures from the account must be used to pay for that staff, but

1 additional expenditure from the account may be used for any program  
2 within an agency or institution of higher education that promotes or  
3 provides incentives for employee workplace safety and health and early,  
4 appropriate return-to-work for injured employees. During the ((2003-  
5 2005)) 2009-2011 fiscal biennium, the legislature may transfer from the  
6 industrial insurance premium refund account to the state general fund  
7 such amounts as reflect the excess fund balance of the account.

8 **Sec. 918.** RCW 66.08.190 and 2003 1st sp.s. c 25 s 927 are each  
9 amended to read as follows:

10 (1) Except ((for revenues generated by the 2003 surcharge of  
11 \$0.42/liter on retail sales of spirits that shall be distributed to the  
12 state general fund during the 2003-2005 biennium)) as provided in  
13 subsection (4) of this section, when excess funds are distributed, all  
14 moneys subject to distribution shall be disbursed as follows:

15 (a) Three-tenths of one percent to border areas under RCW  
16 66.08.195; and

17 (b) From the amount remaining after distribution under (a) of this  
18 subsection, (i) fifty percent to the general fund of the state, (ii)  
19 ten percent to the counties of the state, and (iii) forty percent to  
20 the incorporated cities and towns of the state.

21 (2) During the months of June, September, December, and March of  
22 each year, prior to disbursing the distribution to incorporated cities  
23 and towns under subsection (1)(b) of this section, the treasurer shall  
24 deduct from that distribution an amount that will fund that quarter's  
25 allotments under RCW 43.88.110 from any legislative appropriation from  
26 the city and town research services account. The treasurer shall  
27 deposit the amount deducted into the city and town research services  
28 account.

29 (3) The governor may notify and direct the state treasurer to  
30 withhold the revenues to which the counties and cities are entitled  
31 under this section if the counties or cities are found to be in  
32 noncompliance pursuant to RCW 36.70A.340.

33 (4) The final quarterly distributions for fiscal year 2011 to be  
34 distributed to cities and counties under subsection (1)(b)(ii) and  
35 (iii) of this section shall be reduced by six million dollars, and six  
36 million dollars must be deposited into the Washington auto theft  
37 prevention authority account to be used for criminal justice training.

1       **Sec. 919.** RCW 66.08.235 and 2005 c 151 s 4 are each amended to  
2 read as follows:

3       The liquor control board construction and maintenance account is  
4 created within the state treasury. The liquor control board shall  
5 deposit into this account a portion of the board's markup, as  
6 authorized by chapter 66.16 RCW, placed upon liquor as determined by  
7 the board. Moneys in the account may be spent only after  
8 appropriation. The liquor control board shall use deposits to this  
9 account to fund construction and maintenance of a centralized  
10 distribution center for liquor products intended for sale through the  
11 board's liquor store and contract liquor store system. During the  
12 ~~((2001-2003))~~ 2009-2011 fiscal biennium, the legislature may transfer  
13 from the liquor control board construction and maintenance account to  
14 the state general fund such amounts as reflect the ~~((appropriations~~  
15 ~~reductions made by the 2002 supplemental appropriations act for~~  
16 ~~administrative efficiencies and savings))~~ excess fund balance in the  
17 account.

18       **Sec. 920.** RCW 82.14.380 and 1999 c 311 s 201 are each amended to  
19 read as follows:

20       (1) The distressed county assistance account is created in the  
21 state treasury. Into this account shall be placed a portion of all  
22 motor vehicle excise tax receipts as provided in RCW 82.44.110. At  
23 such times as distributions are made under RCW 82.44.150, the state  
24 treasurer shall distribute the funds in the distressed county  
25 assistance account to each county imposing the sales and use tax  
26 authorized under RCW 82.14.370 as of January 1, 1999, in the same  
27 proportions as distributions of the tax imposed under RCW 82.14.370 for  
28 these counties for the previous quarter.

29       (2) Funds distributed from the distressed county assistance account  
30 shall be expended by the counties for criminal justice and other  
31 purposes. During the 2009-2011 fiscal biennium, the legislature may  
32 transfer from the distressed county assistance account to the state  
33 general fund such amounts as reflect the excess fund balance of the  
34 account.

35       NEW SECTION.   **Sec. 921.** If any provision of this act or its

1 application to any person or circumstance is held invalid, the  
2 remainder of the act or the application of the provision to other  
3 persons or circumstances is not affected.

4 NEW SECTION. **Sec. 922.** This act is necessary for the immediate  
5 preservation of the public peace, health, or safety, or support of the  
6 state government and its existing public institutions, and takes effect  
7 immediately.

(End of part)

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**ESHB 1086** - S COMM AMD  
 By Committee on Ways & Means

**ADOPTED 02/04/2011**

1       On page 1, line 1 of the title, after "matters;" strike the  
 2 remainder of the title and insert "amending RCW 43.03.220, 43.03.230,  
 3 43.03.240, 43.03.250, 43.03.265, 43.21A.660, 43.21A.667, 43.79.460,  
 4 43.79.465, 43.83B.430, 43.105.080, 43.330.094, 43.336.050, 46.66.080,  
 5 43.350.070, 51.44.170,66.08.190, 66.08.235, and 82.14.380; amending  
 6 2010 2nd sp.s. c 1 ss 105, 109, 114, 115, 117, 118, 201, 202, 203, 204,  
 7 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 302, 303, 304, 307,  
 8 308, 309, 310, 501, 502, 503, and 801 (uncodified); amending 2010 1st  
 9 sp.s. c 37 ss 103, 106, 107, 118, 120, 121, 123, 124, 126, 127, 128,  
 10 130, 133, 134, 138, 141, 142, 146, 148, 150, 151, 153, 213, 215, 217,  
 11 218, 219, 220, 224, 225, 226, 401, 402, 505, 506, 507, 508, 511, 610,

1 611, 612, 613, 614, 615, 616, 617, 618, 619, 705, 707, 711, and 801  
2 (uncodified); amending 2010 1st sp.s. c 32 s 3 (uncodified); amending  
3 2010 1st sp.s. c 31 s 1 (uncodified); amending 2009 c 564 s 711  
4 (uncodified); adding new sections to 2009 c 564 (uncodified); making  
5 appropriations; and declaring an emergency."

--- END ---