
SENATE BILL 5095

State of Washington

62nd Legislature

2011 Regular Session

By Senators Murray, Zarelli, Kilmer, and Parlette; by request of Governor Gregoire

Read first time 01/13/11. Referred to Committee on Ways & Means.

1 AN ACT Relating to fiscal matters; amending RCW 15.76.115,
2 18.04.105, 43.21A.660, 43.21A.667, 43.79.460, 43.79.465, 43.83B.430,
3 51.44.170, 66.08.235, 82.14.380, and 90.56.500; amending 2010 2nd sp.s.
4 c 1 ss 106, 107, 108, 109, 114, 115, 116, 117, 118, 201, 202, 203, 204,
5 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 302, 303, 304, 305,
6 306, 307, 308, 309, 310, 501, 502, 503, 601, 602, 603, 604, 605, 606,
7 607, and 801 (uncodified); amending 2010 1st sp.s. c 37 ss 106, 118,
8 120, 121, 123, 124, 126, 127, 128, 130, 133, 134, 138, 141, 142, 146,
9 148, 150, 151, 153, 201, 213, 215, 217, 218, 219, 220, 222, 224, 225,
10 226, 401, 402, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 514,
11 515, 516, 517, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 701,
12 702, 703, 705, 707, 709, 710, 711, and 801 (uncodified); amending 2010
13 1st sp.s. c 32 s 3 (uncodified); amending 2010 1st sp.s. c 31 s 1
14 (uncodified); amending 2009 c 564 ss 711 and 719 (uncodified); adding
15 new sections to 2009 c 564 (uncodified); repealing 2010 1st sp.s. c 37
16 s 802 (uncodified); making appropriations; and declaring an emergency.

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

18

PART I

19

GENERAL GOVERNMENT

1 **Sec. 101.** 2010 1st sp.s. c 37 s 106 (uncodified) is amended to
2 read as follows:

3 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

4	General Fund--State Appropriation (FY 2010)	\$8,652,000
5	General Fund--State Appropriation (FY 2011)	(\$8,506,000)
6		<u>\$7,971,000</u>
7	TOTAL APPROPRIATION	(\$17,158,000)
8		<u>\$16,623,000</u>

9 **Sec. 102.** 2010 2nd sp.s. c 1 s 106 (uncodified) is amended to read
10 as follows:

11 **FOR THE SUPREME COURT**

12	General Fund--State Appropriation (FY 2010)	\$6,912,000
13	General Fund--State Appropriation (FY 2011)	(\$6,844,000)
14		<u>\$6,950,000</u>
15	TOTAL APPROPRIATION	(\$13,756,000)
16		<u>\$13,862,000</u>

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

25 **Sec. 103.** 2010 2nd sp.s. c 1 s 107 (uncodified) is amended to read
26 as follows:

27 **FOR THE LAW LIBRARY**

28	General Fund--State Appropriation (FY 2010)	\$1,925,000
29	General Fund--State Appropriation (FY 2011)	(\$1,592,000)
30		<u>\$1,596,000</u>
31	TOTAL APPROPRIATION	(\$3,517,000)
32		<u>\$3,521,000</u>

33 The appropriations in this section are subject to the following
34 conditions and limitations: It is the intent of the legislature that
35 the reductions in appropriations in this section shall be achieved, to
36 the greatest extent possible, by reducing those state government

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

5 **Sec. 104.** 2010 2nd sp.s. c 1 s 108 (uncodified) is amended to read
6 as follows:

7 **FOR THE COURT OF APPEALS**

8	General Fund--State Appropriation (FY 2010)	\$15,632,000
9	General Fund--State Appropriation (FY 2011)	(\$15,517,000)
10		<u>\$15,622,000</u>
11	TOTAL APPROPRIATION	(\$31,149,000)
12		<u>\$31,254,000</u>

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

21 **Sec. 105.** 2010 2nd sp.s. c 1 s 109 (uncodified) is amended to read
22 as follows:

23 **FOR THE ADMINISTRATOR FOR THE COURTS**

24	General Fund--State Appropriation (FY 2010)	\$52,644,000
25	General Fund--State Appropriation (FY 2011)	(\$49,760,000)
26		<u>\$49,857,000</u>
27	General Fund--Federal Appropriation	\$979,000
28	Judicial Information Systems Account--State	
29	Appropriation	\$33,406,000
30	Judicial Stabilization Trust Account--State	
31	Appropriation	\$6,598,000
32	TOTAL APPROPRIATION	(\$143,387,000)
33		<u>\$143,484,000</u>

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

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

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

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

35 (3) The distributions made under this subsection and distributions
36 from the county criminal justice assistance account made pursuant to
37 section 801 of this act constitute appropriate reimbursement for costs

1 for any new programs or increased level of service for purposes of RCW
2 43.135.060.

3 (4) \$5,700,000 of the judicial information systems account--state
4 appropriation is provided solely for modernization and integration of
5 the judicial information system.

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

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

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

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

35 (5) \$3,000,000 of the judicial information systems account--state
36 appropriation is provided solely for replacing computer equipment at
37 state courts, and at state judicial agencies. The administrator for
38 the courts shall prioritize equipment replacement purchasing and shall

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

5 (6) \$12,000 of the judicial information systems account--state
6 appropriation is provided solely to implement Engrossed Substitute
7 House Bill No. 1954 (sealing juvenile records). If the bill is not
8 enacted by June 30, 2009, the amount provided in this subsection shall
9 lapse.

10 (7) \$106,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$106,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the twenty-third superior
13 court judge position in Pierce county. The funds appropriated in this
14 subsection shall be expended only if the judge is appointed and serving
15 on the bench.

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

23 (9) \$44,000 of the judicial information systems account--state
24 appropriation is provided solely to implement chapter 272, Laws of 2010
25 (SHB 2680; guardianship).

26 (10) \$274,000 of the general fund--state appropriation for fiscal
27 year 2011 is provided solely for the office of public guardianship to
28 provide guardianship services for low-income incapacitated persons.

29 (11) \$3,797,000 of the judicial information systems account--state
30 appropriation is provided solely for continued planning and
31 implementation of improvements to the court case management system.

32 **Sec. 106.** 2010 1st sp.s. c 37 s 118 (uncodified) is amended to
33 read as follows:

34 **FOR THE PUBLIC DISCLOSURE COMMISSION**

35	General Fund--State Appropriation (FY 2010)	\$2,249,000
36	General Fund--State Appropriation (FY 2011)	(\$2,212,000)
37		<u>\$1,967,000</u>

1 TOTAL APPROPRIATION (~~(\$4,461,000)~~)
2 \$4,216,000

3 **Sec. 107.** 2010 2nd sp.s. c 1 s 114 (uncodified) is amended to read
4 as follows:

5 **FOR THE SECRETARY OF STATE**

6	General Fund--State Appropriation (FY 2010)	\$21,105,000
7	General Fund--State Appropriation (FY 2011)	((\$13,535,000))
8		<u>\$14,650,000</u>
9	General Fund--Federal Appropriation	\$8,082,000
10	Archives and Records Management Account--State	
11	Appropriation	\$8,990,000
12	Charitable Organization Education Account--State	
13	Appropriation	\$76,000
14	Department of Personnel Service Account--State	
15	Appropriation	\$757,000
16	Election Account--State Appropriation	\$77,000
17	Local Government Archives Account--State	
18	Appropriation	\$11,515,000
19	Election Account--Federal Appropriation	\$31,163,000
20	TOTAL APPROPRIATION	((\$95,300,000))
21		<u>\$96,415,000</u>

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

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

30 (2)(a) \$1,897,000 of the general fund--state appropriation for
31 fiscal year 2010 and \$1,845,000 of the general fund--state
32 appropriation for fiscal year 2011 are provided solely for contracting
33 with a nonprofit organization to produce gavel-to-gavel television
34 coverage of state government deliberations and other events of
35 statewide significance during the 2009-2011 biennium. The funding
36 level for each year of the contract shall be based on the amount
37 provided in this subsection. The nonprofit organization shall be

1 required to raise contributions or commitments to make contributions,
2 in cash or in kind, in an amount equal to forty percent of the state
3 contribution. The office of the secretary of state may make full or
4 partial payment once all criteria in this subsection have been
5 satisfactorily documented.

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

11 (c) The nonprofit organization shall prepare an annual independent
12 audit, an annual financial statement, and an annual report, including
13 benchmarks that measure the success of the nonprofit organization in
14 meeting the intent of the program.

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

17 (i) Attempting to influence the passage or defeat of any
18 legislation by the legislature of the state of Washington, by any
19 county, city, town, or other political subdivision of the state of
20 Washington, or by the congress, or the adoption or rejection of any
21 rule, standard, rate, or other legislative enactment of any state
22 agency;

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

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

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

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

32 (5) \$76,000 of the charitable organization education account--state
33 appropriation for fiscal year 2011 is provided solely to implement
34 Second Substitute House Bill No. 2576 (corporation and charity fees).
35 If the bill is not enacted by June 30, 2010, the amount provided in
36 this subsection shall lapse.

37 (6) \$77,000 of the general fund--state appropriation for fiscal
38 year 2010 is provided solely for deposit to the election account.

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

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

8 (2) \$722,000 of the general fund--state appropriation for fiscal
9 year 2010 and (~~(\$717,000)~~) \$638,000 of the general fund--state
10 appropriation for fiscal year 2011 are provided solely for staff and
11 related costs to verify the accuracy of reported school district data
12 submitted for state funding purposes; conduct school district program
13 audits of state funded public school programs; establish the specific
14 amount of state funding adjustments whenever audit exceptions occur and
15 the amount is not firmly established in the course of regular public
16 school audits; and to assist the state special education safety net
17 committee when requested.

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

26 (4) The legislature finds that the major changes in personnel
27 funding in this budget and the long term effects of the ongoing
28 economic recession combine with structural changes in the nature of
29 work and employment in many state agencies to require a continuing
30 review of the workforce examination begun under chapter 534, Laws of
31 2009 (exempt employment practices). The legislature notes the ongoing
32 management reforms of the Washington management service being
33 undertaken by the department of personnel, and anticipates a continuing
34 legislative committee examination of the architecture and cost of the
35 state's career and executive workforce. To that end, the office of
36 state auditor is invited to provide by September 1, 2010, a general
37 survey of new and best practices for executive and career workforce
38 management now in use by other states and relevant industries.

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

6 (3) The office of the attorney general is authorized to expend
7 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer
8 protection costs in accordance with uses authorized in the court
9 orders.

10 (4) The attorney general shall annually report to the fiscal
11 committees of the legislature all new cy pres awards and settlements
12 and all new accounts, disclosing their intended uses, balances, the
13 nature of the claim or account, proposals, and intended timeframes for
14 the expenditure of each amount. The report shall be distributed
15 electronically and posted on the attorney general's web site. The
16 report shall not be printed on paper or distributed physically.

17 (5) The executive ethics board must produce a report by the end of
18 the calendar year for the legislature regarding performance measures on
19 the efficiency and effectiveness of the board, as well as on
20 performance measures to measure and monitor the ethics and integrity of
21 all state agencies.

22 (6) \$53,000 of the legal services revolving account--state
23 appropriation is provided solely to implement Engrossed Second
24 Substitute House Bill No. 3026 (school district compliance with state
25 and federal civil rights laws).

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

28 **FOR THE CASELOAD FORECAST COUNCIL**

29	General Fund--State Appropriation (FY 2010)	\$766,000
30	General Fund--State Appropriation (FY 2011)	(\$742,000)
31		<u>\$658,000</u>
32	TOTAL APPROPRIATION	(\$1,508,000)
33		<u>\$1,424,000</u>

34 The appropriations in this section are subject to the following
35 conditions and limitations: \$13,000 of the general fund--state
36 appropriation for fiscal year 2010 and \$7,000 of the general fund--
37 state appropriation for fiscal year 2011 are for the implementation of

1 Second Substitute House Bill No. 2106 (improving child welfare outcomes
2 through the phased implementation of strategic and proven reforms). If
3 the bill is not enacted by June 30, 2009, the amounts provided in this
4 subsection shall lapse.

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

7 **FOR THE DEPARTMENT OF COMMERCE**

8	General Fund--State Appropriation (FY 2010)	\$49,670,000
9	General Fund--State Appropriation (FY 2011)	(\$40,577,000)
10		<u>\$35,995,000</u>
11	General Fund--Federal Appropriation	\$381,918,000
12	General Fund--Private/Local Appropriation	\$10,622,000
13	Public Works Assistance Account--State	
14	Appropriation	\$2,974,000
15	Tourism Development and Promotion Account--State	
16	Appropriation	\$1,003,000
17	Drinking Water Assistance Administrative	
18	Account--State Appropriation	\$433,000
19	Lead Paint Account--State Appropriation	\$35,000
20	Building Code Council Account--State Appropriation	\$688,000
21	Home Security Fund Account--State Appropriation	(\$25,486,000)
22		<u>\$24,486,000</u>
23	Affordable Housing for All Account--State	
24	Appropriation	\$11,896,000
25	Washington Auto Theft Prevention Authority	
26	Account--State Appropriation	\$300,000
27	Independent Youth Housing Account--State	
28	Appropriation	\$220,000
29	County Research Services Account--State Appropriation	\$469,000
30	Community Preservation and Development Authority	
31	Account--State Appropriation	\$350,000
32	Financial Fraud and Identity Theft Crimes Investigation	
33	and Prosecution Account--State Appropriation	\$1,166,000
34	Low-Income Weatherization Assistance Account--State	
35	Appropriation	\$6,882,000
36	City and Town Research Services Account--State	
37	Appropriation	\$2,246,000

1	Manufacturing Innovation and Modernization	
2	Account--State Appropriation	\$230,000
3	Community and Economic Development Fee	
4	Account--State Appropriation	\$6,922,000
5	Washington Housing Trust Account--State	
6	Appropriation	\$15,348,000
7	Prostitution Prevention and Intervention Account--	
8	State Appropriation	\$125,000
9	Public Facility Construction Loan Revolving	
10	Account--State Appropriation	\$754,000
11	TOTAL APPROPRIATION	(\$560,314,000)
12		<u>\$554,732,000</u>

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

15 (1) \$2,378,000 of the general fund--state appropriation for fiscal
16 year 2010 and (~~(\$2,379,000)~~) \$2,117,000 of the general fund--state
17 appropriation for fiscal year 2011 are provided solely for a contract
18 with the Washington technology center for work essential to the mission
19 of the Washington technology center and conducted in partnership with
20 universities.

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

28 (3) \$100,000 of the general fund--state appropriation for fiscal
29 year 2010 and (~~(\$100,000)~~) \$89,000 of the general fund--state
30 appropriation for fiscal year 2011 are provided solely to implement
31 section 2(7) of Engrossed Substitute House Bill No. 1959 (land use and
32 transportation planning for marine container ports).

33 (4) \$102,000 of the building code council account--state
34 appropriation is provided solely for the implementation of sections 3
35 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built
36 environment pollution). If sections 3 and 7 of the bill are not
37 enacted by June 30, 2009, the amounts provided in this subsection shall
38 lapse.

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

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

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

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

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

1 (6) \$14,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided solely for the implementation of Engrossed Second
3 Substitute Senate Bill No. 5560 (state agency climate leadership). If
4 the bill is not enacted by June 30, 2009, the amount provided in this
5 subsection shall lapse.

6 (7) \$22,400,000 of the general fund--federal appropriation is
7 provided solely for the justice assistance grant program and is
8 contingent upon the department transferring: \$1,200,000 to the
9 department of corrections for security threat mitigation, \$2,336,000 to
10 the department of corrections for offender reentry, \$1,960,000 to the
11 Washington state patrol for law enforcement activities, \$2,087,000 to
12 the department of social and health services, division of alcohol and
13 substance abuse for drug courts, and \$428,000 to the department of
14 social and health services for sex abuse recognition training. The
15 remaining funds shall be distributed by the department to local
16 jurisdictions.

17 (8) \$20,000 of the general fund--state appropriation for fiscal
18 year 2010 and (~~(\$20,000)~~) \$18,000 of the general fund--state
19 appropriation for fiscal year 2011 are provided solely for a grant to
20 KCTS public television to support Spanish language programming and the
21 V-me Spanish language channel.

22 (9) \$500,000 of the general fund--state appropriation for fiscal
23 year 2010 and (~~(\$500,000)~~) \$445,000 of the general fund--state
24 appropriation for fiscal year 2011 are provided solely for a grant to
25 resolution Washington to building statewide capacity for alternative
26 dispute resolution centers and dispute resolution programs that
27 guarantee that citizens have access to low-cost resolution as an
28 alternative to litigation.

29 (10) \$30,000 of the general fund--state appropriation for fiscal
30 year 2010 is provided solely for implementation of Engrossed Second
31 Substitute Senate Bill No. 6015 (commercialization of technology). If
32 the bill is not enacted by June 30, 2009, the amount provided in this
33 subsection shall lapse.

34 (11) By June 30, 2011, the department shall request information
35 that describes what jurisdictions have adopted, or are in the process
36 of adopting, plans that address RCW 36.70A.020 and helps achieve the
37 greenhouse gas emission reductions established in RCW 70.235.020. This

1 information request in this subsection applies to jurisdictions that
2 are required to review and if necessary revise their comprehensive
3 plans in accordance with RCW 36.70A.130.

4 (12) During the 2009-~~(11)~~ 2011 fiscal biennium, the department
5 shall allot all of its appropriations subject to allotment by object,
6 account, and expenditure authority code to conform with the office of
7 financial management's definition of an option 2 allotment. For those
8 funds subject to allotment but not appropriation, the agency shall
9 submit option 2 allotments to the office of financial management.

10 (13) \$50,000 of the general fund--state appropriation for fiscal
11 year 2010 and (~~\$50,000~~) \$45,000 of the general fund--state
12 appropriation for fiscal year 2011 are provided solely for a grant for
13 the state's participation in the Pacific Northwest economic region.

14 (14) \$712,000 of the general fund--state appropriation for fiscal
15 year 2010 and (~~\$712,000~~) \$634,000 of the general fund--state
16 appropriation for fiscal year 2011 are provided solely to the office of
17 crime victims advocacy. These funds shall be contracted with the 39
18 county prosecuting attorneys' offices to support victim-witness
19 services. The funds must be prioritized to ensure a full-time victim-
20 witness coordinator in each county. The office may retain only the
21 amount currently allocated for this activity for administrative costs.

22 (15) \$306,000 of the general fund--state appropriation for fiscal
23 year 2010 and (~~\$306,000~~) \$272,000 of the general fund--state
24 appropriation for fiscal year 2011 are provided solely for a grant to
25 the retired senior volunteer program.

26 (16) \$65,000 of the general fund--state appropriation for fiscal
27 year 2010 is provided solely for a contract with a food distribution
28 program for communities in the southwestern portion of the state and
29 for workers impacted by timber and salmon fishing closures and
30 reductions. The department may not charge administrative overhead or
31 expenses to the funds provided in this subsection.

32 (17) \$371,000 of the general fund--state appropriation for fiscal
33 year 2010 and (~~\$371,000~~) \$330,000 of the general fund--state
34 appropriation for fiscal year 2011 are provided solely to the northwest
35 agriculture business center.

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

1 (19) \$212,000 of the general fund--federal appropriation is
2 provided solely for implementation of Second Substitute House Bill No.
3 1172 (development rights transfer). If the bill is not enacted by June
4 30, 2009, the amount provided in this subsection shall lapse.

5 (20) \$69,000 of the general fund--state appropriation for fiscal
6 year 2010 and (~~(\$66,000)~~) \$59,000 of the general fund--state
7 appropriation for fiscal year 2011 are provided solely for
8 implementation of Engrossed Second Substitute House Bill No. 2227
9 (evergreen jobs act). If the bill is not enacted by June 30, 2009, the
10 amounts provided in this subsection shall lapse.

11 (21) \$350,000 of the community development and preservation
12 authority account--state appropriation is provided solely for a grant
13 to a community development authority established under chapter 43.167
14 RCW. The community preservation and development's board of directors
15 may contract with nonprofit community organizations to aid in
16 mitigating the effects of increased public impact on urban
17 neighborhoods due to events in stadia that have a capacity of over
18 50,000 spectators.

19 (22) \$300,000 of the Washington auto theft prevention authority
20 account--state appropriation is provided solely for a contract with a
21 community group to build local community capacity and economic
22 development within the state by strengthening political relationships
23 between economically distressed communities and governmental
24 institutions. The community group shall identify opportunities for
25 collaboration and initiate activities and events that bring community
26 organizations, local governments, and state agencies together to
27 address the impacts of poverty, political disenfranchisement, and
28 economic inequality on communities of color. These funds must be
29 matched by other nonstate sources on an equal basis.

30 (23) \$1,800,000 of the home security fund--state appropriation is
31 provided for transitional housing assistance or partial payments for
32 rental assistance under the independent youth housing program.

33 (24) \$5,000,000 of the home security fund--state appropriation is
34 provided solely for the operation, repair, and staffing of shelters in
35 the homeless family shelter program.

36 (25) \$253,000 of the general fund--state appropriation for fiscal
37 year 2010 and (~~(\$283,000)~~) \$252,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely for the
2 Washington new Americans program.

3 (26) \$438,000 of the general fund--state appropriation for fiscal
4 year 2010 and (~~(\$438,000)~~) \$399,000 of the general fund--state
5 appropriation for fiscal year 2011 are provided solely for the
6 Washington asset building coalitions.

7 (~~(+29)~~) (27) \$3,231,000 of the general fund--state appropriation
8 for fiscal year 2010 and (~~(\$3,231,000)~~) \$2,876,000 of the general
9 fund--state appropriation for fiscal year 2011 are provided solely for
10 associate development organizations.

11 (~~(+30)~~) (28) \$5,400,000 of the community and economic development
12 fee account is provided as follows: \$1,000,000 is provided solely for
13 the department of commerce for services for homeless families through
14 the Washington families fund; \$2,600,000 is provided solely for housing
15 trust fund operations and maintenance; \$800,000 is provided solely for
16 housing trust fund portfolio management; \$500,000 is provided solely
17 for foreclosure counseling and support; and \$500,000 is provided solely
18 for use as a reserve in the account.

19 (~~(+32)~~ ~~-\$250,000~~) (29) \$223,000 of the general fund--state
20 appropriation for fiscal year 2011 is provided solely for the
21 department to administer a competitive grant program to fund economic
22 development activities designed to further regional cluster growth and
23 to integrate its sector-based and cluster-based strategies with its
24 support for the development of innovation partnership zones. Grant
25 recipients must provide matching funds equal to the size of the grant.
26 Grants may be awarded to support the formation of sector associations
27 or cluster associations, the identification of the technology and
28 commercialization needs of a sector or cluster, facilitating working
29 relationships between a sector association or cluster association and
30 an innovation partnership zone, expanding the operations of an
31 innovation partnership zone, and developing and implementing plans to
32 meet the technology development and commercialization needs of industry
33 sectors, industry clusters, and innovation partnership zones. The
34 projects receiving grants must not duplicate the purpose or efforts of
35 industry skill panels but priority must be given to applicants that
36 complement industry skill panels and will use the grant funds to build
37 linkages and joint projects.

1 (~~(33)~~—\$100,000)) (30) \$89,000 of the general fund--state
2 appropriation for fiscal year 2011 is provided solely to:

3 (a) Develop a rural manufacturer export outreach program in
4 conjunction with impact Washington. The program must provide outreach
5 services to rural manufacturers in Washington to inform them of the
6 importance of and opportunities in international trade, and to inform
7 them of the export assistance programs available to assist these
8 businesses to become exporters; and

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

12 (~~(34)~~—\$1,000,000)) (31) \$890,000 of the general fund--state
13 appropriation for fiscal year 2011 is provided solely to implement the
14 provisions of chapter 13, Laws of 2010 (global health program).

15 (~~(35)~~—\$50,000)) (32) \$45,000 of the general fund--state
16 appropriation for fiscal year 2011 is provided solely for the creation
17 of the Washington entrepreneurial development and small business
18 reference service in the department of commerce.

19 (a) The department must:

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

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

26 (B) Disseminate information about available entrepreneurial
27 development and small business assistance services, programs, and
28 resources via in-person presentations and electronic and printed
29 materials and undertake other activities to raise awareness of
30 entrepreneurial training and small business assistance offerings; and

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

35 (ii) Assist providers of entrepreneurial development and small
36 business assistance services in applying for federal and private
37 funding to support the entrepreneurial development and small business
38 assistance activities in the state;

1 (iii) Distribute awards for excellence in entrepreneurial training
2 and small business assistance; and

3 (iv) Report to the governor, the economic development commission,
4 the work force training and education coordinating board, and the
5 appropriate legislative committees its recommendations for statutory
6 changes necessary to enhance operational efficiencies or enhance
7 coordination related to entrepreneurial development and small business
8 assistance.

9 (b) In carrying out the duties under this section, the department
10 must seek the advice of small business owners and advocates, the
11 Washington economic development commission, the work force training and
12 education coordinating board, the state board for community and
13 technical colleges, the employment security department, the Washington
14 state microenterprise association, associate development organizations,
15 impact Washington, the Washington quality award council, the Washington
16 technology center, the small business export finance assistance center,
17 the Spokane intercollegiate research and technology institute,
18 representatives of the University of Washington business school and the
19 Washington State University college of business and economics, the
20 office of minority and women's business enterprises, the Washington
21 economic development finance authority, and staff from small business
22 development centers.

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

26 ((~~37~~—\$50,000)) (33) \$45,000 of the general fund--state
27 appropriation for fiscal year 2011 is provided solely for a grant to
28 HistoryLink.

29 **Sec. 115.** 2010 1st sp.s. c 37 s 128 (uncodified) is amended to
30 read as follows:

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

32	General Fund--State Appropriation (FY 2010)	\$711,000
33	General Fund--State Appropriation (FY 2011)	((\$772,000))
34		<u>\$723,000</u>
35	TOTAL APPROPRIATION	((\$1,483,000))
36		<u>\$1,434,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations: The economic and revenue forecast council,
3 in its quarterly revenue forecasts, shall forecast the total revenue
4 for the state lottery.

5 **Sec. 116.** 2010 2nd sp.s. c 1 s 116 (uncodified) is amended to read
6 as follows:

7 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

8	General Fund--State Appropriation (FY 2010)	\$21,089,000
9	General Fund--State Appropriation (FY 2011)	(\$18,285,000)
10		<u>\$17,996,000</u>
11	General Fund--Federal Appropriation	\$27,103,000
12	General Fund--Private/Local Appropriation	\$1,270,000
13	State Auditing Services Revolving	
14	Account--State Appropriation	\$25,000
15	Economic Development Strategic Reserve Account--	
16	State Appropriation	\$278,000
17	TOTAL APPROPRIATION	(\$68,050,000)
18		<u>\$67,761,000</u>

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

21 (1) \$188,000 of the general fund--state appropriation for fiscal
22 year 2010 is provided solely for the implementation of Second
23 Substitute Senate Bill No. 5945 (Washington health partnership plan).

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

26 (2) The office of financial management shall conduct a study on
27 alternatives for consolidating or transferring activities and
28 responsibilities of the state lottery commission, state horse racing
29 commission, state liquor control board, and the state gambling
30 commission to achieve cost savings and regulatory efficiencies. In
31 conducting the study, the office of financial management shall consult
32 with the legislative fiscal committees. Further, the office of
33 financial management shall establish an advisory group to include, but
34 not be limited to, representatives of affected businesses, state
35 agencies or entities, local governments, and stakeholder groups. The
36 office of financial management shall submit a final report to the
37 governor and the legislative fiscal committees by November 15, 2009.

1 (3) \$110,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely to implement Second Substitute Senate Bill
3 No. 6578 (multiagency permitting teams). If the bill is not enacted by
4 June 30, 2010, the amount provided in this subsection shall lapse.

5 (4) The office of financial management shall, with the assistance
6 of the natural resources cabinet as created in executive order 09-07,
7 reduce the number of facilities being leased by the state by
8 consolidating, wherever possible, regional offices and storage
9 facilities of the natural resource agencies. The office of financial
10 management and the natural resources cabinet shall submit a report on
11 the progress of this effort and the associated savings to the
12 appropriate fiscal committees of the legislature no later than December
13 1, 2010.

14 (5)(a) \$50,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$150,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the purposes of the office of
17 financial management:

18 (i) Conducting a technical and financial analysis of the state's
19 plan for the consolidated state data center and office building; and

20 (ii) Developing a strategic business plan outlining the various
21 options for use of the site that maximize taxpayer value consistent
22 with the terms of the finance lease and related agreements.

23 (b) The analysis required in (a)(i) of this subsection must consist
24 of, at a minimum, an assessment of the following issues:

25 (i) The total capital and operational costs for the proposed data
26 center and office building;

27 (ii) The occupancy rate for the consolidated state data center, as
28 compared to total capacity, that will result in revenue exceeding total
29 capital and operating expenses;

30 (iii) The potential reallocation of resources that could result
31 from the consolidation of state data centers and office space; and

32 (iv) The potential return on investment for the consolidated state
33 data center and office building that may be realized without impairing
34 any existing contractual rights under the terms of the financing lease
35 and related agreements.

36 (c) This review must build upon the analysis and migration strategy
37 for the consolidated state data center being prepared for the
38 department of information services.

1 (d) The strategic plan must be submitted to the governor and the
2 legislature by December 1, 2010.

3 (6) Appropriations in this section include amounts sufficient to
4 implement Engrossed Substitute House Bill No. 3178 (technology
5 efficiencies).

6 **Sec. 117.** 2010 1st sp.s. c 37 s 130 (uncodified) is amended to read
7 as follows:

8 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

9 Administrative Hearings Revolving
10 Account--State Appropriation (~~(\$33,978,000)~~)
11 \$34,805,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: \$725,000 of the administrative hearings
14 revolving account--state appropriation is provided solely to implement
15 Engrossed Second Substitute House Bill No. 2782 (security lifeline
16 act). If the bill is not enacted by June 30, 2010, the amount provided
17 in this subsection shall lapse.

18 **Sec. 118.** 2010 1st sp.s. c 37 s 133 (uncodified) is amended to
19 read as follows:

20 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

21 General Fund--State Appropriation (FY 2010) \$250,000
22 General Fund--State Appropriation (FY 2011) (~~(\$255,000)~~)
23 \$226,000
24 TOTAL APPROPRIATION (~~(\$505,000)~~)
25 \$476,000

26 **Sec. 119.** 2010 1st sp.s. c 37 s 134 (uncodified) is amended to
27 read as follows:

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

29 General Fund--State Appropriation (FY 2010) \$243,000
30 General Fund--State Appropriation (FY 2011) (~~(\$236,000)~~)
31 \$210,000
32 TOTAL APPROPRIATION (~~(\$479,000)~~)
33 \$453,000

1 fiscal year 2011 are for the implementation of Second Engrossed
2 Substitute Senate Bill No. 6143 (excise tax law modifications). If the
3 bill is not enacted by June 30, 2010, the amounts provided in this
4 subsection shall lapse.

5 (5) \$163,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely to implement Substitute Senate Bill No.
7 6846 (enhanced 911 services). If the bill is not enacted by June 30,
8 2010, the amount provided in this subsection shall lapse.

9 (6) \$1,200,000 of the general fund--state appropriation for fiscal
10 year 2011 is provided solely for making the necessary preparations for
11 implementation of the working families tax exemption pursuant to RCW
12 82.08.0206 in 2012.

13 **Sec. 121.** 2010 1st sp.s. c 37 s 138 (uncodified) is amended to
14 read as follows:

15 **FOR THE BOARD OF TAX APPEALS**

16	General Fund--State Appropriation (FY 2010)	\$1,346,000
17	General Fund--State Appropriation (FY 2011)	(\$1,318,000)
18		<u>\$1,194,000</u>
19	TOTAL APPROPRIATION	(\$2,664,000)
20		<u>\$2,540,000</u>

21 **Sec. 122.** 2010 1st sp.s. c 37 s 141 (uncodified) is amended to
22 read as follows:

23 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

24	General Fund--State Appropriation (FY 2010)	\$815,000
25	General Fund--State Appropriation (FY 2011)	(\$3,963,000)
26		<u>\$3,524,000</u>
27	General Fund--Federal Appropriation	\$2,956,000
28	Building Code Council Account--State Appropriation	(\$593,000)
29		<u>\$875,000</u>
30	General Fund--Private/Local Appropriation	\$84,000
31	General Administration Service Account--State	
32	Appropriation	\$31,748,000
33	TOTAL APPROPRIATION	(\$40,159,000)
34		<u>\$40,002,000</u>

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

1 (1) \$28,000 of the general fund--state appropriation for fiscal
2 year 2010 and (~~(\$28,000)~~) \$14,000 of the general fund--state
3 appropriation for fiscal year 2011 are provided solely for the purposes
4 of section 8 of Engrossed Second Substitute Senate Bill No. 5854 (built
5 environment pollution). If section 8 of the bill is not enacted by
6 June 30, 2009, the amounts provided in this subsection shall lapse.

7 (2) (~~(\$3,545,000)~~) \$3,197,000 of the general fund--state
8 appropriation for fiscal year 2011 is provided solely for the payment
9 of facilities and services charges, utilities and contracts charges,
10 public and historic facilities charges, and capital projects surcharges
11 allocable to the senate, house of representatives, statute law
12 committee, and joint legislative systems committee. The department
13 shall allocate charges attributable to these agencies among the
14 affected revolving funds. The department shall enter into an
15 interagency agreement with these agencies by July 1, 2010, to establish
16 performance standards, prioritization of preservation and capital
17 improvement projects, and quality assurance provisions for the delivery
18 of services under this subsection. The agencies named in this
19 subsection shall continue to enjoy all of the same rights of occupancy,
20 support, and space use on the capitol campus as historically
21 established.

22 (3) \$84,000 of the general fund--private/local appropriation and
23 \$593,000 of the building code council account--state appropriation are
24 provided solely to implement Engrossed Second Substitute House Bill No.
25 2658 (refocusing the department of commerce, including transferring
26 programs). If the bill is not enacted by June 30, 2010, the amounts
27 provided in this subsection shall lapse.

28 **Sec. 123.** 2010 1st sp.s. c 37 s 142 (uncodified) is amended to
29 read as follows:

30 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

31	General Fund--State Appropriation (FY 2010)	\$1,086,000
32	General Fund--State Appropriation (FY 2011)	((\$1,080,000))
33		<u>\$1,012,000</u>
34	General Fund--Federal Appropriation	\$701,000
35	General Fund--Private/Local Appropriation	\$178,000
36	Data Processing Revolving Account--State	
37	Appropriation	\$7,601,000

1 TOTAL APPROPRIATION ((~~\$10,646,000~~))
2 \$10,578,000

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

5 (1) \$100,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$100,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for the purposes of Engrossed
8 Second Substitute House Bill No. 1701 (high-speed internet), including
9 expenditure for deposit to the community technology opportunity
10 account. If the bill is not enacted by June 30, 2009, the amounts
11 provided in this subsection shall lapse.

12 (2) The department shall implement some or all of the following
13 strategies to achieve savings on information technology expenditures
14 through: (a) Holistic virtualization strategies; (b) wide-area network
15 optimization strategies; (c) replacement of traditional telephone
16 communications systems with alternatives; and (d) migration of external
17 voice mail systems to internal voice mail systems coordinated by the
18 department. The department shall report to the office of financial
19 management and the fiscal committees of the legislature semiannually on
20 progress made towards the implementation of savings strategies and the
21 savings realized to date. No later than June 30, 2011, the department
22 shall submit a final report on its findings and savings realized to the
23 office of financial management and the fiscal committees of the
24 legislature.

25 (3) \$178,000 of the general fund--private/local appropriation is
26 provided solely for the implementation of the opportunity portal under
27 Second Substitute House Bill No. 2782 (security lifeline act). If the
28 bill is not enacted by June 30, 2010, the amount provided in this
29 subsection shall lapse.

30 (4) Appropriations in this section include amounts sufficient to
31 implement Engrossed Substitute House Bill No. 3178 (technology
32 efficiencies).

33 **Sec. 124.** 2010 1st sp.s. c 37 s 146 (uncodified) is amended to
34 read as follows:

35 **FOR THE LIQUOR CONTROL BOARD**

36 Liquor Control Board Construction and Maintenance

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

1 (7) The board shall prepare a plan to transition selected state
 2 liquor stores to contract stores. The plan must identify stores for
 3 transition that the board determines will result in the greatest
 4 efficiency and cost-effectiveness for the state. The plan must provide
 5 for the conversion of at least twenty state liquor stores to contract
 6 liquor stores and for that conversion to occur between July 1, 2011,
 7 and July 1, 2013. The plan must also include an analysis of the
 8 revenue generating capacity and costs for the stores before and after
 9 the conversion as well as an analysis of access to liquor by
 10 intoxicated and underage persons. The board shall submit the plan to
 11 the appropriate policy and fiscal committees of the legislature by
 12 November 1, 2010.

13 **Sec. 125.** 2010 1st sp.s. c 37 s 148 (uncodified) is amended to
 14 read as follows:

15 **FOR THE MILITARY DEPARTMENT**

16	General Fund--State Appropriation (FY 2010)	\$9,350,000
17	General Fund--State Appropriation (FY 2011)	(\$8,874,000)
18		<u>\$7,890,000</u>
19	General Fund--Federal Appropriation	\$168,599,000
20	Enhanced 911 Account--State Appropriation	\$44,508,000
21	Disaster Response Account--State Appropriation	\$28,350,000
22	Disaster Response Account--Federal Appropriation	\$114,496,000
23	Military Department Rent and Lease Account--State	
24	Appropriation	\$612,000
25	Military Department Active State Service Account--Federal	
26	Appropriation	\$592,000
27	Worker and Community Right-to-Know Account--State	
28	Appropriation	\$341,000
29	Nisqually Earthquake Account--State Appropriation	\$307,000
30	Nisqually Earthquake Account--Federal Appropriation	\$1,067,000
31	TOTAL APPROPRIATION	(\$377,096,000)
32		<u>\$376,112,000</u>

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

35 (1) \$28,326,000 of the disaster response account--state
 36 appropriation and \$114,496,000 of the disaster response account--
 37 federal appropriation may be spent only on disasters declared by the

1 governor and with the approval of the office of financial management.
2 The military department shall submit a report to the office of
3 financial management and the legislative fiscal committees on October
4 1st and February 1st of each year detailing information on the disaster
5 response account, including: (a) The amount and type of deposits into
6 the account; (b) the current available fund balance as of the reporting
7 date; and (c) the projected fund balance at the end of the 2009-2011
8 biennium based on current revenue and expenditure patterns.

9 (2) \$307,000 of the Nisqually earthquake account--state
10 appropriation and \$1,067,000 of the Nisqually earthquake account--
11 federal appropriation are provided solely for response and recovery
12 costs associated with the February 28, 2001, earthquake. The military
13 department shall submit a report to the office of financial management
14 and the legislative fiscal committees on October 1st and February 1st
15 of each year detailing earthquake recovery costs, including: (a)
16 Estimates of total costs; (b) incremental changes from the previous
17 estimate; (c) actual expenditures; (d) estimates of total remaining
18 costs to be paid; and (e) estimates of future payments by biennium.
19 This information shall be displayed by fund, by type of assistance, and
20 by amount paid on behalf of state agencies or local organizations. The
21 military department shall also submit a report quarterly to the office
22 of financial management and the legislative fiscal committees detailing
23 information on the Nisqually earthquake account, including: (a) The
24 amount and type of deposits into the account; (b) the current available
25 fund balance as of the reporting date; and (c) the projected fund
26 balance at the end of the 2009-2011 biennium based on current revenue
27 and expenditure patterns.

28 (3) \$85,000,000 of the general fund--federal appropriation is
29 provided solely for homeland security, subject to the following
30 conditions:

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

34 (b) The department shall submit an annual report to the office of
35 financial management and the legislative fiscal committees detailing
36 the governor's domestic security advisory group recommendations;
37 homeland security revenues and expenditures, including estimates of

1 total federal funding for the state; and incremental changes from the
2 previous estimate.

3 (4) \$500,000 of the general fund--state appropriation for fiscal
4 year 2010 is provided solely for the military department to contract
5 with the Washington information network 2-1-1 to operate a statewide 2-
6 1-1 system. The department shall provide the entire amount for 2-1-1
7 and may not use any of the funds for administrative purposes.

8 **Sec. 126.** 2010 1st sp.s. c 37 s 150 (uncodified) is amended to
9 read as follows:

10 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

11	General Fund--State Appropriation (FY 2010)	\$2,667,000
12	General Fund--State Appropriation (FY 2011)	(\$2,635,000)
13		<u>\$2,344,000</u>
14	Higher Education Personnel Services Account--State	
15	Appropriation	\$250,000
16	Department of Personnel Service Account--State	
17	Appropriation	\$3,263,000
18	TOTAL APPROPRIATION	(\$8,815,000)
19		<u>\$8,524,000</u>

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

25 **Sec. 127.** 2010 1st sp.s. c 37 s 151 (uncodified) is amended to
26 read as follows:

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

28	General Fund--State Appropriation (FY 2010)	\$1,371,000
29	General Fund--State Appropriation (FY 2011)	(\$1,382,000)
30		<u>\$1,197,000</u>
31	General Fund--Federal Appropriation	\$2,293,000
32	General Fund--Private/Local Appropriation	\$14,000
33	TOTAL APPROPRIATION	(\$5,060,000)
34		<u>\$4,875,000</u>

35 The appropriations in this section are subject to the following
36 conditions and limitations: \$44,000 of the general fund--state

1 appropriation for fiscal year 2011 is provided for implementation of
2 Substitute House Bill No. 2704 (Washington main street program). If
3 the bill is not enacted by June 30, 2010, the amount provided in this
4 subsection shall lapse.

5 **Sec. 128.** 2010 2nd sp.s. c 1 s 118 (uncodified) is amended to read
6 as follows:

7 **FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

8	General Fund--State Appropriation (FY 2010)	\$1,642,000
9	General Fund--State Appropriation (FY 2011)	(\$1,334,000)
10		<u>\$1,331,000</u>
11	TOTAL APPROPRIATION	(\$2,976,000)
12		<u>\$2,973,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations: ~~(\$13,000)~~ \$12,000 of the general fund--
15 state appropriation for fiscal year 2011 is provided solely for
16 Substitute House Bill No. 2935 (hearings boards/environment and land
17 use). If the bill is not enacted by June 30, 2010, the amount provided
18 in this subsection shall lapse.

19 **Sec. 129.** 2010 1st sp.s. c 37 s 153 (uncodified) is amended to
20 read as follows:

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

22	State Convention and Trade Center Account--State	
23	Appropriation	(\$60,127,000)
24		<u>\$35,127,000</u>
25	State Convention and Trade Center Operating	
26	Account--State Appropriation	(\$56,694,000)
27		<u>\$31,694,000</u>
28	TOTAL APPROPRIATION	(\$116,821,000)
29		<u>\$66,821,000</u>

(End of part)

PART II
HUMAN SERVICES

Sec. 201. 2010 1st sp.s. c 37 s 201 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES. (1)

Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP), the department may combine and transfer such medicaid funds

1 appropriated under sections 204, 206, 208, and 209 of this act as may
2 be necessary to finance a unified health care plan for the WMIP program
3 enrollment. The WMIP pilot projects shall not exceed a daily
4 enrollment of 6,000 persons, nor expand beyond one county, during the
5 2009-2011 biennium. The amount of funding assigned to the pilot
6 projects from each program may not exceed the average per capita cost
7 assumed in this act for individuals covered by that program,
8 actuarially adjusted for the health condition of persons enrolled in
9 the pilot project, times the number of clients enrolled in the pilot
10 project. In implementing the WMIP pilot projects, the department may:
11 (a) Withhold from calculations of "available resources" as set forth in
12 RCW 71.24.025 a sum equal to the capitated rate for individuals
13 enrolled in the pilots; and (b) employ capitation financing and risk-
14 sharing arrangements in collaboration with health care service
15 contractors licensed by the office of the insurance commissioner and
16 qualified to participate in both the medicaid and medicare programs.
17 The department shall conduct an evaluation of the WMIP, measuring
18 changes in participant health outcomes, changes in patterns of service
19 utilization, participant satisfaction, participant access to services,
20 and the state fiscal impact.

21 (5)(a) The appropriations to the department of social and health
22 services in this act shall be expended for the programs and in the
23 amounts specified in this act. However, after May 1, (~~2010~~) 2011,
24 unless specifically prohibited by this act, the department may transfer
25 general fund--state appropriations for fiscal year (~~2010~~) 2011 among
26 programs after approval by the director of financial management.
27 However, the department shall not transfer state moneys that are
28 provided solely for a specified purpose except as expressly provided in
29 (b) of this subsection.

30 (b) To the extent that transfers under (a) of this subsection are
31 insufficient to fund actual expenditures in excess of fiscal year
32 (~~2010~~) 2011 caseload forecasts and utilization assumptions in the
33 medical assistance, long-term care, foster care, adoptions support, and
34 child support programs, the department may transfer state moneys that
35 are provided solely for a specified purpose. The department shall not
36 transfer funds, and the director of financial management shall not
37 approve the transfer, unless the transfer is consistent with the
38 objective of conserving, to the maximum extent possible, the

1 expenditure of state funds. The director of financial management shall
2 notify the appropriate fiscal committees of the senate and house of
3 representatives in writing seven days prior to approving any allotment
4 modifications or transfers under this subsection. The written
5 notification shall include a narrative explanation and justification of
6 the changes, along with expenditures and allotments by budget unit and
7 appropriation, both before and after any allotment modifications or
8 transfers.

9 (6) The legislature finds that medicaid payment rates, as
10 calculated by the department pursuant to the appropriations in this
11 act, bear a reasonable relationship to the costs incurred by
12 efficiently and economically operated facilities for providing quality
13 services and will be sufficient to enlist enough providers so that care
14 and services are available to the extent that such care and services
15 are available to the general population in the geographic area. The
16 legislature finds that cost reports, payment data from the federal
17 government, historical utilization, economic data, and clinical input
18 constitute reliable data upon which to determine the payment rates.

19 **Sec. 202.** 2010 2nd sp.s. c 1 s 201 (uncodified) is amended to read
20 as follows:

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

23	General Fund--State Appropriation (FY 2010)	\$315,002,000
24	General Fund--State Appropriation (FY 2011)	((\$293,707,000))
25		<u>\$284,836,000</u>
26	General Fund--Federal Appropriation	((\$497,964,000))
27		<u>\$492,971,000</u>
28	General Fund--Private/Local Appropriation	\$3,320,000
29	Home Security Fund Appropriation	((\$9,983,000))
30		<u>\$8,224,000</u>
31	Domestic Violence Prevention Account--State	
32	Appropriation	((\$1,154,000))
33		<u>\$1,077,000</u>
34	Education Legacy Trust Account--State Appropriation	((\$725,000))
35		<u>\$362,000</u>
36	TOTAL APPROPRIATION	((\$1,121,855,000))
37		<u>\$1,105,792,000</u>

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

3 (1) \$937,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$696,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely to contract for the operation of
6 one pediatric interim care facility. The facility shall provide
7 residential care for up to thirteen children through two years of age.
8 Seventy-five percent of the children served by the facility must be in
9 need of special care as a result of substance abuse by their mothers.
10 The facility shall also provide on-site training to biological,
11 adoptive, or foster parents. The facility shall provide at least three
12 months of consultation and support to parents accepting placement of
13 children from the facility. The facility may recruit new and current
14 foster and adoptive parents for infants served by the facility. The
15 department shall not require case management as a condition of the
16 contract.

17 (2) \$369,000 of the general fund--state appropriation for fiscal
18 year 2010, (~~(\$366,000)~~) \$343,000 of the general fund--state
19 appropriation for fiscal year 2011, and (~~(\$316,000)~~) \$306,000 of the
20 general fund--federal appropriation are provided solely for up to three
21 nonfacility-based programs for the training, consultation, support, and
22 recruitment of biological, foster, and adoptive parents of children
23 through age three in need of special care as a result of substance
24 abuse by their mothers, except that each program may serve up to three
25 medically fragile nonsubstance-abuse-affected children. In selecting
26 nonfacility-based programs, preference shall be given to programs whose
27 federal or private funding sources have expired or that have
28 successfully performed under the existing pediatric interim care
29 program.

30 (3) \$2,500,000 of the general fund--state appropriation for fiscal
31 year 2010 and (~~(\$88,000)~~) \$46,500 of the general fund--state
32 appropriation for fiscal year 2011, and (~~(\$2,256,000)~~) \$2,098,000 of
33 the home security fund--state appropriation are provided solely for
34 secure crisis residential centers. Within appropriated amounts, the
35 department shall collaborate with providers to maintain no less than
36 forty-five beds that are geographically representative of the state.
37 The department shall examine current secure crisis residential staffing

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

3 (4) A maximum of (~~(\$73,209,000)~~) \$69,190,000 of the general fund--
4 state appropriations and (~~(\$54,596,000)~~) \$54,443,000 of the general
5 fund--federal appropriations for the 2009-11 biennium shall be expended
6 for behavioral rehabilitative services and these amounts are provided
7 solely for this purpose. The department shall work with behavioral
8 rehabilitative service providers to safely keep youth with emotional,
9 behavioral, or medical needs at home, with relatives, or with other
10 permanent placement resources and decrease the length of service
11 through improved emotional, behavioral, or medical outcomes for
12 children in behavioral rehabilitative services in order to achieve the
13 appropriated levels.

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

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

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

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

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

9 (6) (~~(\$14,187,000)~~) \$11,730,000 of the general fund--state
10 appropriation for fiscal year 2011 and (~~(\$6,231,000)~~) \$5,839,000 of the
11 general fund--federal appropriation are provided solely for the
12 department to provide contracted prevention and early intervention
13 services. The legislature recognizes the need for flexibility as the
14 department transitions to performance-based contracts. The following
15 services are included in the prevention and early intervention block
16 grant: Crisis family intervention services, family preservation
17 services, intensive family preservation services, evidence-based
18 programs, public health nurses, and early family support services. The
19 legislature intends for the department to maintain and build on
20 existing evidence-based and research-based programs with the goal of
21 utilizing contracted prevention and intervention services to keep
22 children safe at home and to safely reunify families. Priority shall
23 be given to proven intervention models, including evidence-based
24 prevention and early intervention programs identified by the Washington
25 state institute for public policy and the department. The department
26 shall include information on the number, type, and outcomes of the
27 evidence-based programs being implemented in its reports on child
28 welfare reform efforts and shall provide the legislature and governor
29 a report regarding the allocation of resources in this subsection by
30 September 30, 2010. The department shall expend federal funds under
31 this subsection in compliance with federal regulations.

32 (7) \$36,000 of the general fund--state appropriation for fiscal
33 year 2010, \$34,000 of the general fund--state appropriation for fiscal
34 year 2011, and \$29,000 of the general fund--federal appropriation are
35 provided solely for the implementation of chapter 465, Laws of 2007
36 (child welfare).

37 (8) \$125,000 of the general fund--state appropriation for fiscal
38 year 2010 and (~~(\$118,000)~~) \$62,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely for continuum of
2 care services. \$100,000 of this amount is for Casey family partners
3 and \$25,000 of this amount is for volunteers of America crosswalk in
4 fiscal year 2010. (~~(\$95,000 of this amount is for Casey family~~
5 ~~partners and \$23,000 of this amount is for volunteers of America~~
6 ~~crosswalk in fiscal year 2011.)~~)

7 (9) \$1,904,000 of the general fund--state appropriation for fiscal
8 year 2010, (~~(\$1,717,000)~~) \$519,000 of the general fund--state
9 appropriation for fiscal year 2011, and (~~(\$335,000)~~) \$357,000 of the
10 general fund--federal appropriation are provided solely to contract
11 with medical professionals for comprehensive safety assessments of
12 high-risk families and for foster care assessments. (~~The safety~~
13 ~~assessments will use validated assessment tools to guide intervention~~
14 ~~decisions through the identification of additional safety and risk~~
15 ~~factors. The department will maintain the availability of~~
16 ~~comprehensive foster care assessments and follow up services for~~
17 ~~children in out-of-home care who do not have permanent plans,~~
18 ~~comprehensive safety assessments for families receiving in-home child~~
19 ~~protective services or family voluntary services, and comprehensive~~
20 ~~safety assessments for families with an infant age birth to fifteen~~
21 ~~days where the infant was, at birth, diagnosed as substance exposed and~~
22 ~~the department received an intake referral related to the infant due to~~
23 ~~the substance exposure. The department must consolidate contracts,~~
24 ~~streamline administration, and explore efficiencies to achieve~~
25 ~~savings.)~~)

26 (10) \$7,679,000 of the general fund--state appropriation for fiscal
27 year 2010, \$6,226,000 of the general fund--state appropriation for
28 fiscal year 2011, and (~~(\$4,658,000)~~) \$4,821,000 of the general fund--
29 federal appropriation are provided solely for court-ordered supervised
30 visits between parents and dependent children and for sibling visits.
31 The department shall work collaboratively with the juvenile dependency
32 courts and revise the supervised visit reimbursement procedures to stay
33 within appropriations without impeding reunification outcomes between
34 parents and dependent children. The department shall report to the
35 legislative fiscal committees on September 30, 2010, and December 30,
36 2010, the number of children in foster care who receive supervised
37 visits, their frequency, length of time of each visit, and whether
38 reunification is attained.

1 (11) \$145,000 of the general fund--state appropriation for fiscal
2 year 2010, (~~(\$817,000)~~) \$435,000 of the general fund--state
3 appropriation for fiscal year 2011, and (~~(\$724,000)~~) \$668,000 of the
4 home security fund--state appropriation is provided solely for street
5 youth program services.

6 (12) \$1,522,000 of the general fund--state appropriation for fiscal
7 year 2010, \$1,256,000 of the general fund--state appropriation for
8 fiscal year 2011, and \$1,372,000 of the general fund--federal
9 appropriation are provided solely for the department to recruit foster
10 parents. The recruitment efforts shall include collaborating with
11 community-based organizations and current or former foster parents to
12 recruit foster parents.

13 (13) \$493,000 of the general fund--state appropriation for fiscal
14 year 2010, (~~(\$284,000)~~) \$465,000 of the general fund--state
15 appropriation for fiscal year 2011, \$466,000 of the general fund--
16 private/local appropriation, and (~~(\$725,000)~~) \$362,000 of the education
17 legacy trust account--state appropriation are provided solely for
18 children's administration to contract with an educational advocacy
19 provider with expertise in foster care educational outreach. Funding
20 is provided solely for contracted education coordinators to assist
21 foster children in succeeding in K-12 and higher education systems.
22 Funding shall be prioritized to regions with high numbers of foster
23 care youth and/or regions where backlogs of youth that have formerly
24 requested educational outreach services exist. The department shall
25 utilize private matching funds to maintain educational advocacy
26 services.

27 (14) (~~(\$1,677,000)~~) \$1,273,000 of the home security fund account--
28 state appropriation is provided solely for HOPE beds.

29 (15) (~~(\$5,193,000)~~) \$4,052,000 of the home security fund account--
30 state appropriation is provided solely for the crisis residential
31 centers.

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

1 Substitute House Bill No. 1961 (increasing adoptions act). If the bill
2 is not enacted by June 30, 2009, the amounts provided in this
3 subsection shall lapse.

4 ~~((+20))~~ (19) \$98,000 of the general fund--state appropriation for
5 fiscal year 2010 and ~~((+\$92,000))~~ \$49,000 of the general fund--state
6 appropriation for fiscal year 2011 are provided solely for the
7 department to contract with an agency that is working in partnership
8 with, and has been evaluated by, the University of Washington school of
9 social work to implement promising practice constellation hub models of
10 foster care support.

11 ~~((+21))~~ (20) The legislature intends for the department to reduce
12 the time a child remains in the child welfare system. The department
13 shall establish a measurable goal and report progress toward meeting
14 that goal to the legislature by January 15 of each fiscal year of the
15 2009- 11 fiscal biennium. To the extent that actual caseloads exceed
16 those assumed in this section, it is the intent of the legislature to
17 address those issues in a manner similar to all other caseload
18 programs.

19 ~~((+22))~~ (21) \$715,000 of the general fund--state appropriation for
20 fiscal year 2010 and ~~((+\$671,000))~~ \$358,000 of the general fund--state
21 appropriation for fiscal year 2011 are provided solely for services
22 provided through children's advocacy centers.

23 ~~((+23))~~ (22) \$10,000 of the general fund--state appropriation for
24 fiscal year 2011 and \$3,000 of the general fund--federal appropriation
25 are provided solely for implementation of chapter 224, Laws of 2010
26 (confinement alternatives). If the bill is not enacted by June 30,
27 2010, the amounts provided in this subsection shall lapse.

28 ~~((+24))~~ (23) \$1,867,000 of the general fund--state appropriation
29 for fiscal year 2010, \$1,677,000 of the general fund--state
30 appropriation for fiscal year 2011, and \$4,379,000 of the general
31 fund--federal appropriation are provided solely for the department to
32 contract for medicaid treatment child care (MTCC) services. Children's
33 administration case workers, local public health nurses and case
34 workers from the temporary assistance for needy families program shall
35 refer children to MTCC services, as long as the children meet the
36 eligibility requirements as outlined in the Washington state plan for
37 the MTCC services.

1 ~~((25) The department shall contract for at least one pilot project~~
2 ~~with adolescent services providers to deliver a continuum of short-term~~
3 ~~crisis stabilization services. The pilot project shall include~~
4 ~~adolescent services provided through secure crisis residential centers,~~
5 ~~crisis residential centers, and hope beds. The department shall work~~
6 ~~with adolescent service providers to maintain availability of~~
7 ~~adolescent services and maintain the delivery of services in a~~
8 ~~geographically representative manner. The department shall examine~~
9 ~~current staffing requirements, flexible payment options, center-~~
10 ~~specific licensing waivers, and other appropriate methods to achieve~~
11 ~~savings and streamline the delivery of services. The legislature~~
12 ~~intends for the pilot project to provide flexibility to the department~~
13 ~~to improve outcomes and to achieve more efficient utilization of~~
14 ~~existing resources, while meeting the statutory goals of the adolescent~~
15 ~~services programs. The department shall provide an update to the~~
16 ~~appropriate legislative committees and governor on the status of the~~
17 ~~pilot project implementation by December 1, 2010.~~

18 ~~(+26))~~ (24) To ensure expenditures remain within available funds
19 appropriated in this section as required by RCW 74.13A.005 and
20 74.13A.020, the secretary shall not set the amount of any adoption
21 assistance payment or payments, made pursuant to RCW 26.33.320 and
22 74.13A.005 through 74.13A.080, to more than ninety percent of the
23 foster care maintenance payment for that child had he or she remained
24 in a foster family home during the same period. This subsection does
25 not apply to adoption assistance agreements in existence on the
26 effective date of this section.

27 ~~((+27))~~ (25) Receipts from fees per chapter 289, Laws of 2010, as
28 deposited into the prostitution prevention and intervention account for
29 services provided to sexually exploited children as defined in RCW
30 13.32A.030 in secure and semi-secure crisis residential centers with
31 access to staff trained to meet their specific needs shall be used to
32 expand capacity for secure crisis residential centers and not supplant
33 existing funding.

34 ~~((+28))~~ (26) The appropriations in this section reflect reductions
35 to the foster care maintenance payment rates during fiscal year 2011.

36 **Sec. 203.** 2010 2nd sp.s. c 1 s 202 (uncodified) is amended to read
37 as follows:

1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
 2 **REHABILITATION PROGRAM**

3	General Fund--State Appropriation (FY 2010)	\$103,437,000
4	General Fund--State Appropriation (FY 2011)	(\$96,167,000)
5		<u>\$88,230,000</u>
6	General Fund--Federal Appropriation	(\$1,715,000)
7		<u>\$733,000</u>
8	General Fund--Private/Local Appropriation	(\$1,899,000)
9		<u>\$1,931,000</u>
10	Washington Auto Theft Prevention Authority Account--	
11	State Appropriation	\$3,896,000
12	Juvenile Accountability Incentive Account--Federal	
13	Appropriation	\$2,805,000
14	State Efficiency and Restructuring Account--State	
15	Appropriation	\$4,958,000
16	TOTAL APPROPRIATION	(\$214,877,000)
17		<u>\$205,990,000</u>

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

20 (1) \$353,000 of the general fund--state appropriation for fiscal
 21 year 2010 and ~~(\$353,000)~~ \$331,000 of the general fund--state
 22 appropriation for fiscal year 2011 are provided solely for deposit in
 23 the county criminal justice assistance account for costs to the
 24 criminal justice system associated with the implementation of chapter
 25 338, Laws of 1997 (juvenile code revisions). The amounts provided in
 26 this subsection are intended to provide funding for county adult court
 27 costs associated with the implementation of chapter 338, Laws of 1997
 28 and shall be distributed in accordance with RCW 82.14.310.

29 (2) \$3,408,000 of the general fund--state appropriation for fiscal
 30 year 2010 and ~~(\$2,898,000)~~ \$2,716,000 of the general fund--state
 31 appropriation for fiscal year 2011 are provided solely for the
 32 implementation of chapter 338, Laws of 1997 (juvenile code revisions).
 33 The amounts provided in this subsection are intended to provide funding
 34 for county impacts associated with the implementation of chapter 338,
 35 Laws of 1997 and shall be distributed to counties as prescribed in the
 36 current consolidated juvenile services (CJS) formula.

37 (3) \$3,716,000 of the general fund--state appropriation for fiscal
 38 year 2010 and ~~(\$3,716,000)~~ \$3,482,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely to implement
2 community juvenile accountability grants pursuant to chapter 338, Laws
3 of 1997 (juvenile code revisions). Funds provided in this subsection
4 may be used solely for community juvenile accountability grants,
5 administration of the grants, and evaluations of programs funded by the
6 grants.

7 (4) \$1,427,000 of the general fund--state appropriation for fiscal
8 year 2010 and (~~(\$1,206,000)~~) \$1,130,000 of the general fund--state
9 appropriation for fiscal year 2011 are provided solely to implement
10 alcohol and substance abuse treatment programs for locally committed
11 offenders. The juvenile rehabilitation administration shall award
12 these moneys on a competitive basis to counties that submitted a plan
13 for the provision of services approved by the division of alcohol and
14 substance abuse. The juvenile rehabilitation administration shall
15 develop criteria for evaluation of plans submitted and a timeline for
16 awarding funding and shall assist counties in creating and submitting
17 plans for evaluation.

18 (5) \$3,066,000 of the general fund--state appropriation for fiscal
19 year 2010 and (~~(\$3,066,000)~~) \$2,873,000 of the general fund--state
20 appropriation for fiscal year 2011 are provided solely for grants to
21 county juvenile courts for the following programs identified by the
22 Washington state institute for public policy (institute) in its October
23 2006 report: "Evidence-Based Public Policy Options to Reduce Future
24 Prison Construction, Criminal Justice Costs and Crime Rates":
25 Functional family therapy, multi-systemic therapy, aggression
26 replacement training and interagency coordination programs, or other
27 programs with a positive benefit-cost finding in the institute's
28 report. County juvenile courts shall apply to the juvenile
29 rehabilitation administration for funding for program-specific
30 participation and the administration shall provide grants to the courts
31 consistent with the per-participant treatment costs identified by the
32 institute.

33 (6) \$1,287,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$1,287,000 of the general fund--state appropriation for
35 fiscal year 2011 are provided solely for expansion of the following
36 treatments and therapies in juvenile rehabilitation administration
37 programs identified by the Washington state institute for public policy
38 in its October 2006 report: "Evidence-Based Public Policy Options to

1 Reduce Future Prison Construction, Criminal Justice Costs and Crime
2 Rates": Multidimensional treatment foster care, family integrated
3 transitions, and aggression replacement training. The administration
4 may concentrate delivery of these treatments and therapies at a limited
5 number of programs to deliver the treatments in a cost-effective
6 manner.

7 (7)(a) For the fiscal year ending June 30, 2011, the juvenile
8 rehabilitation administration shall administer a block grant, rather
9 than categorical funding, of consolidated juvenile service funds,
10 community juvenile accountability act grants, the chemical dependency
11 disposition alternative funds, the mental health disposition
12 alternative, and the sentencing disposition alternative for the purpose
13 of serving youth adjudicated in the juvenile justice system. In making
14 the block grant, the juvenile rehabilitation administration shall
15 follow the following formula and will prioritize evidence-based
16 programs and disposition alternatives and take into account juvenile
17 courts program-eligible youth in conjunction with the number of youth
18 served in each approved evidence-based program or disposition
19 alternative: (i) Thirty-seven and one-half percent for the at-risk
20 population of youth ten to seventeen years old; (ii) fifteen percent
21 for moderate and high-risk youth; (iii) twenty-five percent for
22 evidence-based program participation; (iv) seventeen and one-half
23 percent for minority populations; (v) three percent for the chemical
24 dependency disposition alternative; and (vi) two percent for the mental
25 health and sentencing dispositional alternatives. Funding for the
26 special sex offender disposition alternative (SSODA) shall not be
27 included in the block grant, but allocated on the average daily
28 population in juvenile courts. Funding for the evidence-based
29 expansion grants shall be excluded from the block grant formula. Funds
30 may be used for promising practices when approved by the juvenile
31 rehabilitation administration and juvenile courts, through the
32 community juvenile accountability act committee, based on the criteria
33 established in consultation with Washington state institute for public
34 policy and the juvenile courts.

35 (b) It is the intent of the legislature that the juvenile
36 rehabilitation administration phase the implementation of the formula
37 provided in subsection (1) of this section by including a stop-loss
38 formula of three percent in fiscal year 2011, five percent in fiscal

1 year 2012, and five percent in fiscal year 2013. It is further the
2 intent of the legislature that the evidence-based expansion grants be
3 incorporated into the block grant formula by fiscal year 2013 and SSODA
4 remain separate unless changes would result in increasing the cost
5 benefit savings to the state as identified in (c) of this subsection.

6 (c) The juvenile rehabilitation administration and the juvenile
7 courts shall establish a block grant funding formula oversight
8 committee with equal representation from the juvenile rehabilitation
9 administration and the juvenile courts. The purpose of this committee
10 is to assess the ongoing implementation of the block grant funding
11 formula, utilizing data-driven decision making and the most current
12 available information. The committee will be cochaired by the juvenile
13 rehabilitation administration and the juvenile courts, who will also
14 have the ability to change members of the committee as needed to
15 achieve its purpose. Initial members will include one juvenile court
16 representative from the finance committee, the community juvenile
17 accountability act committee, the risk assessment quality assurance
18 committee, the executive board of the Washington association of
19 juvenile court administrators, the Washington state center for court
20 research, and a representative of the superior court judges
21 association; two representatives from the juvenile rehabilitation
22 administration headquarters program oversight staff, two
23 representatives of the juvenile rehabilitation administration regional
24 office staff, one representative of the juvenile rehabilitation
25 administration fiscal staff and a juvenile rehabilitation
26 administration division director. The committee may make changes to
27 the formula categories other than the evidence-based program and
28 disposition alternative categories if it is determined the changes will
29 increase statewide service delivery or effectiveness of evidence-based
30 program or disposition alternative resulting in increased cost benefit
31 savings to the state. Long-term cost benefit must be considered.
32 Percentage changes may occur in the evidence-based program or
33 disposition alternative categories of the formula should it be
34 determined the changes will increase evidence-based program or
35 disposition alternative delivery and increase the cost benefit to the
36 state. These outcomes will also be considered in determining when
37 evidence-based expansion or special sex offender disposition

1 alternative funds should be included in the block grant or left
2 separate.

3 (d) The juvenile courts and administrative office of the courts
4 shall be responsible for collecting and distributing information and
5 providing access to the data systems to the juvenile rehabilitation
6 administration and the Washington state institute for public policy
7 related to program and outcome data. The juvenile rehabilitation
8 administration and the juvenile courts will work collaboratively to
9 develop program outcomes that reinforce the greatest cost benefit to
10 the state in the implementation of evidence-based practices and
11 disposition alternatives.

12 (e) By December 1, 2010, the Washington state institute for public
13 policy shall report to the office of financial management and
14 appropriate committees of the legislature on the administration of the
15 block grant authorized in this subsection. The report shall include
16 the criteria used for allocating the funding as a block grant and the
17 participation targets and actual participation in the programs subject
18 to the block grant.

19 (8) \$3,700,000 of the Washington auto theft prevention authority
20 account--state appropriation is provided solely for competitive grants
21 to community-based organizations to provide at-risk youth intervention
22 services, including but not limited to, case management, employment
23 services, educational services, and street outreach intervention
24 programs. Projects funded should focus on preventing, intervening, and
25 suppressing behavioral problems and violence while linking at-risk
26 youth to pro-social activities. The department may not expend more
27 than \$1,850,000 per fiscal year. The costs of administration must not
28 exceed four percent of appropriated funding for each grant recipient.
29 Each entity receiving funds must report to the juvenile rehabilitation
30 administration on the number and types of youth served, the services
31 provided, and the impact of those services upon the youth and the
32 community.

33 (9) The appropriations in this section assume savings associated
34 with the transfer of youthful offenders age eighteen or older whose
35 sentences extend beyond age twenty-one to the department of corrections
36 to complete their sentences. Prior to transferring an offender to the
37 department of corrections, the juvenile rehabilitation administration

1 shall evaluate the offender to determine the offender's physical and
2 emotional suitability for transfer.

3 **Sec. 204.** 2010 2nd sp.s. c 1 s 203 (uncodified) is amended to read
4 as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
6 **PROGRAM**

7 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

8	General Fund--State Appropriation (FY 2010)	\$273,648,000
9	General Fund--State Appropriation (FY 2011)	(\$278,530,000)
10		<u>\$266,714,000</u>
11	General Fund--Federal Appropriation	(\$519,456,000)
12		<u>\$513,327,000</u>
13	General Fund--Private/Local Appropriation	\$16,674,000
14	Hospital Safety Net Assessment Fund--State	
15	Appropriation	\$3,476,000
16	TOTAL APPROPRIATION	(\$1,091,784,000)
17		<u>\$1,073,839,000</u>

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

20 (a) \$113,689,000 of the general fund--state appropriation for
21 fiscal year 2010 and ~~(\$113,689,000)~~ \$106,541,000 of the general
22 fund--state appropriation for fiscal year 2011 are provided solely for
23 persons and services not covered by the medicaid program. This is a
24 reduction of \$11,606,000 each fiscal year from the nonmedicaid funding
25 that was allocated for expenditure by regional support networks during
26 fiscal year 2009 prior to supplemental budget reductions. This
27 \$11,606,000 reduction shall be distributed among regional support
28 networks proportional to each network's share of the total state
29 population. To the extent possible, levels of regional support network
30 spending shall be maintained in the following priority order: (i)
31 Crisis and commitment services; (ii) community inpatient services; and
32 (iii) residential care services, including personal care and emergency
33 housing assistance.

34 (b) \$10,400,000 of the general fund--state appropriation for fiscal
35 year 2010, ~~(\$9,100,000)~~ \$8,528,000 of the general fund--state
36 appropriation for fiscal year 2011, and \$1,300,000 of the general
37 fund--federal appropriation are provided solely for the department and

1 regional support networks to contract for implementation of high-
2 intensity program for active community treatment (PACT) teams. The
3 department shall work with regional support networks and the center for
4 medicare and medicaid services to integrate eligible components of the
5 PACT service delivery model into medicaid capitation rates no later
6 than January 2011, while maintaining consistency with all essential
7 elements of the PACT evidence-based practice model.

8 (c) \$6,500,000 of the general fund--state appropriation for fiscal
9 year 2010 and (~~(\$6,500,000)~~) \$6,091,000 of the general fund--state
10 appropriation for fiscal year 2011 are provided solely for the western
11 Washington regional support networks to provide either community- or
12 hospital campus-based services for persons who require the level of
13 care provided by the program for adaptive living skills (PALS) at
14 western state hospital.

15 (d) The number of nonforensic beds allocated for use by regional
16 support networks at eastern state hospital shall be 192 per day. The
17 number of nonforensic beds allocated for use by regional support
18 networks at western state hospital shall be 617 per day during the
19 first quarter of fiscal year 2010, (~~and~~) 587 per day through the
20 second quarter of fiscal year 2011, and 557 per day thereafter. Beds
21 in the program for adaptive living skills (PALS) are not included in
22 the preceding bed allocations. The department shall separately charge
23 regional support networks for persons served in the PALS program.

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

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

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

1 (h) \$750,000 of the general fund--state appropriation for fiscal
2 year 2010 and (~~(\$750,000)~~) \$703,000 of the general fund--state
3 appropriation for fiscal year 2011 are provided solely to continue
4 performance-based incentive contracts to provide appropriate community
5 support services for individuals with severe mental illness who were
6 discharged from the state hospitals as part of the expanding community
7 services initiative. These funds will be used to enhance community
8 residential and support services provided by regional support networks
9 through other state and federal funding.

10 (i) \$1,500,000 of the general fund--state appropriation for fiscal
11 year 2010 and (~~(\$1,500,000)~~) \$1,125,000 of the general fund--state
12 appropriation for fiscal year 2011 are provided solely for the Spokane
13 regional support network to implement services to reduce utilization
14 and the census at eastern state hospital. Such services shall include:

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

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

21 (iii) Mental health services provided in nursing facilities to
22 individuals with dementia, and consultation to facility staff treating
23 those individuals; and

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

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

29 (j) The department shall return to the Spokane regional support
30 network fifty percent of the amounts assessed against the network
31 during the last six months of calendar year 2009 for state hospital
32 utilization in excess of its contractual limit. The regional support
33 network shall use these funds for operation during its initial months
34 of a new sixteen-bed evaluation and treatment facility that will enable
35 the network to reduce its use of the state hospital, and for diversion
36 and community support services for persons with dementia who would
37 likely otherwise require care at the state hospital.

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

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

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

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

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

(p) Regional support networks may use local funds to earn additional federal medicaid match, provided the locally matched rate does not exceed the upper-bound of their federally allowable rate range, and provided that the enhanced funding is used only to provide medicaid state plan or waiver services to medicaid clients. Additionally, regional support networks may use a portion of the state funds allocated in accordance with (a) of this subsection to earn additional medicaid match, but only to the extent that the application of such funds to medicaid services does not diminish the level of crisis and commitment, community inpatient, residential care, and outpatient services presently available to persons not eligible for medicaid.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2010)	\$119,423,000
General Fund--State Appropriation (FY 2011)	(\$118,010,000)
	<u>\$111,575,000</u>
General Fund--Federal Appropriation	(\$153,425,000)
	<u>\$153,263,000</u>
General Fund--Private/Local Appropriation	(\$64,614,000)

1 \$64,370,000
 2 TOTAL APPROPRIATION ((~~\$455,472,000~~))
 3 \$448,631,000

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

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

9 (b) \$231,000 of the general fund--state appropriation for fiscal
 10 year 2008 and \$231,000 of the general fund--state appropriation for
 11 fiscal year 2009 are provided solely for a community partnership
 12 between western state hospital and the city of Lakewood to support
 13 community policing efforts in the Lakewood community surrounding
 14 western state hospital. The amounts provided in this subsection (2)(b)
 15 are for the salaries, benefits, supplies, and equipment for one full-
 16 time investigator, one full-time police officer, and one full-time
 17 community service officer at the city of Lakewood.

18 (c) \$45,000 of the general fund--state appropriation for fiscal
 19 year 2010 and \$45,000 of the general fund--state appropriation for
 20 fiscal year 2011 are provided solely for payment to the city of
 21 Lakewood for police services provided by the city at western state
 22 hospital and adjacent areas.

23 (d) ((~~\$200,000~~)) \$187,000 of the general fund--state appropriation
 24 for fiscal year 2011 is provided solely for support of the psychiatric
 25 security review panel established pursuant to Senate Bill No. 6610. If
 26 Senate Bill No. 6610 is not enacted by June 30, 2010, the amount
 27 provided in this subsection shall lapse.

28 (3) SPECIAL PROJECTS
 29 General Fund--State Appropriation (FY 2010) \$1,819,000
 30 General Fund--State Appropriation (FY 2011) ((~~\$2,092,000~~))
 31 \$1,961,000
 32 General Fund--Federal Appropriation ((~~\$2,142,000~~))
 33 \$1,472,000
 34 TOTAL APPROPRIATION ((~~\$6,053,000~~))
 35 \$6,318,000

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

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

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

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

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

20 (e) (~~(\$60,000)~~) \$56,000 of the general fund--state appropriation
21 for fiscal year 2011 is provided solely for implementation of sections
22 2 and 3, chapter 280, Laws of 2010. The department shall use these
23 funds to contract with the Washington state institute for public policy
24 for completion of an assessment of (i) the extent to which the number
25 of persons involuntarily committed for 3, 14, and 90 days is likely to
26 increase as a result of the revised commitment standards; (ii) the
27 availability of community treatment capacity to accommodate that
28 increase; (iii) strategies for cost-effectively leveraging state,
29 local, and private resources to increase community involuntary
30 treatment capacity; and (iv) the extent to which increases in
31 involuntary commitments are likely to be offset by reduced utilization
32 of correctional facilities, publicly-funded medical care, and state
33 psychiatric hospitalizations.

34 (4) PROGRAM SUPPORT

35	General Fund--State Appropriation (FY 2010)	\$4,078,000
36	General Fund--State Appropriation (FY 2011)	((\$3,958,000))
37		<u>\$4,002,000</u>
38	General Fund--Federal Appropriation	((\$7,207,000))

1 \$6,920,000
 2 TOTAL APPROPRIATION (~~(\$15,243,000)~~)
 3 \$15,000,000

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

12 **Sec. 205.** 2010 2nd sp.s. c 1 s 204 (uncodified) is amended to read
 13 as follows:

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
 15 **DISABILITIES PROGRAM**

16 (1) COMMUNITY SERVICES
 17 General Fund--State Appropriation (FY 2010) \$307,348,000
 18 General Fund--State Appropriation (FY 2011) (~~(\$337,658,000)~~)
 19 \$321,468,000
 20 General Fund--Federal Appropriation (~~(\$902,043,000)~~)
 21 \$862,056,000
 22 TOTAL APPROPRIATION (~~(\$1,547,049,000)~~)
 23 \$1,490,872,000

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

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

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

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

7 ~~(c) ((Amounts appropriated in this section are sufficient to
8 develop and implement the use of a consistent, statewide outcome-based
9 vendor contract for employment and day services by April 1, 2011. The
10 rates paid to vendors under this contract shall also be made
11 consistent. In its description of activities the agency shall include
12 activity listings and dollars appropriated for: Employment services,
13 day services, child development services and county administration of
14 services to the developmentally disabled. The department shall begin
15 reporting to the office of financial management on these activities
16 beginning in fiscal year 2010.~~

17 ~~(d))~~ \$302,000 of the general fund--state appropriation for fiscal
18 year 2010, \$831,000 of the general fund--state appropriation for fiscal
19 year 2011, and \$1,592,000 of the general fund--federal appropriation
20 are provided solely for health care benefits pursuant to a collective
21 bargaining agreement negotiated with the exclusive bargaining
22 representative of individual providers established under RCW
23 74.39A.270.

24 ~~((e))~~ (d)(i) \$682,000 of the general fund--state appropriation
25 for fiscal year 2010, \$1,651,000 of the general fund--state
26 appropriation for fiscal year 2011, and \$1,678,000 of the general
27 fund--federal appropriation are provided solely for the state's
28 contribution to the training partnership, as provided in RCW
29 74.39A.360, pursuant to a collective bargaining agreement negotiated
30 with the exclusive bargaining representative of individual providers
31 established under RCW 74.39A.270.

32 (ii) The federal portion of the amounts in this subsection (g) is
33 contingent upon federal approval of participation in contributions to
34 the trust and shall remain unallotted and placed in reserve status
35 until the office of financial management and the department of social
36 and health services receive federal approval.

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

1 (~~(f)~~) (e) Within the amounts appropriated in this subsection (1),
2 the department shall implement all necessary rules to facilitate the
3 transfer to a department home and community-based services (HCBS)
4 waiver of all eligible individuals who (i) currently receive services
5 under the existing state-only employment and day program or the
6 existing state-only residential program, and (ii) otherwise meet the
7 waiver eligibility requirements. The amounts appropriated are
8 sufficient to ensure that all individuals currently receiving services
9 under the state-only employment and day and state-only residential
10 programs who are not transferred to a department HCBS waiver will
11 continue to receive services.

12 (~~(g)~~) (f) In addition to other reductions, the appropriations in
13 this subsection reflect reductions targeted specifically to state
14 government administrative costs. These administrative reductions shall
15 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 (~~(h)~~) (g) The department shall not pay a home care agency
19 licensed under chapter 70.127 RCW for personal care services provided
20 by a family member, pursuant to Substitute House Bill No. 2361
21 (modifying state payments for in-home care).

22 (~~(i)~~) (h) Within the appropriations of this section, the
23 department shall reduce all seventeen payment levels of the seventeen-
24 level payment system from the fiscal year 2009 levels for boarding
25 homes, boarding homes contracted as assisted living, and adult family
26 homes. Excluded from the reductions are exceptional care rate add-ons.
27 The long-term care program may develop add-ons to pay exceptional care
28 rates to adult family homes and boarding homes with specialty contracts
29 to provide support for the following specifically eligible clients:

- 30 (i) Persons with AIDS or HIV-related diseases who might otherwise
31 require nursing home or hospital care;
- 32 (ii) Persons with Alzheimer's disease and related dementia who
33 might otherwise require nursing home care; and
- 34 (iii) Persons with co-occurring mental illness and long-term care
35 needs who are eligible for expanded community services and who might
36 otherwise require state and local psychiatric hospital care.

37 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,

1 dementia specialty care, and expanded community services may be
2 standardized within each program.

3 ~~((+j))~~ (i) The amounts appropriated in this subsection reflect a
4 reduction in funds available for employment and day services. In
5 administering this reduction the department shall negotiate with
6 counties and their vendors so that this reduction, to the greatest
7 extent possible, is achieved by reducing vendor rates and allowable
8 contract administrative charges (overhead) and not through reductions
9 to direct client services or direct service delivery or programs.

10 ~~((+k))~~ (j) As part of the needs assessment instrument, the
11 department may collect data on family income for minor children with
12 developmental disabilities and all individuals who are receiving state-
13 only funded services. The department may ensure that this information
14 is collected as part of the client assessment process.

15 ~~((+l))~~ (k) \$116,000 of the general fund--state appropriation for
16 fiscal year 2010, ~~((+\$2,689,000))~~ \$1,257,000 of the general fund--state
17 appropriation for fiscal year 2011, and \$1,772,000 of the general
18 fund--federal appropriation are provided solely for employment services
19 and required waiver services. Priority consideration for this new
20 funding shall be young adults with developmental disabilities living
21 with their family who need employment opportunities and assistance
22 after high school graduation. Services shall be provided for both
23 waiver and nonwaiver clients. ~~((Fifty percent of the general fund
24 appropriation shall be utilized for graduates served on a home and
25 community based services waiver and fifty percent of the general fund
26 appropriation shall be used for nonwaiver clients.~~

27 ~~((+m))~~ (l) \$81,000 of the general fund--state appropriation for
28 fiscal year 2010, \$599,000 of the general fund--state appropriation for
29 fiscal year 2011, and \$1,111,000 of the general fund--federal
30 appropriation are provided solely for the department to provide
31 employment and day services for eligible students who are currently on
32 a waiver and will graduate from high school during fiscal years 2010
33 and 2011.

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

38 (2) INSTITUTIONAL SERVICES

1	General Fund--State Appropriation (FY 2010)	\$61,422,000
2	General Fund--State Appropriation (FY 2011)	(\$64,404,000)
3		<u>\$66,904,000</u>
4	General Fund--Federal Appropriation	(\$207,986,000)
5		<u>\$201,162,000</u>
6	General Fund--Private/Local Appropriation	(\$22,441,000)
7		<u>\$22,657,000</u>
8	TOTAL APPROPRIATION	(\$356,253,000)
9		<u>\$352,145,000</u>

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

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

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

20 (c) \$721,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$721,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for the department to fulfill its
23 contracts with the school districts under chapter 28A.190 RCW to
24 provide transportation, building space, and other support services as
25 are reasonably necessary to support the educational programs of
26 students living in residential habilitation centers.

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

33 (3) PROGRAM SUPPORT

34	General Fund--State Appropriation (FY 2010)	\$1,407,000
35	General Fund--State Appropriation (FY 2011)	(\$1,369,000)
36		<u>\$1,341,000</u>
37	General Fund--Federal Appropriation	(\$1,301,000)
38		<u>\$1,277,000</u>

1 TOTAL APPROPRIATION ((~~\$4,077,000~~))
2 \$4,025,000

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

10 (4) SPECIAL PROJECTS
11 General Fund--Federal Appropriation ((~~\$9,631,000~~))
12 \$10,157,000

13 The appropriations in this subsection are subject to the following
14 conditions and limitations: The appropriations in this subsection are
15 available solely for the infant toddler early intervention program.

16 **Sec. 206.** 2010 2nd sp.s. c 1 s 205 (uncodified) is amended to read
17 as follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
19 **SERVICES PROGRAM**

20 General Fund--State Appropriation (FY 2010) \$616,837,000
21 General Fund--State Appropriation (FY 2011) ((~~\$639,163,000~~))
22 \$643,245,000
23 General Fund--Federal Appropriation ((~~\$1,954,300,000~~))
24 \$1,901,344,000
25 General Fund--Private/Local Appropriation ((~~\$18,013,000~~))
26 \$19,213,000
27 Traumatic Brain Injury Account--State Appropriation \$4,136,000
28 TOTAL APPROPRIATION ((~~\$3,232,449,000~~))
29 \$3,184,775,000

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

32 (1) For purposes of implementing chapter 74.46 RCW, the weighted
33 average nursing facility payment rate shall not exceed \$169.85 for
34 fiscal year 2010 and shall not exceed ((~~\$166.24~~)) \$164.00 for fiscal
35 year 2011, including the rate add-on described in subsection (12) of
36 this section. There will be no adjustments for economic trends and

1 conditions in fiscal years 2010 and 2011. The economic trends and
2 conditions factor or factors defined in the biennial appropriations act
3 shall not be compounded with the economic trends and conditions factor
4 or factors defined in any other biennial appropriations acts before
5 applying it to the component rate allocations established in accordance
6 with chapter 74.46 RCW. When no economic trends and conditions factor
7 for either fiscal year is defined in a biennial appropriations act, no
8 economic trends and conditions factor or factors defined in any earlier
9 biennial appropriations act shall be applied solely or compounded to
10 the component rate allocations established in accordance with chapter
11 74.46 RCW.

12 (2) After examining actual nursing facility cost information, the
13 legislature finds that the medicaid nursing facility rates calculated
14 pursuant to Substitute House Bill No. 3202 or Substitute Senate Bill
15 No. 6872 (nursing facility medicaid payments) provide sufficient
16 reimbursement to efficient and economically operating nursing
17 facilities and bears a reasonable relationship to costs.

18 (3) In accordance with chapter 74.46 RCW, the department shall
19 issue no additional certificates of capital authorization for fiscal
20 year 2010 and no new certificates of capital authorization for fiscal
21 year 2011 and shall grant no rate add-ons to payment rates for capital
22 improvements not requiring a certificate of need and a certificate of
23 capital authorization for fiscal year 2011.

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

30 (5) Within the appropriations of this section, the department shall
31 reduce all seventeen payment levels of the seventeen-level payment
32 system from the fiscal year 2009 levels for boarding homes, boarding
33 homes contracted as assisted living, and adult family homes. Excluded
34 from the reductions are exceptional care rate add-ons. The long-term
35 care program may develop add-ons to pay exceptional care rates to adult
36 family homes and boarding homes with specialty contracts to provide
37 support for the following specifically eligible clients:

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

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

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

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

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

19 (b) \$3,070,000 of the general fund--state appropriation for fiscal
20 year 2011 and \$4,980,000 of the general fund--federal appropriation are
21 provided solely for the department to partially restore the reduction
22 to in-home care that are taken in (a) of this subsection. The
23 department will use the same formula to restore personal care hours
24 that it used to reduce personal care hours.

25 (7) \$536,000 of the general fund--state appropriation for fiscal
26 year 2010, \$1,477,000 of the general fund--state appropriation for
27 fiscal year 2011, and \$2,830,000 of the general fund--federal
28 appropriation are provided solely for health care benefits pursuant to
29 a collective bargaining agreement negotiated with the exclusive
30 bargaining representative of individual providers established under RCW
31 74.39A.270.

32 (8)(a) \$1,212,000 of the general fund--state appropriation for
33 fiscal year 2010, \$2,934,000 of the general fund--state appropriation
34 for fiscal year 2011, and \$2,982,000 of the general fund--federal
35 appropriation are provided solely for the state's contribution to the
36 training partnership, as provided in RCW 74.39A.360, pursuant to a
37 collective bargaining agreement negotiated with the exclusive

1 bargaining representative of individual providers established under RCW
2 74.39A.270.

3 (b) \$330,000 of the general fund--state appropriation for fiscal
4 year 2010, \$660,000 of the general fund-state appropriation for fiscal
5 year 2011, and \$810,000 of the general fund--federal appropriation are
6 provided solely for transfer from the department to the training
7 partnership, as provided in RCW 74.39A.360, for infrastructure and
8 instructional costs associated with training of individual providers,
9 pursuant to a collective bargaining agreement negotiated with the
10 exclusive bargaining representative of individual providers established
11 under RCW 74.39A.270.

12 (c) The federal portion of the amounts in this subsection is
13 contingent upon federal approval of participation in contributions to
14 the trust and shall remain unallotted and placed in reserve status
15 until the office of financial management and the department of social
16 and health services receive federal approval.

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

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

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

28 (11) \$3,955,000 of the general fund--state appropriation for fiscal
29 year 2010, (~~(\$4,239,000)~~) \$3,972,000 of the general fund--state
30 appropriation for fiscal year 2011, and \$10,190,000 of the general
31 fund--federal appropriation are provided solely for the continued
32 operation of community residential and support services for persons who
33 are older adults or who have co-occurring medical and behavioral
34 disorders and who have been discharged or diverted from a state
35 psychiatric hospital. These funds shall be used to serve individuals
36 whose treatment needs constitute substantial barriers to community
37 placement, who no longer require active psychiatric treatment at an
38 inpatient hospital level of care, and who no longer meet the criteria

1 for inpatient involuntary commitment. Coordination of these services
2 will be done in partnership between the mental health program and the
3 aging and disability services administration.

4 (12) Within the funds provided, the department shall continue to
5 provide an add-on per medicaid resident day per facility not to exceed
6 \$1.57. The add-on shall be used to increase wages, benefits, and/or
7 staffing levels for certified nurse aides; or to increase wages and/or
8 benefits for dietary aides, housekeepers, laundry aides, or any other
9 category of worker whose statewide average dollars-per-hour wage was
10 less than \$15 in calendar year 2008, according to cost report data.
11 The add-on may also be used to address resulting wage compression for
12 related job classes immediately affected by wage increases to low-wage
13 workers. The department shall continue reporting requirements and a
14 settlement process to ensure that the funds are spent according to this
15 subsection. The department shall adopt rules to implement the terms of
16 this subsection.

17 (13) \$1,840,000 of the general fund--state appropriation for fiscal
18 year 2010 and (~~(\$1,877,000)~~) \$1,759,000 of the general fund--state
19 appropriation for fiscal year 2011 are provided solely for operation of
20 the volunteer services program. Funding shall be prioritized towards
21 serving populations traditionally served by long-term care services to
22 include senior citizens and persons with disabilities.

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

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

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

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

36 (d) If it is necessary to establish a waiting list for either
37 waiver because the budgeted number of enrollment opportunities has been

1 reached, the department shall track how the long-term care needs of
2 applicants assigned to the waiting list are met.

3 (15) The department shall establish waiting lists to the extent
4 necessary to assure that annual expenditures on the community options
5 program entry systems (COPEs) program do not exceed appropriated
6 levels. In establishing and managing any such waiting list, the
7 department shall assure priority access to persons with the greatest
8 unmet needs, as determined by department assessment processes.

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

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

17 (18) \$209,000 of the general fund--state appropriation for fiscal
18 year 2010, (~~(\$781,000)~~) \$732,000 of the general fund--state
19 appropriation for fiscal year 2011, and \$1,293,000 of the general
20 fund--federal appropriation are provided solely to implement Engrossed
21 House Bill No. 2194 (extraordinary medical placement for offenders).
22 The department shall work in partnership with the department of
23 corrections to identify services and find placements for offenders who
24 are released through the extraordinary medical placement program. The
25 department shall collaborate with the department of corrections to
26 identify and track cost savings to the department of corrections,
27 including medical cost savings and to identify and track expenditures
28 incurred by the aging and disability services program for community
29 services and by the medical assistance program for medical expenses.
30 A joint report regarding the identified savings and expenditures shall
31 be provided to the office of financial management and the appropriate
32 fiscal committees of the legislature by November 30, 2010. If this
33 bill is not enacted by June 30, 2009, the amounts provided in this
34 subsection shall lapse.

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

1 (a) \$1,035,000 of the general fund--private/local appropriation
2 assumes that the current annual renewal license fee for nursing
3 facilities shall be increased to \$327 per bed beginning in fiscal year
4 2011.

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

8 (20) \$2,566,000 of the traumatic brain injury account--state
9 appropriation is provided solely to continue services for persons with
10 traumatic brain injury (TBI) as defined in RCW 74.31.020 through
11 74.31.050. The TBI advisory council shall provide a report to the
12 legislature by December 1, 2010, on the effectiveness of the functions
13 overseen by the council and shall provide recommendations on the
14 development of critical services for individuals with traumatic brain
15 injury.

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

20 (22) For calendar year 2009, the department shall calculate split
21 settlements covering two periods January 1, 2009, through June 30,
22 2009, and July 1, 2009, through December 31, 2009. For the second
23 period beginning July 1, 2009, the department may partially or totally
24 waive settlements only in specific cases where a nursing home can
25 demonstrate significant decreases in costs from the first period.

26 (23) \$72,000 of the traumatic brain injury account appropriation
27 and \$116,000 of the general fund--federal appropriation are provided
28 solely for a direct care rate add-on to any nursing facility
29 specializing in the care of residents with traumatic brain injuries
30 where more than 50 percent of residents are classified with this
31 condition based upon the federal minimum data set assessment.

32 (24) \$69,000 of the general fund--state appropriation for fiscal
33 year 2010, (~~(\$1,289,000)~~) \$1,208,000 of the general fund--state
34 appropriation for fiscal year 2011, and \$2,050,000 of the general fund--
35 federal appropriation are provided solely for the department to
36 maintain enrollment in the adult day health services program. New
37 enrollments are authorized for up to 1,575 clients or to the extent
38 that appropriated funds are available to cover additional clients.

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

5 (26) (~~(\$100,000)~~) \$94,000 of the general fund--state appropriation
6 for fiscal year 2011 and \$100,000 of the general fund--federal
7 appropriation are provided solely for the department to contract with
8 a consultant to evaluate and make recommendations on a pay-for-
9 performance payment subsidy system. The department shall organize one
10 workgroup meeting with the consultant where nursing home stakeholders
11 may provide input on pay-for-performance ideas. The consultant shall
12 review pay-for- performance strategies used in other states to sustain
13 and enhance quality-improvement efforts in nursing facilities. The
14 evaluation shall include a review of the centers for medicare and
15 medicaid services demonstration project to explore the feasibility of
16 pay-for- performance systems in medicare certified nursing facilities.
17 The consultant shall develop a report to include:

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

20 (b) The relevance of existing research to Washington state;

21 (c) A summary and review of suggestions for pay-for-performance
22 strategies provided by nursing home stakeholders in Washington state;
23 and

24 (d) An evaluation of the effectiveness of a variety of performance
25 measures.

26 (27) \$4,100,000 of the general fund--state appropriation for fiscal
27 year 2010, \$4,174,000 of the general fund--state appropriation for
28 fiscal year 2011, and \$8,124,000 of the general fund--federal
29 appropriation are provided for the operation of the management services
30 division of the aging and disability services administration. This
31 includes but is not limited to the budget, contracts, accounting,
32 decision support, information technology, and rate development
33 activities for programs administered by the aging and disability
34 services administration. Nothing in this subsection is intended to
35 exempt the management services division of the aging and disability
36 services administration from reductions directed by the secretary.
37 However, funds provided in this subsection shall not be transferred
38 elsewhere within the department nor used for any other purpose.

1 **Sec. 207.** 2010 2nd sp.s. c 1 s 206 (uncodified) is amended to read
2 as follows:

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

5	General Fund--State Appropriation (FY 2010)	\$564,242,000
6	General Fund--State Appropriation (FY 2011)	((\$565,617,000))
7		<u>\$549,897,000</u>
8	General Fund--Federal Appropriation	((\$1,220,752,000))
9		<u>\$1,249,126,000</u>
10	General Fund--Private/Local Appropriation	\$31,816,000
11	Administrative Contingency Account--State	
12	Appropriation	\$24,336,000
13	TOTAL APPROPRIATION	((\$2,406,763,000))
14		<u>\$2,419,417,000</u>

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

17 (1) \$303,393,000 of the general fund--state appropriation for
18 fiscal year 2010, ((~~\$285,057,000~~)) \$283,212,000 of the general fund--
19 state appropriation for fiscal year 2011, ((~~\$24,336,000~~)) \$23,461,000
20 of the administrative contingency account--state appropriation, and
21 ((~~\$778,606,000~~)) \$810,913,000 of the general fund--federal
22 appropriation are provided solely for all components of the WorkFirst
23 program. The department shall use moneys from the administrative
24 contingency account for WorkFirst job placement services provided by
25 the employment security department. Within the amounts provided for
26 the WorkFirst program, the department may provide assistance using
27 state-only funds for families eligible for temporary assistance for
28 needy families. In addition, within the amounts provided for WorkFirst
29 the department shall:

- 30 (a) Establish a career services work transition program;
- 31 (b) Continue to implement WorkFirst program improvements that are
32 designed to achieve progress against outcome measures specified in RCW
33 74.08A.410. Outcome data regarding job retention and wage progression
34 shall be reported quarterly to appropriate fiscal and policy committees
35 of the legislature for families who leave assistance, measured after 12
36 months, 24 months, and 36 months. The department shall also report the
37 percentage of families who have returned to temporary assistance for
38 needy families after 12 months, 24 months, and 36 months;

1 (c) Submit a report electronically by October 1, 2009, to the
2 fiscal committees of the legislature containing a spending plan for the
3 WorkFirst program. The plan shall identify how spending levels in the
4 2009-2011 biennium will be adjusted to stay within available federal
5 grant levels and the appropriated state-fund levels;

6 (d) Provide quarterly fiscal reports to the office of financial
7 management and the legislative fiscal committees detailing information
8 on the amount expended from general fund--state and general fund--
9 federal by activity.

10 (2) The department (~~(and the office of financial management)~~) shall
11 electronically report quarterly the expenditures, maintenance of effort
12 allotments, expenditure amounts, and caseloads for the WorkFirst
13 program to the legislative fiscal committees.

14 (3) \$16,783,000 of the general fund--state appropriation for fiscal
15 year 2011 and (~~(\$62,000,000)~~) \$19,027,000 of the general fund--federal
16 appropriation are provided solely for all components of the WorkFirst
17 program in order to maintain services to January 2011. The legislature
18 intends to work with the governor to design and implement fiscal and
19 programmatic modifications to provide for the sustainability of the
20 program. The funding in this subsection assumes that no other
21 expenditure reductions will be made prior to January 2011 other than
22 those assumed in the appropriation levels in this act.

23 (4) \$94,322,000 of the general fund--state appropriation for fiscal
24 year 2010 and (~~(\$84,904,000)~~) \$79,209,000 of the general fund--state
25 appropriation for fiscal year 2011, net of recoveries, are provided
26 solely for cash assistance and other services to recipients in the cash
27 program pursuant to chapter 8, Laws of 2010 1st sp. sess. (security
28 lifeline act), including persons in the unemployable, expedited, and
29 aged, blind, and disabled components of the program. It is the intent
30 of the legislature that the lifeline incapacity determination and
31 progressive evaluation process regulations be carefully designed to
32 accurately identify those persons who have been or will be
33 incapacitated for at least ninety days. The incapacity determination
34 and progressive evaluation process regulations in effect on January 1,
35 2010, cannot be amended until at least September 30, 2010; except that
36 provisions related to the use of administrative review teams may be
37 amended, and obsolete terminology and functional assessment language
38 may be updated on or after July 1, 2010, in a manner that only

1 minimally impacts the outcome of incapacity evaluations. After
2 September 30, 2010, the incapacity determination and progressive
3 evaluation process regulations may be amended only if the reports under
4 (a) and (b) of this subsection have been submitted, and find that
5 expenditures will exceed the appropriated level by three percent or
6 more.

7 (a) The department and the caseload forecast council shall, by
8 September 21, 2010, submit a report to the legislature based upon the
9 most recent caseload forecast and actual expenditure data available, as
10 to whether expenditures for the lifeline-unemployable grants in fiscal
11 year 2011 will exceed \$69,648,000 for fiscal year 2011 in the 2010
12 supplemental operating budget by three percent or more. If
13 expenditures will exceed the appropriated amount for lifeline-
14 unemployable grants by three percent or more, the department may adopt
15 regulations modifying incapacity determination and progressive
16 evaluation process regulations after September 30, 2010.

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

22 (i) A copy of the proposed changes and a concise description of the
23 changes;

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

27 (iii) An estimate of the number of persons who, on a monthly basis
28 through June 2013, would be denied lifeline benefits if the regulations
29 were adopted, expressed as a number, as a percentage of total
30 applicants, and as a percentage of the number of persons granted
31 lifeline benefits in each month;

32 (iv) An estimate of the number of persons who, on a monthly basis
33 through June 2013, would have their lifeline benefits terminated
34 following an eligibility review if the regulations were adopted,
35 expressed as a number, as a percentage of the number of persons who
36 have had an eligibility review in each month, and as a percentage of
37 the total number of persons currently receiving lifeline-unemployable
38 benefits in each month; and

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

4 (c) Within these amounts:

5 (i) The department shall aggressively pursue opportunities to
6 transfer lifeline clients to general assistance expedited coverage and
7 to facilitate client applications for federal supplemental security
8 income when the client's incapacities indicate that he or she would be
9 likely to meet the federal disability criteria for supplemental
10 security income. The department shall initiate and file the federal
11 supplemental security income interim agreement as quickly as possible
12 in order to maximize the recovery of federal funds;

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

18 (iii) The department shall actively coordinate with local workforce
19 development councils to expedite access to worker retraining programs
20 for lifeline clients in those regions of the state with the greatest
21 number of such clients;

22 (iv) By July 1, 2009, the department shall enter into an
23 interagency agreement with the department of veterans' affairs to
24 establish a process for referral of veterans who may be eligible for
25 veteran's services. This agreement must include outstationing
26 department of veterans' affairs staff in selected community service
27 office locations in King and Pierce counties to facilitate applications
28 for veterans' services; and

29 (v) In addition to any earlier evaluation that may have been
30 conducted, the department shall intensively evaluate those clients who
31 have been receiving lifeline benefits for twelve months or more as of
32 July 1, 2009, or thereafter, if the available medical and incapacity
33 related evidence indicates that the client is unlikely to meet the
34 disability standard for federal supplemental security income benefits.
35 The evaluation shall identify services necessary to eliminate or
36 minimize barriers to employment, including mental health treatment,
37 substance abuse treatment and vocational rehabilitation services. The

1 department shall expedite referrals to chemical dependency treatment,
2 mental health and vocational rehabilitation services for these clients.

3 (vi) The appropriations in this subsection reflect a change in the
4 earned income disregard policy for lifeline clients. It is the intent
5 of the legislature that the department shall adopt the temporary
6 assistance for needy families earned income policy for the lifeline
7 program.

8 (5) \$750,000 of the general fund--state appropriation for fiscal
9 year 2010 and (~~(\$750,000 of the general fund--state appropriation for~~
10 ~~fiscal year 2011 are provided solely for naturalization services)~~).

11 (6)(a) \$3,550,000 of the general fund--state appropriation for
12 fiscal year 2010 is provided solely for refugee employment services, of
13 which \$2,650,000 is provided solely for the department to pass through
14 to statewide refugee assistance organizations for limited English
15 proficiency pathway services; and (~~(\$3,550,000)~~) \$550,000 of the
16 general fund--state appropriation for fiscal year 2011 is provided
17 solely for refugee employment services(~~(, of which \$2,650,000 is~~
18 ~~provided solely for the department to pass through to statewide refugee~~
19 ~~assistance organizations for limited English proficiency pathway~~
20 ~~services.~~

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

25 ~~(7) The appropriations in this section reflect reductions in the~~
26 ~~appropriations for the economic services administration's~~
27 ~~administrative expenses. It is the intent of the legislature that~~
28 ~~these reductions shall be achieved, to the greatest extent possible, by~~
29 ~~reducing those administrative costs that do not affect direct client~~
30 ~~services or direct service delivery or program.~~

31 ~~(8))~~ (7) \$855,000 of the general fund--state appropriation for
32 fiscal year 2011, \$719,000 of the general fund--federal appropriation,
33 and \$2,907,000 of the general fund--private/local appropriation are
34 provided solely for the implementation of the opportunity portal, the
35 food stamp employment and training program, and the disability lifeline
36 program under Second Substitute House Bill No. 2782 (security lifeline
37 act). If the bill is not enacted by June 30, 2010, the amounts
38 provided in this subsection shall lapse.

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

5 (4) \$2,247,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for the implementation of the lifeline
7 program under Second Substitute House Bill No. 2782 (security lifeline
8 act). If the bill is not enacted by June 30, 2010, the amount provided
9 in this subsection shall lapse.

10 (5) \$3,500,000 of the general fund--federal appropriation (from the
11 substance abuse prevention and treatment federal block grant) is
12 provided solely for the continued funding of existing county drug and
13 alcohol use prevention programs.

14 **Sec. 209.** 2010 2nd sp.s. c 1 s 208 (uncodified) is amended to read
15 as follows:

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

18	General Fund--State Appropriation (FY 2010)	\$1,697,203,000
19	General Fund--State Appropriation (FY 2011)	((\$1,752,373,000))
20		<u>\$1,813,740,000</u>
21	General Fund--Federal Appropriation	((\$6,047,652,000))
22		<u>\$5,908,684,000</u>
23	General Fund--Private/Local Appropriation	((\$37,249,000))
24		<u>\$32,001,000</u>
25	Emergency Medical Services and Trauma Care Systems	
26	Trust Account--State Appropriation	\$15,075,000
27	Tobacco Prevention and Control Account--	
28	State Appropriation	((\$4,464,000))
29		<u>\$4,014,000</u>
30	Hospital Safety Net Assessment Fund--State	
31	Appropriation	((\$260,036,000))
32		<u>\$264,581,000</u>
33	TOTAL APPROPRIATION	((\$9,814,052,000))
34		<u>\$9,735,298,000</u>

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

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

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

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

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

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

1 payment limit. The department shall apply federal rules for
2 identifying the eligible incurred medicaid costs and the medicare upper
3 payment limit.

4 (6) (~~(\$1,110,000)~~) \$1,108,000 of the general fund--federal
5 appropriation and (~~(\$1,105,000)~~) \$1,108,000 of the general fund--state
6 appropriation for fiscal year 2011 are provided solely for grants to
7 rural hospitals. The department shall distribute the funds under a
8 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 (7) (~~(\$9,818,000)~~) \$9,842,000 of the general fund--state
14 appropriation for fiscal year 2011, and (~~(\$9,865,000)~~) \$9,842,000 of
15 the general fund--federal appropriation are provided solely for grants
16 to nonrural hospitals. The department shall distribute the funds under
17 a formula that provides a relatively larger share of the available
18 funding to hospitals that (a) serve a disproportionate share of low-
19 income and medically indigent patients, and (b) have relatively smaller
20 net financial margins, to the extent allowed by the federal medicaid
21 program.

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

1 regulations. Inpatient medicaid payments shall be established using an
2 allowable methodology that approximates the cost of claims submitted by
3 the hospitals. Payments made to each hospital in the program in each
4 fiscal year of the biennium shall be compared to a baseline amount.
5 The baseline amount will be determined by the total of (a) the
6 inpatient claim payment amounts that would have been paid during the
7 fiscal year had the hospital not been in the CPE program based on the
8 reimbursement rates developed, implemented, and consistent with
9 policies approved in the 2009-11 biennial operating appropriations act
10 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half
11 of the indigent assistance disproportionate share hospital payment
12 amounts paid to and retained by each hospital during fiscal year 2005,
13 and (c) all of the other disproportionate share hospital payment
14 amounts paid to and retained by each hospital during fiscal year 2005
15 to the extent the same disproportionate share hospital programs exist
16 in the 2009-11 biennium. If payments during the fiscal year exceed the
17 hospital's baseline amount, no additional payments will be made to the
18 hospital except the federal portion of allowable disproportionate share
19 hospital payments for which the hospital can certify allowable match.
20 If payments during the fiscal year are less than the baseline amount,
21 the hospital will be paid a state grant equal to the difference between
22 payments during the fiscal year and the applicable baseline amount.
23 Payment of the state grant shall be made in the applicable fiscal year
24 and distributed in monthly payments. The grants will be recalculated
25 and redistributed as the baseline is updated during the fiscal year.
26 The grant payments are subject to an interim settlement within eleven
27 months after the end of the fiscal year. A final settlement shall be
28 performed. To the extent that either settlement determines that a
29 hospital has received funds in excess of what it would have received as
30 described in this subsection, the hospital must repay the excess
31 amounts to the state when requested. \$20,403,000 of the general fund--
32 state appropriation for fiscal year 2010, of which \$6,570,000 is
33 appropriated in section 204(1) of this act, and (~~(\$29,480,000)~~)
34 \$12,735,000 of the general fund--state appropriation for fiscal year
35 2011, of which \$6,570,000 is appropriated in section 204(1) of this
36 act, are provided solely for state grants for the participating
37 hospitals. CPE hospitals will receive the inpatient and outpatient
38 reimbursement rate restorations in section 9 and rate increases in

1 section 10(1)(b) of Engrossed Second Substitute House Bill No. 2956
2 (hospital safety net assessment) funded through the hospital safety net
3 assessment fund rather than through the baseline mechanism specified in
4 this subsection.

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

8 (10) \$93,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$93,000 of the general fund--federal appropriation are
10 provided solely for the department to pursue a federal Medicaid waiver
11 pursuant to Second Substitute Senate Bill No. 5945 (Washington health
12 partnership plan). If the bill is not enacted by June 30, 2009, the
13 amounts provided in this subsection shall lapse.

14 (11) The department shall require managed health care systems that
15 have contracts with the department to serve medical assistance clients
16 to limit any reimbursements or payments the systems make to providers
17 not employed by or under contract with the systems to no more than the
18 medical assistance rates paid by the department to providers for
19 comparable services rendered to clients in the fee-for-service delivery
20 system.

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

34 (13) Mental health services shall be included in the services
35 provided through the managed care system for lifeline clients under
36 chapter 8, Laws of 2010 1st sp. sess. In transitioning lifeline
37 clients to managed care, the department shall attempt to deliver care
38 to lifeline clients through medical homes in community and migrant

1 health centers. The department, in collaboration with the carrier,
2 shall seek to improve the transition rate of lifeline clients to the
3 federal supplemental security income program. The department shall
4 renegotiate the contract with the managed care plan that provides
5 services for lifeline clients to maximize state retention of future
6 hospital savings as a result of improved care coordination. The
7 department, in collaboration with stakeholders, shall propose a new
8 name for the lifeline program.

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

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

18 (16) State funds shall not be used by hospitals for advertising
19 purposes.

20 (17) (~~(\$24,356,000)~~) \$11,793,000 of the general fund--private/local
21 appropriation and (~~(\$35,707,000)~~) \$18,270,000 of the general fund--
22 federal appropriation are provided solely for the implementation of
23 professional services supplemental payment programs. The department
24 shall seek a medicaid state plan amendment to create a professional
25 services supplemental payment program for University of Washington
26 medicine professional providers no later than July 1, 2009. The
27 department shall apply federal rules for identifying the shortfall
28 between current fee-for-service medicaid payments to participating
29 providers and the applicable federal upper payment limit.
30 Participating providers shall be solely responsible for providing the
31 local funds required to obtain federal matching funds. Any incremental
32 costs incurred by the department in the development, implementation,
33 and maintenance of this program will be the responsibility of the
34 participating providers. Participating providers will retain the full
35 amount of supplemental payments provided under this program, net of any
36 potential costs for any related audits or litigation brought against
37 the state. The department shall report to the governor and the
38 legislative fiscal committees on the prospects for expansion of the

1 program to other qualifying providers as soon as feasibility is
2 determined but no later than December 31, 2009. The report will
3 outline estimated impacts on the participating providers, the
4 procedures necessary to comply with federal guidelines, and the
5 administrative resource requirements necessary to implement the
6 program. The department will create a process for expansion of the
7 program to other qualifying providers as soon as it is determined
8 feasible by both the department and providers but no later than June
9 30, 2010.

10 (18) \$9,075,000 of the general fund--state appropriation for fiscal
11 year 2010, \$8,588,000 of the general fund--state appropriation for
12 fiscal year 2011, and \$39,747,000 of the general fund--federal
13 appropriation are provided solely for development and implementation of
14 a replacement system for the existing medicaid management information
15 system. The amounts provided in this subsection are conditioned on the
16 department satisfying the requirements of section 902 of this act.

17 (19) \$506,000 of the general fund--state appropriation for fiscal
18 year 2011 and \$657,000 of the general fund--federal appropriation are
19 provided solely for the implementation of Second Substitute House Bill
20 No. 1373 (children's mental health). If the bill is not enacted by
21 June 30, 2009, the amounts provided in this subsection shall lapse.

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

27 (21) The department may, on a case-by-case basis and in the best
28 interests of the child, set payment rates for medically intensive home
29 care services to promote access to home care as an alternative to
30 hospitalization. Expenditures related to these increased payments
31 shall not exceed the amount the department would otherwise pay for
32 hospitalization for the child receiving medically intensive home care
33 services.

34 (22) \$425,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$790,000 of the general fund--federal appropriation are
36 provided solely to continue children's health coverage outreach and
37 education efforts under RCW 74.09.470. These efforts shall rely on
38 existing relationships and systems developed with local public health

1 agencies, health care providers, public schools, the women, infants,
2 and children program, the early childhood education and assistance
3 program, child care providers, newborn visiting nurses, and other
4 community-based organizations. The department shall seek public-
5 private partnerships and federal funds that are or may become available
6 to provide on-going support for outreach and education efforts under
7 the federal children's health insurance program reauthorization act of
8 2009.

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

11 (24) The department will pursue a competitive procurement process
12 for antihemophilic products, emphasizing evidence-based medicine and
13 protection of patient access without significant disruption in
14 treatment.

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

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

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

26 (28) The department shall target funding for maternity support
27 services towards pregnant women with factors that lead to higher rates
28 of poor birth outcomes, including hypertension, a preterm or low birth
29 weight birth in the most recent previous birth, a cognitive deficit or
30 developmental disability, substance abuse, severe mental illness,
31 unhealthy weight or failure to gain weight, tobacco use, or African
32 American or Native American race.

33 (29) (~~(\$260,036,000)~~) \$190,544,000 of the hospital safety net
34 assessment fund--state appropriation and (~~(\$255,448,000)~~) \$247,335,000
35 of the general fund--federal appropriation are provided solely for the
36 implementation of Engrossed Second Substitute House Bill No. 2956
37 (hospital safety net assessment). If the bill is not enacted by June
38 30, 2010, the amounts provided in this subsection shall lapse.

1 (30) \$79,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$53,000 of the general fund--federal appropriation are
3 provided solely to implement Substitute House Bill No. 1845 (medical
4 support obligations).

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

23 (32) \$73,000 of the general fund--state appropriation for fiscal
24 year 2011 and \$50,000 of the general fund--federal appropriation is
25 provided solely for supplemental services that will be provided to
26 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of
27 2010 (Substitute Senate Bill No. 6639).

28 ~~(33) ((Sufficient amounts are provided in this section to provide
29 full benefit dual eligible beneficiaries with medicare part D
30 prescription drug copayment coverage in accordance with RCW 74.09.520.~~

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

37 ~~((+35))~~ (34) \$331,000 of the general fund--state appropriation for
38 fiscal year 2010, \$331,000 of the general fund--state appropriation for

1 fiscal year 2011, and \$1,228,000 of the general fund--federal
2 appropriation are provided solely for the department to support the
3 activities of the Washington poison center. The department shall seek
4 federal authority to receive matching funds from the federal government
5 through the children's health insurance program.

6 ~~((+36))~~ (35) \$528,000 of the general fund--state appropriation and
7 \$2,955,000 of the general fund--federal appropriation are provided
8 solely for the implementation of the lifeline program under chapter 8,
9 Laws of 2010 1st sp. sess. (security lifeline act).

10 ~~((+37))~~ (36) Reductions in dental services are to be achieved by
11 focusing on the fastest growing areas of dental care. Reductions in
12 preventative care, particularly for children, will be avoided to the
13 extent possible.

14 ~~((+38))~~ (37) \$1,307,000 of the general fund--state appropriation
15 for fiscal year 2011 and \$1,770,000 of the general fund--federal
16 appropriation are provided solely to continue to provide dental
17 services in calendar year 2011 for qualifying adults with developmental
18 disabilities. Services shall include preventive, routine, and emergent
19 dental care, and support for continued operation of the dental
20 education in care of persons with disabilities (DECOD) program at the
21 University of Washington.

22 ~~((+39))~~ (38) The department shall develop the capability to
23 implement apple health for kids express lane eligibility enrollments
24 for children receiving basic food assistance by June 30, 2011.

25 ~~((+40))~~ (39)(a) The department, in coordination with the health
26 care authority, shall actively continue to negotiate a medicaid section
27 1115 waiver with the federal centers for medicare and medicaid services
28 that would provide federal matching funds for services provided to
29 persons enrolled in the basic health plan under chapter 70.47 RCW and
30 the medical care services program under RCW 74.09.035.

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

37 ~~((+41))~~ (40) \$704,000 of the general fund--state appropriation for
38 fiscal year 2010, \$812,000 of the general fund--state appropriation for

1 fiscal year 2011, and \$1,516,000 of the general fund--federal
2 appropriation are provided solely for maintaining employer-sponsored
3 insurance program staff, coordination of benefits unit staff, the
4 payment integrity audit team, and family planning nursing.

5 ((+42)) (41) Every effort shall be made to maintain current
6 employment levels and achieve administrative savings through vacancies
7 and employee attrition. Efficiencies shall be implemented as soon as
8 possible in order to minimize actual reduction in force. The
9 department shall implement a management strategy that minimizes
10 disruption of service and negative impacts on employees.

11 **Sec. 210.** 2010 2nd sp.s. c 1 s 209 (uncodified) is amended to read
12 as follows:

13 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
14 **REHABILITATION PROGRAM**

15	General Fund--State Appropriation (FY 2010)	\$10,327,000
16	General Fund--State Appropriation (FY 2011)	((\$10,045,000))
17		<u>\$9,438,000</u>
18	General Fund--Federal Appropriation	\$107,848,000
19	Telecommunications Devices for the Hearing and	
20	Speech Impaired--State Appropriation	((\$5,976,000))
21		<u>\$6,056,000</u>
22	TOTAL APPROPRIATION	((\$134,196,000))
23		<u>\$133,669,000</u>

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

26 (1) The vocational rehabilitation program shall coordinate closely
27 with the economic services program to serve lifeline clients under
28 chapter 8, Laws of 2010 1st sp. sess. who are referred for eligibility
29 determination and vocational rehabilitation services, and shall make
30 every effort, within the requirements of the federal rehabilitation act
31 of 1973, to serve these clients.

32 (2) \$80,000 of the telecommunications devices for the hearing and
33 speech impaired account--state appropriation is provided solely for the
34 office of deaf and hard of hearing to enter into an interagency
35 agreement with the department of services for the blind to support
36 contracts for services that provide employment support and help with
37 life activities for deaf-blind individuals in King county.

1 appropriation for fiscal year 2011 are provided solely for funding of
2 the teamchild project through the governor's juvenile justice advisory
3 committee.

4 (3) \$178,000 of the general fund--state appropriation for fiscal
5 year 2010 and (~~(\$178,000)~~) \$167,000 of the general fund--state
6 appropriation for fiscal year 2011 are provided solely for the juvenile
7 detention alternatives initiative.

8 (4) Amounts appropriated in this section reflect a reduction to the
9 family policy council. The family policy council shall reevaluate
10 staffing levels and administrative costs to ensure to the extent
11 possible a maximum ratio of grant moneys provided and administrative
12 costs.

13 (5) Amounts appropriated in this section reflect a reduction to the
14 council on children and families. The council on children and families
15 shall reevaluate staffing levels and administrative costs to ensure to
16 the extent possible a maximum ratio of grant moneys provided and
17 administrative costs.

18 **Sec. 213.** 2010 1st sp.s. c 37 s 213 (uncodified) is amended to
19 read as follows:

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

22	General Fund--State Appropriation (FY 2010)	\$61,985,000
23	General Fund--State Appropriation (FY 2011)	((\$61,461,000))
24		<u>\$66,210,000</u>
25	General Fund--Federal Appropriation	((\$56,572,000))
26		<u>\$56,038,000</u>
27	TOTAL APPROPRIATION	((\$180,018,000))
28		<u>\$184,233,000</u>

29 **Sec. 214.** 2010 2nd sp.s. c 1 s 212 (uncodified) is amended to read
30 as follows:

31 **FOR THE STATE HEALTH CARE AUTHORITY**

32	General Fund--State Appropriation (FY 2010)	\$208,258,000
33	General Fund--State Appropriation (FY 2011)	((\$129,087,000))
34		<u>\$97,636,000</u>
35	General Fund--Federal Appropriation	((\$34,727,000))
36		<u>\$15,812,000</u>

1	State Health Care Authority Administration Account--	
2	State Appropriation	\$34,880,000
3	Medical Aid Account--State Appropriation	\$527,000
4	TOTAL APPROPRIATION	(\$407,479,000)
5		<u>\$357,113,000</u>

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

8 (1) Within amounts appropriated in this section and sections 205
9 and 206 of this act, the health care authority shall continue to
10 provide an enhanced basic health plan subsidy for foster parents
11 licensed under chapter 74.15 RCW and workers in state-funded home care
12 programs. Under this enhanced subsidy option, foster parents eligible
13 to participate in the basic health plan as subsidized enrollees and
14 home care workers with family incomes below 200 percent of the federal
15 poverty level shall be allowed to enroll in the basic health plan at
16 the minimum premium amount charged to enrollees with incomes below
17 sixty-five percent of the federal poverty level.

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

23 (3) The administrator shall take at least the following actions to
24 assure that persons participating in the basic health plan are eligible
25 for the level of assistance they receive: (a) Require submission of
26 (i) income tax returns, and recent pay history, from all applicants, or
27 (ii) other verifiable evidence of earned and unearned income from those
28 persons not required to file income tax returns; (b) check employment
29 security payroll records at least once every twelve months on all
30 enrollees; (c) require enrollees whose income as indicated by payroll
31 records exceeds that upon which their subsidy is based to document
32 their current income as a condition of continued eligibility; (d)
33 require enrollees for whom employment security payroll records cannot
34 be obtained to document their current income at least once every six
35 months; (e) not reduce gross family income for self-employed persons by
36 noncash-flow expenses such as, but not limited to, depreciation,
37 amortization, and home office deductions, as defined by the United

1 States internal revenue service; and (f) pursue repayment and civil
2 penalties from persons who have received excessive subsidies, as
3 provided in RCW 70.47.060(9).

4 (4)(a) In order to maximize the funding appropriated for the basic
5 health plan, the health care authority is directed to make
6 modifications that will reduce the total number of subsidized enrollees
7 to approximately 65,000 by January 1, 2010. In addition to the reduced
8 enrollment, other modifications may include changes in enrollee premium
9 obligations, changes in benefits, enrollee cost-sharing, and
10 termination of the enrollment of individuals concurrently enrolled in
11 a medical assistance program as provided in Substitute House Bill No.
12 2341.

13 (b) The health care authority shall coordinate with the department
14 of social and health services to negotiate a medicaid section 1115
15 waiver with the federal centers for medicare and medicaid services that
16 would provide matching funds for services provided to persons enrolled
17 in the basic health plan under chapter 70.47 RCW.

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

24 (5) \$250,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$250,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for the implementation of
27 Substitute Senate Bill No. 5360 (community collaboratives). If the
28 bill is not enacted by June 30, 2009, the amounts provided in this
29 section shall lapse.

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

34 (7) \$20,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$63,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the implementation of chapter
37 220, Laws of 2010 (accountable care organizations).

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

3 **FOR THE HUMAN RIGHTS COMMISSION**

4	General Fund--State Appropriation (FY 2010)	\$2,638,000
5	General Fund--State Appropriation (FY 2011)	(\$2,511,000)
6		<u>\$2,350,000</u>
7	General Fund--Federal Appropriation	\$1,584,000
8	TOTAL APPROPRIATION	(\$6,733,000)
9		<u>\$6,572,000</u>

10 **Sec. 216.** 2010 1st sp.s. c 37 s 217 (uncodified) is amended to
11 read as follows:

12 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

13	General Fund--State Appropriation (FY 2010)	\$17,273,000
14	General Fund--State Appropriation (FY 2011)	(\$17,843,000)
15		<u>\$16,803,000</u>
16	General Fund--Federal Appropriation	\$143,000
17	General Fund--Private/Local Appropriation	(\$1,303,000)
18		<u>\$1,282,000</u>
19	Death Investigations Account--State Appropriation	\$148,000
20	Municipal Criminal Justice Assistance Account--	
21	State Appropriation	\$460,000
22	Washington Auto Theft Prevention Authority Account--	
23	State Appropriation	(\$5,844,000)
24		<u>\$6,432,000</u>
25	TOTAL APPROPRIATION	(\$43,014,000)
26		<u>\$42,541,000</u>

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

29 (1) \$1,191,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$1,191,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the Washington association of
32 sheriffs and police chiefs to continue to develop, maintain, and
33 operate the jail booking and reporting system (JBRS) and the statewide
34 automated victim information and notification system (SAVIN).

35 (2) \$5,000,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$5,000,000 of the general fund--state appropriation for
37 fiscal year 2011, are provided to the Washington association of

1 sheriffs and police chiefs solely to verify the address and residency
2 of registered sex offenders and kidnapping offenders under RCW
3 9A.44.130. The Washington association of sheriffs and police chiefs
4 shall:

5 (a) Enter into performance-based agreements with units of local
6 government to ensure that registered offender address and residency are
7 verified:

- 8 (i) For level I offenders, every twelve months;
- 9 (ii) For level II offenders, every six months; and
- 10 (iii) For level III offenders, every three months.

11 For the purposes of this subsection, unclassified offenders and
12 kidnapping offenders shall be considered at risk level I unless in the
13 opinion of the local jurisdiction a higher classification is in the
14 interest of public safety.

15 (b) Collect performance data from all participating jurisdictions
16 sufficient to evaluate the efficiency and effectiveness of the address
17 and residency verification program; and

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

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

28 (3) \$30,000 of the general fund--state appropriation for fiscal
29 year 2010 is provided solely for the implementation of Second
30 Substitute House Bill No. 2078 (persons with developmental disabilities
31 in correctional facilities or jails). If the bill is not enacted by
32 June 30, 2009, the amount provided in this subsection shall lapse.

33 (4) \$171,000 of the general fund--local appropriation is provided
34 solely to purchase ammunition for the basic law enforcement academy.
35 Jurisdictions with one hundred or more full-time commissioned officers
36 shall reimburse to the criminal justice training commission the costs
37 of ammunition, based on the average cost of ammunition per cadet, for
38 cadets that they enroll in the basic law enforcement academy.

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

3 (6) \$1,500,000 of the general fund--state appropriation for fiscal
4 year 2011 is provided solely for continuing the enforcement of illegal
5 drug laws in the rural pilot project enforcement areas as set forth in
6 chapter 339, Laws of 2006.

7 **Sec. 217.** 2010 1st sp.s. c 37 s 218 (uncodified) is amended to
8 read as follows:

9 **FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

10	General Fund--State Appropriation (FY 2010)	\$24,975,000
11	General Fund--State Appropriation (FY 2011)	(\$19,336,000)
12		<u>\$17,876,000</u>
13	General Fund--Federal Appropriation	\$10,100,000
14	Asbestos Account--State Appropriation	\$923,000
15	Electrical License Account--State Appropriation	\$36,977,000
16	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
17	Worker and Community Right-to-Know Account--	
18	State Appropriation	\$1,987,000
19	Public Works Administration Account--State	
20	Appropriation	\$6,021,000
21	Manufactured Home Installation Training Account--	
22	State Appropriation	(\$143,000)
23		<u>\$135,000</u>
24	Accident Account--State Appropriation	\$250,509,000
25	Accident Account--Federal Appropriation	\$13,621,000
26	Medical Aid Account--State Appropriation	\$249,232,000
27	Medical Aid Account--Federal Appropriation	\$3,186,000
28	Plumbing Certificate Account--State Appropriation	\$1,704,000
29	Pressure Systems Safety Account--State Appropriation	\$4,144,000
30	TOTAL APPROPRIATION	(\$622,886,000)
31		<u>\$621,418,000</u>

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

34 (1) Pursuant to RCW 43.135.055, the department is authorized to
35 increase fees related to factory assembled structures, contractor
36 registration, electricians, plumbers, asbestos removal, boilers,
37 elevators, and manufactured home installers. These increases are

1 necessary to support expenditures authorized in this section,
2 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
3 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

4 (2) \$424,000 of the accident account--state appropriation and
5 \$76,000 of the medical aid account--state appropriation are provided
6 solely for implementation of a community agricultural worker safety
7 grant at the department of agriculture. The department shall enter
8 into an interagency agreement with the department of agriculture to
9 implement the grant.

10 (3) \$4,850,000 of the medical aid account--state appropriation is
11 provided solely to continue the program of safety and health as
12 authorized by RCW 49.17.210 to be administered under rules adopted
13 pursuant to chapter 34.05 RCW, provided that projects funded involve
14 workplaces insured by the medical aid fund, and that priority is given
15 to projects fostering accident prevention through cooperation between
16 employers and employees or their representatives.

17 (4) \$150,000 of the medical aid account--state appropriation is
18 provided solely for the department to contract with one or more
19 independent experts to evaluate and recommend improvements to the
20 rating plan under chapter 51.18 RCW, including analyzing how risks are
21 pooled, the effect of including worker premium contributions in
22 adjustment calculations, incentives for accident and illness
23 prevention, return-to-work practices, and other sound risk-management
24 strategies that are consistent with recognized insurance principles.

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

31 (6) The appropriations in this section reflect reductions in the
32 appropriations for the department of labor and industries'
33 administrative expenses. It is the intent of the legislature that
34 these reductions shall be achieved, to the greatest extent possible, by
35 reducing administrative costs only.

36 (7) \$500,000 of the accident account--state appropriation is
37 provided solely for the department to contract with one or more
38 independent experts to oversee and assist the department's

1 implementation of improvements to the rating plan under chapter 51.18
2 RCW, in collaboration with the department and with the department's
3 work group of retrospective rating and workers' compensation
4 stakeholders. The independent experts will validate the impact of
5 recommended changes on retrospective rating participants and
6 nonparticipants, confirm implementation technology changes, and provide
7 other implementation assistance as determined by the department.

8 (8) \$194,000 of the accident account--state appropriation and
9 \$192,000 of the medical aid account--state appropriation are provided
10 solely for implementation of Senate Bill No. 5346 (health care
11 administrative procedures).

12 (9) \$131,000 of the accident account--state appropriation and
13 \$128,000 of the medical aid account--state appropriation are provided
14 solely for implementation of Senate Bill No. 5613 (stop work orders).

15 (10) \$68,000 of the accident account--state appropriation and
16 \$68,000 of the medical aid account--state appropriation are provided
17 solely for implementation of Senate Bill No. 5688 (registered domestic
18 partners).

19 (11) \$320,000 of the accident account--state appropriation and
20 \$147,000 of the medical aid account--state appropriation are provided
21 solely for implementation of Senate Bill No. 5873 (apprenticeship
22 utilization).

23 (12) \$73,000 of the general fund--state appropriation for fiscal
24 year 2010, \$66,000 of the general fund--state appropriation for fiscal
25 year 2011, \$606,000 of the accident account--state appropriation, and
26 \$600,000 of the medical aid account--state appropriation are provided
27 solely for the implementation of House Bill No. 1555 (underground
28 economy).

29 (13) \$574,000 of the accident account--state appropriation and
30 \$579,000 of the medical account--state appropriation are provided
31 solely for the implementation of House Bill No. 1402 (industrial
32 insurance appeals).

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

37 (15) \$16,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$50,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the crime victims compensation
2 program to pay claims for mental health services for crime victim
3 compensation program clients who have an established relationship with
4 a mental health provider and subsequently obtain coverage under the
5 medicaid program or the medical care services program under chapter
6 74.09 RCW. Prior to making such payment, the program must have
7 determined that payment for the specific treatment or provider is not
8 available under the medicaid or medical care services program. In
9 addition, the program shall make efforts to contact any healthy options
10 or medical care services health plan in which the client may be
11 enrolled to help the client obtain authorization to pay the claim on an
12 out-of-network basis.

13 (16) \$48,000 of the accident account--state appropriation and
14 \$48,000 of the medical aid account--state appropriation are provided
15 solely for the implementation of Substitute House Bill No. 2789
16 (issuance of subpoenas for purposes of agency investigations of
17 underground economic activity). If the bill is not enacted by June 30,
18 2010, the amount provided in this subsection shall lapse.

19 (17) \$71,000 of the general fund--state appropriation for fiscal
20 year 2011 is provided solely for implementation of Senate Bill No. 6349
21 (farm internship program). If the bill is not enacted by June 30,
22 2010, the amount provided in this subsection shall lapse.

23 (18) \$127,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$133,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for the department to provide
26 benefits in excess of the cap established by sections 1 and 2, chapter
27 122, Laws of 2010. These benefits shall be paid for claimants who were
28 determined eligible for and who were receiving crime victims'
29 compensation benefits because they were determined to be permanently
30 and totally disabled, as defined by RCW 51.08.160, prior to April 1,
31 2010. The director shall establish, by May 1, 2010, a process to aid
32 crime victims' compensation recipients in identifying and applying for
33 appropriate alternative benefit programs.

34 (19) \$155,000 of the public works administration account--state
35 appropriation is provided solely for the implementation of Engrossed
36 House Bill No. 2805 (offsite prefabricated items). If the bill is not
37 enacted by June 30, 2010, the amount provided in this subsection shall
38 lapse.

1 **Sec. 218.** 2010 1st sp.s. c 37 s 219 (uncodified) is amended to
2 read as follows:

3 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

4	General Fund--State Appropriation (FY 2010)	\$1,882,000
5	General Fund--State Appropriation (FY 2011)	(\$1,864,000)
6		<u>\$1,657,000</u>
7	TOTAL APPROPRIATION	(\$3,746,000)
8		<u>\$3,539,000</u>

9 **Sec. 219.** 2010 1st sp.s. c 37 s 220 (uncodified) is amended to
10 read as follows:

11 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

12 (1) HEADQUARTERS

13	General Fund--State Appropriation (FY 2010)	\$1,913,000
14	General Fund--State Appropriation (FY 2011)	(\$1,865,000)
15		<u>\$1,755,000</u>
16	Charitable, Educational, Penal, and Reformatory	
17	Institutions Account--State Appropriation	\$10,000
18	TOTAL APPROPRIATION	(\$3,788,000)
19		<u>\$3,678,000</u>

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

27 (2) FIELD SERVICES

28	General Fund--State Appropriation (FY 2010)	\$4,885,000
29	General Fund--State Appropriation (FY 2011)	\$4,964,000
30	General Fund--Federal Appropriation	\$2,382,000
31	General Fund--Private/Local Appropriation	\$4,512,000
32	Veterans Innovations Program Account--State	
33	Appropriation	\$897,000
34	Veteran Estate Management Account--Private/Local	
35	Appropriation	\$1,072,000
36	TOTAL APPROPRIATION	\$18,712,000

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

3 (a) The department shall collaborate with the department of social
4 and health services to identify and assist eligible general assistance
5 unemployable clients to access the federal department of veterans
6 affairs benefits.

7 (b) \$648,000 of the veterans innovations program account--state
8 appropriation is provided solely for the department to continue support
9 for returning combat veterans through the veterans innovation program,
10 including emergency financial assistance through the defenders' fund
11 and long-term financial assistance through the competitive grant
12 program.

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

19 (3) INSTITUTIONAL SERVICES

20	General Fund--State Appropriation (FY 2010)	\$3,318,000
21	((General Fund--State Appropriation (FY 2011)	\$2,371,000))
22	General Fund--Federal Appropriation	(((\$50,353,000))
23		<u>\$53,951,000</u>
24	General Fund--Private/Local Appropriation	(((\$34,189,000))
25		<u>\$33,704,000</u>
26	TOTAL APPROPRIATION	(((\$90,231,000))
27		<u>\$90,973,000</u>

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

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

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

1 **Sec. 220.** 2010 2nd sp.s. c 1 s 213 (uncodified) is amended to read
2 as follows:

3 **FOR THE DEPARTMENT OF HEALTH**

4	General Fund--State Appropriation (FY 2010)	\$98,414,000
5	General Fund--State Appropriation (FY 2011)	(\$81,735,000)
6		<u>\$68,659,000</u>
7	General Fund--Federal Appropriation	(\$564,379,000)
8		<u>\$567,818,000</u>
9	General Fund--Private/Local Appropriation	\$162,237,000
10	Hospital Data Collection Account--State Appropriation	\$218,000
11	Health Professions Account--State Appropriation	(\$82,850,000)
12		<u>\$82,449,000</u>
13	Aquatic Lands Enhancement Account--State Appropriation	\$603,000
14	Emergency Medical Services and Trauma Care Systems	
15	Trust Account--State Appropriation	\$13,206,000
16	Safe Drinking Water Account--State Appropriation	\$2,731,000
17	Drinking Water Assistance Account--Federal	
18	Appropriation	\$22,862,000
19	Waterworks Operator Certification--State	
20	Appropriation	\$1,522,000
21	Drinking Water Assistance Administrative Account--	
22	State Appropriation	\$326,000
23	State Toxics Control Account--State Appropriation	\$4,106,000
24	Medical Test Site Licensure Account--State	
25	Appropriation	\$2,261,000
26	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
27	Public Health Supplemental Account--Private/Local	
28	Appropriation	\$3,804,000
29	Community and Economic Development Fee Account--State	
30	Appropriation	\$298,000
31	Accident Account--State Appropriation	\$292,000
32	Medical Aid Account--State Appropriation	\$48,000
33	Tobacco Prevention and Control Account--State	
34	Appropriation	\$41,196,000
35	Biotoxin Account--State Appropriation	\$1,163,000
36	TOTAL APPROPRIATION	(\$1,085,763,000)
37		<u>\$1,075,725,000</u>

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

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

24 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
25 is authorized to establish and raise fees in fiscal year 2011 as
26 necessary to meet the actual costs of conducting business and the
27 appropriation levels in this section. This authorization applies to
28 fees for the review of sewage tank designs, fees related to regulation
29 and inspection of farmworker housing, and fees associated with the
30 following professions: Acupuncture, dental, denturist, mental health
31 counselor, nursing, nursing assistant, optometry, radiologic
32 technologist, recreational therapy, respiratory therapy, social worker,
33 cardiovascular invasive specialist, and practitioners authorized under
34 chapter 18.240 RCW.

35 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is
36 authorized to establish fees by the amount necessary to fully support
37 the cost of activities related to the administration of long-term care
38 worker certification. The department is further authorized to increase

1 fees by the amount necessary to implement the regulatory requirements
2 of the following bills: House Bill No. 1414 (health care assistants),
3 House Bill No. 1740 (dental residency licenses), and House Bill No.
4 1899 (retired active physician licenses).

5 (4) \$764,000 of the health professions account--state appropriation
6 is provided solely for the medical quality assurance commission to
7 maintain disciplinary staff and associated costs sufficient to reduce
8 the backlog of disciplinary cases and to continue to manage the
9 disciplinary caseload of the commission.

10 (5) \$57,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$58,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the midwifery licensure and
13 regulatory program to offset a reduction in revenue from fees. The
14 department shall convene the midwifery advisory committee on a
15 quarterly basis to address issues related to licensed midwifery. The
16 appropriations in this section assume that the current application and
17 renewal fee for midwives shall be increased by fifty dollars and all
18 other fees for midwives be adjusted accordingly.

19 (6) Funding for the human papillomavirus vaccine shall not be
20 included in the department's universal vaccine purchase program in
21 fiscal year 2010. Remaining funds for the universal vaccine purchase
22 program shall be used to continue the purchase of all other vaccines
23 included in the program until May 1, 2010, at which point state funding
24 for the universal vaccine purchase program shall be discontinued.

25 (7) Beginning July 1, 2010, the department, in collaboration with
26 the department of social and health services, shall maximize the use of
27 existing federal funds, including section 317 of the federal public
28 health services act direct assistance as well as federal funds that may
29 become available under the American recovery and reinvestment act, in
30 order to continue to provide immunizations for low-income, nonmedicaid
31 eligible children up to three hundred percent of the federal poverty
32 level in state-sponsored health programs.

33 (8) The department shall eliminate outreach activities for the
34 health care directives registry and use the remaining amounts to
35 maintain the contract for the registry and minimal staffing necessary
36 to administer the basic entry functions for the registry.

37 (9) Funding in this section reflects a temporary reduction of

1 resources for the 2009-11 fiscal biennium for the state board of health
2 to conduct health impact reviews.

3 (10) Pursuant to RCW 43.135.055 and 43.70.125, the department is
4 authorized to adopt rules to establish a fee schedule to apply to
5 applicants for initial certification surveys of health care facilities
6 for purposes of receiving federal health care program reimbursement.
7 The fees shall only apply when the department has determined that
8 federal funding is not sufficient to compensate the department for the
9 cost of conducting initial certification surveys. The fees for initial
10 certification surveys may be established as follows: Up to \$1,815 for
11 ambulatory surgery centers, up to \$2,015 for critical access hospitals,
12 up to \$980 for end stage renal disease facilities, up to \$2,285 for
13 home health agencies, up to \$2,285 for hospice agencies, up to \$2,285
14 for hospitals, up to \$520 for rehabilitation facilities, up to \$690 for
15 rural health clinics, and up to \$7,000 for transplant hospitals.

16 (11) Funding for family planning grants for fiscal year 2011 is
17 reduced in the expectation that federal funding shall become available
18 to expand coverage of services for individuals through programs at the
19 department of social and health services. In the event that such
20 funding is not provided, the legislature intends to continue funding
21 through a supplemental appropriation at fiscal year 2010 levels.
22 \$4,500,000 of the general fund--state appropriation is provided solely
23 for the department of health-funded family planning clinic grants due
24 to federal funding not becoming available.

25 (12) \$16,000,000 of the tobacco prevention and control account--
26 state appropriation is provided solely for local health jurisdictions
27 to conduct core public health functions as defined in RCW 43.70.514.

28 (13) \$100,000 of the health professions account appropriation is
29 provided solely for implementation of Substitute House Bill No. 1414
30 (health care assistants). If the bill is not enacted by June 30, 2009,
31 the amount provided in this subsection shall lapse.

32 (14) \$42,000 of the health professions account--state appropriation
33 is provided solely to implement Substitute House Bill No. 1740
34 (dentistry license issuance). If the bill is not enacted by June 30,
35 2009, the amount provided in this section shall lapse.

36 (15) \$23,000 of the health professions account--state appropriation
37 is provided solely to implement Second Substitute House Bill No. 1899

1 (retired active physician licenses). If the bill is not enacted by
2 June 30, 2009, the amount provided in this section shall lapse.

3 (16) \$12,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$67,000 of the general fund--private/local appropriation
5 are provided solely to implement House Bill No. 1510 (birth
6 certificates). If the bill is not enacted by June 30, 2009, the amount
7 provided in this section shall lapse.

8 (17) \$31,000 of the health professions account is provided for the
9 implementation of Second Substitute Senate Bill No. 5850 (human
10 trafficking). If the bill is not enacted by June 2009, the amount
11 provided in this subsection shall lapse.

12 (18) \$282,000 of the health professions account is provided for the
13 implementation of Substitute Senate Bill No. 5752 (dentists cost
14 recovery). If the bill is not enacted by June 2009, the amount
15 provided in this subsection shall lapse.

16 (19) \$106,000 of the health professions account is provided for the
17 implementation of Substitute Senate Bill No. 5601 (speech language
18 assistants). If the bill is not enacted by June 2009, the amount
19 provided in this subsection shall lapse.

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

25 (21) \$390,000 of the health professions account--state
26 appropriation is provided solely to implement chapter 169, Laws of 2010
27 (nursing assistants). The amount provided in this subsection is from
28 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

29 (22) \$10,000 of the health professions account--state appropriation
30 for fiscal year 2010 and \$40,000 of the health professions
31 account--state appropriation for fiscal year 2011 are provided solely
32 for the department to study cost effective options for collecting
33 demographic data related to the health care professions workforce to be
34 submitted to the legislature by December 1, 2010.

35 (23) \$66,000 of the health professions account--state appropriation
36 is provided solely to implement chapter 209, Laws of 2010 (pain
37 management).

1 (24) \$10,000 of the health professions account--state appropriation
2 is provided solely to implement chapter 92, Laws of 2010
3 (cardiovascular invasive specialists).

4 (25) \$23,000 of the general fund--state appropriation is provided
5 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,
6 etc.).

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

10 (27) It is the intent of the legislature that the reductions in
11 appropriations to the AIDS/HIV programs shall be achieved, to the
12 greatest extent possible, by reducing those state government
13 administrative costs that do not affect direct client services or
14 direct service delivery or programs. The agency shall, to the greatest
15 extent possible, reduce spending in those areas that shall have the
16 least impact on implementing these programs.

17 (28) \$400,000 of the state toxics control account--state
18 appropriation is provided solely for granting to a willing local public
19 entity to provide emergency water supplies or water treatment for
20 households with individuals at high public health risk from nitrate-
21 contaminated wells in the lower Yakima basin.

22 (29) \$100,000 of the state toxics control account--state
23 appropriation is provided solely for an interagency contract to the
24 department of ecology to grant to agencies involved in improving
25 groundwater quality in the lower Yakima Valley. These agencies will
26 develop a local plan for improving water quality and reducing nitrate
27 contamination. The department of ecology will report to the
28 appropriate committees of the legislature and to the office of
29 financial management no later than December 1, 2010, summarizing
30 progress towards developing and implementing this plan.

31 **Sec. 221.** 2010 1st sp.s. c 37 s 222 (uncodified) is amended to
32 read as follows:

33 **FOR THE DEPARTMENT OF CORRECTIONS**

34 The appropriations to the department of corrections in this act
35 shall be expended for the programs and in the amounts specified herein.
36 However, after May 1, 2010, after approval by the director of financial
37 management and unless specifically prohibited by this act, the

1 department may transfer general fund--state appropriations for fiscal
2 year ((2010)) 2011 between programs. The department shall not transfer
3 funds, and the director of financial management shall not approve the
4 transfer, unless the transfer is consistent with the objective of
5 conserving, to the maximum extent possible, the expenditure of state
6 funds and not federal funds. The director of financial management
7 shall notify the appropriate fiscal committees of the senate and house
8 of representatives in writing seven days prior to approving any
9 deviations from appropriation levels. The written notification shall
10 include a narrative explanation and justification of the changes, along
11 with expenditures and allotments by budget unit and appropriation, both
12 before and after any allotment modifications or transfers.

13 **Sec. 222.** 2010 2nd sp.s. c 1 s 214 (uncodified) is amended to read
14 as follows:

15 **FOR THE DEPARTMENT OF CORRECTIONS**

16 (1) ADMINISTRATION AND SUPPORT SERVICES

17 General Fund--State Appropriation (FY 2010)	\$55,772,000
18 General Fund--State Appropriation (FY 2011)	((\$51,929,000))
	<u>\$48,131,000</u>
20 TOTAL APPROPRIATION	((\$107,701,000))
	<u>\$103,903,000</u>

21

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

24 (a) Within funds appropriated in this section, the department shall
25 seek contracts for chemical dependency vendors to provide chemical
26 dependency treatment of offenders in corrections facilities, including
27 corrections centers and community supervision facilities, which have
28 demonstrated effectiveness in treatment of offenders and are able to
29 provide data to show a successful treatment rate.

30 (b) \$35,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$35,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for the support of a statewide
33 council on mentally ill offenders that includes as its members
34 representatives of community-based mental health treatment programs,
35 current or former judicial officers, and directors and commanders of
36 city and county jails and state prison facilities. The council will
37 investigate and promote cost-effective approaches to meeting the long-

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

5 (2) CORRECTIONAL OPERATIONS

6	General Fund--State Appropriation (FY 2010)	\$458,503,000
7	General Fund--State Appropriation (FY 2011)	((\$562,483,000))
8		<u>\$581,211,000</u>
9	General Fund--Federal Appropriation	((\$186,719,000))
10		<u>\$186,720,000</u>
11	Washington Auto Theft Prevention Authority Account--	
12	State Appropriation	\$5,936,000
13	State Efficiency and Restructuring Account--State	
14	Appropriation	\$34,522,000
15	TOTAL APPROPRIATION	((\$1,248,163,000))
16		<u>\$1,266,892,000</u>

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

19 (a) The department may expend funds generated by contractual
20 agreements entered into for mitigation of severe overcrowding in local
21 jails. Any funds generated in excess of actual costs shall be
22 deposited in the state general fund. Expenditures shall not exceed
23 revenue generated by such agreements and shall be treated as a recovery
24 of costs.

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

30 (c) During the 2009-11 biennium, when contracts are established or
31 renewed for offender pay phone and other telephone services provided to
32 inmates, the department shall select the contractor or contractors
33 primarily based on the following factors: (i) The lowest rate charged
34 to both the inmate and the person paying for the telephone call; and
35 (ii) the lowest commission rates paid to the department, while
36 providing reasonable compensation to cover the costs of the department
37 to provide the telephone services to inmates and provide sufficient

1 revenues for the activities funded from the institutional welfare
2 betterment account.

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

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

13 (f) Within amounts provided in this subsection, the department,
14 jointly with the department of social and health services, shall
15 identify the number of offenders released through the extraordinary
16 medical placement program, the cost savings to the department of
17 corrections, including estimated medical cost savings, and the costs
18 for medical services in the community incurred by the department of
19 social and health services. The department and the department of
20 social and health services shall jointly report to the office of
21 financial management and the appropriate fiscal committees of the
22 legislature by November 30, 2010.

23 (g) \$11,863,000 of the general fund--state appropriation for fiscal
24 year 2010, \$7,467,000 of the general fund--state appropriation for
25 fiscal year 2011, and \$2,336,000 of the general fund-private/local
26 appropriation are provided solely for in-prison evidence-based programs
27 and for the reception diagnostic center program as part of the offender
28 re-entry initiative.

29 (h) The appropriations in this subsection are based on savings
30 assumed from the closure of the McNeil Island corrections center, the
31 Ahtanum View corrections center, and the Pine Lodge corrections center
32 for women.

33 (3) COMMUNITY SUPERVISION

34	General Fund--State Appropriation (FY 2010)	\$150,729,000
35	General Fund--State Appropriation (FY 2011)	((\$134,744,000))
36		<u>\$133,840,000</u>
37	TOTAL APPROPRIATION	((\$285,473,000))
38		<u>\$284,569,000</u>

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

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

8 (b) \$2,083,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$2,083,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
11 (state institutions/release). If the bill is not enacted by June 30,
12 2009, the amounts provided in this subsection shall lapse.

13 (c) The appropriations in this subsection are based upon savings
14 assumed from the implementation of Engrossed Substitute Senate Bill No.
15 5288 (supervision of offenders).

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

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

30 (f) \$984,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely for supplemental services that will be
32 provided to offenders in lieu of a prison sentence, pursuant to chapter
33 224, Laws of 2010 (confinement alternatives).

34 (4) CORRECTIONAL INDUSTRIES

35	General Fund--State Appropriation (FY 2010)	\$2,574,000
36	General Fund--State Appropriation (FY 2011)	((\$2,441,000))
37		<u>\$2,642,000</u>
38	TOTAL APPROPRIATION	((\$5,015,000))

1 \$5,216,000

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

11 (5) INTERAGENCY PAYMENTS

12	General Fund--State Appropriation (FY 2010)	\$40,728,000
13	General Fund--State Appropriation (FY 2011)	(\$38,629,000)
14		<u>\$38,995,000</u>
15	TOTAL APPROPRIATION	(\$79,357,000)
16		<u>\$79,723,000</u>

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

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

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

26 **Sec. 223.** 2010 1st sp.s. c 37 s 224 (uncodified) is amended to
27 read as follows:

28 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

29	General Fund--State Appropriation (FY 2010)	\$2,504,000
30	General Fund--State Appropriation (FY 2011)	(\$2,390,000)
31		<u>\$2,158,000</u>
32	General Fund--Federal Appropriation	(\$18,116,000)
33		<u>\$18,416,000</u>
34	General Fund--Private/Local Appropriation	\$30,000
35	TOTAL APPROPRIATION	(\$23,040,000)
36		<u>\$23,108,000</u>

1 ((The amounts appropriated in this section are subject to the
2 following conditions and limitations: Sufficient amounts are
3 appropriated in this section to support contracts for services that
4 provide employment support and help with life activities for deaf and
5 blind individuals in King county.))

6 **Sec. 224.** 2010 1st sp.s. c 37 s 225 (uncodified) is amended to
7 read as follows:

8 **FOR THE SENTENCING GUIDELINES COMMISSION**

9	General Fund--State Appropriation (FY 2010)	\$962,000
10	General Fund--State Appropriation (FY 2011)	(\$948,000)
11		<u>\$843,000</u>
12	TOTAL APPROPRIATION	(\$1,910,000)
13		<u>\$1,805,000</u>

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

16 (1) Within the amounts appropriated in this section, the sentencing
17 guidelines commission, in partnership with the courts, shall develop a
18 plan to implement an evidence-based system of community custody for
19 adult felons that will include the consistent use of evidence-based
20 risk and needs assessment tools, programs, supervision modalities, and
21 monitoring of program integrity. The plan for the evidence-based
22 system of community custody shall include provisions for identifying
23 cost-effective rehabilitative programs; identifying offenders for whom
24 such programs would be cost-effective; monitoring the system for cost-
25 effectiveness; and reporting annually to the legislature. In
26 developing the plan, the sentencing guidelines shall consult with: The
27 Washington state institute for public policy; the legislature; the
28 department of corrections; local governments; prosecutors; defense
29 attorneys; victim advocate groups; law enforcement; the Washington
30 federation of state employees; and other interested entities. The
31 sentencing guidelines commission shall report its recommendations to
32 the governor and the legislature by December 1, 2009.

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

1 (b) The commission shall submit the analysis described in section
2 15 of Engrossed Substitute Senate Bill No. 5288 no later than December
3 1, 2011.

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

14 **Sec. 225.** 2010 1st sp.s. c 37 s 226 (uncodified) is amended to
15 read as follows:

16 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

17	General Fund--State Appropriation (FY 2010)	\$2,054,000
18	General Fund--State Appropriation (FY 2011)	(\$5,053,000)
19		<u>\$4,719,000</u>
20	General Fund--Federal Appropriation	(\$324,135,000)
21		<u>\$327,109,000</u>
22	General Fund--Private/Local Appropriation	\$33,640,000
23	Unemployment Compensation Administration Account--	
24	Federal Appropriation	(\$362,740,000)
25		<u>\$384,549,000</u>
26	Administrative Contingency Account--State Appropriation . . .	\$345,000
27	Employment Service Administrative Account--State	
28	Appropriation	\$37,775,000
29	TOTAL APPROPRIATION	(\$765,742,000)
30		<u>\$790,191,000</u>

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

33 (1) \$59,829,000 of the unemployment compensation administration
34 account--federal appropriation is provided from amounts made available
35 to the state by section 903(d) and (f) of the social security act (Reed
36 act). This amount is authorized to continue current unemployment

1 insurance functions and department services to employers and job
2 seekers.

3 (2) \$32,067,000 of the unemployment compensation administration
4 account--federal appropriation is provided from amounts made available
5 to the state by section 903(d) and (f) of the social security act (Reed
6 act). This amount is authorized to fund the replacement of the
7 unemployment insurance tax information system (TAXIS) for the
8 employment security department. This section is subject to section 902
9 of this act.

10 (3) \$110,000 of the unemployment compensation administration
11 account--federal appropriation is provided solely for implementation of
12 Senate Bill No. 5804 (leaving part time work voluntarily).

13 (4) \$1,263,000 of the unemployment compensation administration
14 account--federal appropriation is provided solely for implementation of
15 Senate Bill No. 5963 (unemployment insurance).

16 (5) \$159,000 of the unemployment compensation account--federal
17 appropriation is provided solely for the implementation of House Bill
18 No. 1555 (underground economy) from funds made available to the state
19 by section 903(d) of the social security act (Reed act).

20 (6) \$295,000 of the administrative contingency--state appropriation
21 for fiscal year 2010 is provided solely for the implementation of House
22 Bill No. 2227 (evergreen jobs act).

23 (7) \$7,000,000 of the general fund--state appropriation for fiscal
24 year 2010 is provided solely for the implementation of Senate Bill No.
25 5809 (WorkForce employment and training).

26 (8) \$444,000 of the unemployment compensation administration
27 account--federal appropriation is provided solely for the
28 implementation of Substitute Senate Bill No. 6524 (unemployment
29 insurance penalties and contribution rates) from funds made available
30 to the state by section 903 (d) or (f) of the social security act (Reed
31 12 act). If the bill is not enacted by June 30, 2010, the amount
32 provided in this subsection shall lapse.

33 (9) \$232,000 of the unemployment compensation administration
34 account--federal appropriation from funds made available to the state
35 by section 903(c) or (f) of the social security act (Reed act) is
36 provided solely for the implementation of Substitute House Bill No.

1 2789 (underground economic activity). If the bill is not enacted by
2 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)
	<u>\$46,392,000</u>
General Fund--Federal Appropriation	\$82,079,000
General Fund--Private/Local Appropriation	\$16,688,000
Special Grass Seed Burning Research Account--State	
Appropriation	\$14,000
Reclamation Account--State Appropriation	(\$3,649,000)
	<u>\$3,640,000</u>
Flood Control Assistance Account--State Appropriation	\$1,943,000
State Emergency Water Projects Revolving Account--	
State Appropriation	\$240,000
Waste Reduction/Recycling/Litter Control--State	
Appropriation	(\$12,467,000)
	<u>\$12,440,000</u>
State Drought Preparedness Account--State	
Appropriation	\$4,000,000
State and Local Improvements Revolving Account	
(Water Supply Facilities)--State Appropriation	\$424,000
Freshwater Aquatic Algae Control Account--State	
Appropriation	\$508,000
Water Rights Tracking System Account--State	
Appropriation	\$116,000
Site Closure Account--State Appropriation	\$922,000
Wood Stove Education and Enforcement Account--State	
Appropriation	(\$612,000)
	<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)
	<u>\$106,391,000</u>

1 improve understanding of burn curtailments, the proper use of wood
2 heating devices, and public awareness of the adverse health effects of
3 woodsmoke pollution.

4 (3) \$3,000,000 of the general fund--private/local appropriation is
5 provided solely for contracted toxic-site cleanup actions at sites
6 where multiple potentially liable parties agree to provide funding.

7 (4) \$3,600,000 of the local toxics account--state appropriation is
8 provided solely for the standby emergency rescue tug stationed at Neah
9 Bay.

10 (5) \$811,000 of the state toxics account--state appropriation is
11 provided solely for oversight of toxic cleanup at facilities that
12 treat, store, and dispose of hazardous wastes.

13 (6) \$1,456,000 of the state toxics account--state appropriation is
14 provided solely for toxic cleanup at sites where willing parties
15 negotiate prepayment agreements with the department and provide
16 necessary funding.

17 (7) \$558,000 of the state toxics account--state appropriation and
18 \$3,000,000 of the local toxics account--state appropriation are
19 provided solely for grants and technical assistance to Puget Sound-area
20 local governments engaged in updating shoreline master programs.

21 (8) \$950,000 of the state toxics control account--state
22 appropriation is provided solely for measuring water and habitat
23 quality to determine watershed health and assist salmon recovery,
24 beginning in fiscal year 2011.

25 (9) RCW 70.105.280 authorizes the department to assess reasonable
26 service charges against those facilities that store, treat, incinerate,
27 or dispose of dangerous or extremely hazardous waste that involves both
28 a nonradioactive hazardous component and a radioactive component.
29 Service charges may not exceed the costs to the department in carrying
30 out the duties in RCW 70.105.280. The current service charges do not
31 meet the costs of the department to carry out its duties. Pursuant to
32 RCW 43.135.055 and 70.105.280, the department is authorized to increase
33 the service charges no greater than 18 percent for fiscal year 2010 and
34 no greater than 15 percent for fiscal year 2011. Such service charges
35 shall include all costs of public participation grants awarded to
36 qualified entities by the department pursuant to RCW 70.105D.070(5) for
37 facilities at which such grants are recognized as a component of a
38 community relations or public participation plan authorized or required

1 as an element of a consent order, federal facility agreement or agreed
2 order entered into or issued by the department pursuant to any federal
3 or state law governing investigation and remediation of releases of
4 hazardous substances. Public participation grants funded by such
5 service charges shall be in addition to, and not in place of, any other
6 grants made pursuant to RCW 70.105D.070(5). Costs for the public
7 participation grants shall be billed individually to the mixed waste
8 facility associated with the grant.

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

15 (11) \$63,000 of the state toxics control account--state
16 appropriation is provided solely for implementation of Substitute
17 Senate Bill No. 5797 (solid waste handling permits). If the bill is
18 not enacted by June 30, 2009, the amount provided in this subsection
19 shall lapse.

20 (12) \$225,000 of the general fund--state appropriation for fiscal
21 year 2010 and (~~(\$193,000)~~) \$181,000 of the general fund--state
22 appropriation for fiscal year 2011 are provided solely for
23 implementation of Engrossed Second Substitute Bill No. 5560 (agency
24 climate leadership). If the bill is not enacted by June 30, 2009, the
25 amounts provided in this subsection shall lapse.

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

36 (14) \$215,000 of the general fund--state appropriation for fiscal
37 year 2010 and (~~(\$235,000)~~) \$220,000 of the general fund--state
38 appropriation for fiscal year 2011 are provided solely to provide

1 watershed planning implementation grants for WRIA 32 to implement
2 Substitute House Bill No. 1580 (pilot local water management program).
3 If the bill is not enacted by June 30, 2009, the amounts provided in
4 this subsection shall lapse.

5 (15) \$200,000 of the general fund--state appropriation for fiscal
6 year 2010 and (~~(\$200,000)~~) \$187,000 of the general fund--state
7 appropriation for fiscal year 2011 are provided solely for the purpose
8 of supporting the trust water rights program and processing trust water
9 right transfer applications that improve instream flow.

10 (16)(a) The department shall convene a stock water working group
11 that includes: Legislators, four members representing agricultural
12 interests, three members representing environmental interests, the
13 attorney general or designee, the director of the department of ecology
14 or designee, the director of the department of agriculture or designee,
15 and affected federally recognized tribes shall be invited to send
16 participants.

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

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

23 (17) \$73,000 of the water quality permit account--state
24 appropriation is provided solely to implement Substitute House Bill No.
25 1413 (water discharge fees). If the bill is not enacted by June 30,
26 2009, the amount provided in this subsection shall lapse.

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

32 (19) The department shall track any changes in costs, wages, and
33 benefits that would have resulted if House Bill No. 1716 (public
34 contract living wages), as introduced in the 2009 regular session of
35 the legislature, were enacted and made applicable to contracts and
36 related subcontracts entered into, renewed, or extended during the
37 2009-11 biennium. The department shall submit a report to the house of
38 representatives commerce and labor committee and the senate labor,

1 commerce, and consumer protection committee by December 1, 2011. The
2 report shall include data on any aggregate changes in wages and
3 benefits that would have resulted during the 2009-11 biennium.

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

19 (21) \$140,000 of the freshwater aquatic algae control account--
20 state appropriation is provided solely for grants to cities, counties,
21 tribes, special purpose districts, and state agencies for capital and
22 operational expenses used to manage and study excessive saltwater algae
23 with an emphasis on the periodic accumulation of sea lettuce on Puget
24 Sound beaches.

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

36 (23) \$220,000 of the site closure account--state appropriation is
37 provided solely for litigation expenses associated with the lawsuit

1 filed by energy solutions, inc., against the Northwest interstate
2 compact on low-level radioactive waste management and its executive
3 director.

4 (24) \$68,000 of the water rights processing account--state
5 appropriation is provided solely for implementation of Engrossed Second
6 Substitute Senate Bill No. 6267 (water rights processing). If the bill
7 is not enacted by June 30, 2010, the amount provided in this subsection
8 shall lapse.

9 (25) \$10,000 of the state toxics control account--state
10 appropriation is provided solely for implementation of Engrossed
11 Substitute Senate Bill No. 5543 (mercury-containing lights). If the
12 bill is not enacted by June 30, 2010, the amount provided in this
13 subsection shall lapse.

14 (26) \$300,000 of the state toxics control account--state
15 appropriation is provided solely for piloting and evaluating two
16 coordinated, multijurisdictional permitting teams for nontransportation
17 projects.

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

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

35 (28) No more than \$250,000 from the oil spill response account--
36 state appropriation may be expended for hazardous material spills under
37 \$50,000.

1 (29) \$750,000 of the state toxics account--state appropriation is
2 provided solely for legal services and expert-witness costs related to
3 the *Pakootas et al. v. Teck Cominco, Ltd.*, case (concerning a toxic
4 cleanup site on the Upper Columbia River).

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

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

8	General Fund--State Appropriation (FY 2010)	\$23,176,000
9	General Fund--State Appropriation (FY 2011)	(\$18,309,000)
10		<u>\$18,275,000</u>
11	General Fund--Federal Appropriation	\$6,892,000
12	General Fund--Private/Local Appropriation	\$73,000
13	Winter Recreation Program Account--State Appropriation . . .	\$1,556,000
14	Off Road Vehicle Account--State Appropriation	\$239,000
15	Snowmobile Account--State Appropriation	\$4,842,000
16	Aquatic Lands Enhancement Account--State Appropriation	\$368,000
17	Recreation Resources Account--State Appropriation	(\$9,802,000)
18		<u>\$9,469,000</u>
19	NOVA Program Account--State Appropriation	(\$9,560,000)
20		<u>\$9,164,000</u>
21	Parks Renewal and Stewardship Account--State	
22	Appropriation	\$72,975,000
23	Parks Renewal and Stewardship Account--	
24	Private/Local Appropriation	\$300,000
25	TOTAL APPROPRIATION	(\$148,092,000)
26		<u>\$147,329,000</u>

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

29 (1) \$79,000 of the general fund--state appropriation for fiscal
30 year 2010 and ~~(\$79,000)~~ \$74,000 of the general fund--state
31 appropriation for fiscal year 2011 are provided solely for a grant for
32 the operation of the Northwest avalanche center.

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

36 (3) With the passage of Substitute House Bill No. 2339 (state parks
37 system donation), the legislature finds that it has provided sufficient

1 funds to ensure that all state parks remain open during the 2009-11
2 biennium. The commission shall not close state parks unless the bill
3 is not enacted by June 30, 2009, or revenue collections are
4 insufficient to fund the ongoing operation of state parks. By January
5 10, 2010, the commission shall provide a report to the legislature on
6 their budget and resources related to operating parks for the remainder
7 of the biennium.

8 (4) The commission shall work with the department of general
9 administration to evaluate the commission's existing leases with the
10 intention of increasing net revenue to state parks. The commission
11 shall provide to the office of financial management and the legislative
12 fiscal committees no later than September 30, 2009, a list of leases
13 the commission proposes be managed by the department of general
14 administration.

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

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

18	General Fund--State Appropriation (FY 2010)	\$1,486,000
19	General Fund--State Appropriation (FY 2011)	(((\$1,312,000))
20		<u>\$1,324,000</u>
21	General Fund--Federal Appropriation	(((\$10,322,000))
22		<u>\$10,427,000</u>
23	General Fund--Private/Local Appropriation	\$250,000
24	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
25	Firearms Range Account--State Appropriation	\$39,000
26	Recreation Resources Account--State Appropriation	(((\$2,710,000))
27		<u>\$2,738,000</u>
28	NOVA Program Account--State Appropriation	(((\$1,049,000))
29		<u>\$1,059,000</u>
30	TOTAL APPROPRIATION	(((\$17,446,000))
31		<u>\$17,601,000</u>

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

34 (1) \$204,000 of the general fund--state appropriation for fiscal
35 year 2010 and ~~(((\$244,000))~~ \$194,000 of the general fund--state
36 appropriation for fiscal year 2011 are provided solely for the

1 implementation of Substitute House Bill No. 2157 (salmon recovery). If
2 the bill is not enacted by June 30, 2009, the amounts provided in this
3 subsection shall lapse.

4 (2) The recreation and conservation office, under the direction of
5 the salmon recovery funding board, shall assess watershed and regional-
6 scale capacity issues relating to the support and implementation of
7 salmon recovery. The assessment shall examine priority setting and
8 incentives to further promote coordination to ensure that effective and
9 efficient mechanisms for delivery of salmon recovery funding board
10 funds are being utilized. The salmon recovery funding board shall
11 distribute its operational funding to the appropriate entities based on
12 this assessment.

13 (3) The recreation and conservation office shall negotiate an
14 agreement with the Puget Sound partnership to consolidate or share
15 certain administrative functions currently performed by each agency
16 independently. The agencies shall proportionately share the costs of
17 such shared functions. Examples of shared functions may include, but
18 are not limited to, support for personnel, information technology,
19 grant and contract management, invasive species work, legislative
20 coordination, and policy and administrative support of various boards
21 and councils.

22 **Sec. 304.** 2010 2nd sp.s. c 1 s 305 (uncodified) is amended to read
23 as follows:

24 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

25	General Fund--State Appropriation (FY 2010)	\$1,108,000
26	General Fund--State Appropriation (FY 2011)	(\$1,035,000)
27		<u>\$1,034,000</u>
28	TOTAL APPROPRIATION	(\$2,143,000)
29		<u>\$2,142,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations: \$46,000 of the general fund--state
32 appropriation for fiscal year 2010 is provided solely for tenant
33 improvement costs associated with moving the office to a new location.

34 **Sec. 305.** 2010 2nd sp.s. c 1 s 306 (uncodified) is amended to read
35 as follows:

1	Game Special Wildlife Account--State Appropriation	\$2,367,000
2	Game Special Wildlife Account--Federal Appropriation	\$3,426,000
3	Game Special Wildlife Account--Private/Local	
4	Appropriation	\$487,000
5	Wildlife Rehabilitation Account--State Appropriation	\$269,000
6	Regional Fisheries Salmonid Recovery Account--	
7	Federal Appropriation	\$5,001,000
8	Oil Spill Prevention Account--State Appropriation	\$876,000
9	Oyster Reserve Land Account--State Appropriation	\$916,000
10	TOTAL APPROPRIATION	(\$320,569,000)
11		<u>\$324,097,000</u>

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

14 (1) \$294,000 of the aquatic lands enhancement account--state
15 appropriation is provided solely for the implementation of hatchery
16 reform recommendations defined by the hatchery scientific review group.

17 (2) \$355,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$422,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for the department to implement a
20 pilot project with the Confederated Tribes of the Colville Reservation
21 to develop expanded recreational fishing opportunities on Lake Rufus
22 Woods and its northern shoreline and to conduct joint enforcement of
23 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
24 state and tribal intergovernmental agreements developed under the
25 Columbia River water supply program. For the purposes of the pilot
26 project:

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

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

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

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

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

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

17 (4) Within existing funds, the department shall continue
18 implementing its capital program action plan dated September 1, 2007,
19 including the purchase of the necessary maintenance and support costs
20 for the capital programs and engineering tools. The department shall
21 report to the office of financial management and the appropriate
22 committees of the legislature, its progress in implementing the plan,
23 including improvements instituted in its capital program, by September
24 30, 2010.

25 (5) \$1,232,000 of the state wildlife account--state appropriation
26 is provided solely to implement Substitute House Bill No. 1778 (fish
27 and wildlife). If the bill is not enacted by June 30, 2009, the amount
28 provided in this subsection shall lapse.

29 (6) \$400,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$400,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for a state match to support the
32 Puget Sound nearshore partnership between the department and the U.S.
33 army corps of engineers.

34 (7) \$50,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$50,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for removal of derelict gear in
37 Washington waters.

1 (8) The department of fish and wildlife shall dispose of all Cessna
2 aircraft it currently owns. The proceeds from the aircraft shall be
3 deposited into the state wildlife account. Disposal of the aircraft
4 must occur no later than June 30, 2010. The department shall
5 coordinate with the department of natural resources on the installation
6 of fire surveillance equipment into its Partenavia aircraft. The
7 department shall make its Partenavia aircraft available to the
8 department of natural resources on a cost-reimbursement basis for its
9 use in coordinating fire suppression efforts. The two agencies shall
10 develop an interagency agreement that defines how they will share
11 access to the plane.

12 (9) \$50,000 of the general fund--state appropriation for fiscal
13 year 2010 is provided solely for an electron project fish passage study
14 consistent with the recommendations and protocols contained in the 2008
15 electron project downstream fish passage final report.

16 (10) \$60,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$60,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely for implementation of Engrossed
19 Second Substitute Bill No. 5560 (agency climate leadership). If the
20 bill is not enacted by June 30, 2009, the amounts provided in this
21 subsection shall lapse.

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

34 (12) \$100,000 of the eastern Washington pheasant enhancement
35 account--state appropriation is provided solely for the department to
36 support efforts to enhance permanent and temporary pheasant habitat on
37 public and private lands in Grant, Franklin, and Adams counties. The
38 department may support efforts by entities including conservation

1 districts, nonprofit organizations, and landowners, and must require
2 such entities to provide significant nonstate matching resources, which
3 may be in the form of funds, material, or labor.

4 (13) Within the amounts appropriated in this section, the
5 department of fish and wildlife shall develop a method for allocating
6 its administrative and overhead costs proportionate to program fund
7 use. As part of its 2011-2013 biennial operating budget, the
8 department shall submit a decision package that rebalances expenditure
9 authority for all agency funds based upon proportionate contributions.

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

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

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

37 (17) Prior to opening game management unit 490 to public hunting,

1 the department shall complete an environmental impact statement that
2 includes an assessment of how public hunting activities will impact the
3 ongoing protection of the public water supply.

4 (18) The department must work with appropriate stakeholders to
5 facilitate the disposition of salmon to best utilize the resource,
6 increase revenues to regional fisheries enhancement groups, and enhance
7 the provision of nutrients to food banks. By November 1, 2010, the
8 department must provide a report to the appropriate committees of the
9 legislature summarizing these discussions, outcomes, and
10 recommendations. After November 1, 2010, the department shall not
11 solicit or award a surplus salmon disposal contract without first
12 giving due consideration to implementing the recommendations developed
13 during the stakeholder process.

14 (19) \$50,000 of the general fund--state appropriation for fiscal
15 year 2011 is provided solely for increased fish production at Voight
16 Creek hatchery.

17 **Sec. 307.** 2010 2nd sp.s. c 1 s 308 (uncodified) is amended to read
18 as follows:

19 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

20	General Fund--State Appropriation (FY 2010)	\$48,822,000
21	General Fund--State Appropriation (FY 2011)	((\$33,387,000))
22		<u>\$38,029,000</u>
23	General Fund--Federal Appropriation	\$28,784,000
24	General Fund--Private/Local Appropriation	\$2,369,000
25	Forest Development Account--State Appropriation	\$41,640,000
26	Off Road Vehicle Account--State Appropriation	\$4,406,000
27	Surveys and Maps Account--State Appropriation	\$2,332,000
28	Aquatic Lands Enhancement Account--State	
29	Appropriation	\$8,315,000
30	Resources Management Cost Account--State	
31	Appropriation	\$78,704,000
32	Surface Mining Reclamation Account--State	
33	Appropriation	\$3,494,000
34	Disaster Response Account--State Appropriation	\$5,000,000
35	Forest and Fish Support Account--State Appropriation	\$8,000,000
36	Aquatic Land Dredged Material Disposal Site	
37	Account--State Appropriation	\$1,333,000

1	Natural Resources Conservation Areas Stewardship	
2	Account--State Appropriation	\$184,000
3	State Toxics Control Account--State Appropriation	\$720,000
4	Air Pollution Control Account--State Appropriation	(\$568,000)
5		<u>\$478,000</u>
6	NOVA Program Account--State Appropriation	\$974,000
7	Derelict Vessel Removal Account--State Appropriation	\$1,749,000
8	Agricultural College Trust Management Account--	
9	State Appropriation	\$1,941,000
10	TOTAL APPROPRIATION	(\$272,722,000)
11		<u>\$277,274,000</u>

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

14 (1) \$1,355,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$349,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for deposit into the agricultural
17 college trust management account and are provided solely to manage
18 approximately 70,700 acres of Washington State University's
19 agricultural college trust lands.

20 (2) \$22,670,000 of the general fund--state appropriation for fiscal
21 year 2010, ~~(\$11,128,000)~~ \$15,789,000 of the general fund--state
22 appropriation for fiscal year 2011, and \$5,000,000 of the disaster
23 response account--state appropriation are provided solely for emergency
24 fire suppression. None of the general fund and disaster response
25 account amounts provided in this subsection may be used to fund agency
26 indirect and administrative expenses. Agency indirect and
27 administrative costs shall be allocated among the agency's remaining
28 accounts and appropriations. The department of natural resources shall
29 submit a quarterly report to the office of financial management and the
30 legislative fiscal committees detailing information on current and
31 planned expenditures from the disaster response account. This work
32 shall be done in coordination with the military department.

33 (3) \$5,000,000 of the forest and fish support account--state
34 appropriation is provided solely for adaptive management, monitoring,
35 and participation grants to tribes. If federal funding for this
36 purpose is reinstated, the amount provided in this subsection shall
37 lapse.

1 (4) \$600,000 of the derelict vessel removal account--state
2 appropriation is provided solely for removal of derelict and abandoned
3 vessels that have the potential to contaminate Puget Sound.

4 (5) \$666,000 of the general fund--federal appropriation is provided
5 solely to implement House Bill No. 2165 (forest biomass energy
6 project). If the bill is not enacted by June 30, 2009, the amount
7 provided in this subsection shall lapse.

8 (6) \$5,000 of the general fund--state appropriation for fiscal year
9 2010 and \$5,000 of the general fund--state appropriation for fiscal
10 year 2011 are provided solely to implement Substitute House Bill No.
11 1038 (specialized forest products). If the bill is not enacted by June
12 30, 2009, the amounts provided in this subsection shall lapse.

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

22 (8) The department of natural resources shall dispose of the King
23 Air aircraft it currently owns. Before disposal and within existing
24 funds, the department shall transfer specialized equipment for fire
25 surveillance to the department of fish and wildlife's Partenavia
26 aircraft. Disposal of the aircraft must occur no later than June 30,
27 2010, and the proceeds from the sale of the aircraft shall be deposited
28 into the forest and fish support account. No later than June 30, 2011,
29 the department shall lease facilities in eastern Washington sufficient
30 to house the necessary aircraft, mechanics, and pilots used for forest
31 fire prevention and suppression.

32 (9) \$30,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$30,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for implementation of Engrossed
35 Second Substitute Bill No. 5560 (agency climate leadership). If the
36 bill is not enacted by June 30, 2009, the amounts provided in this
37 subsection shall lapse.

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

7 (11) Within available funds, the department of natural resources
8 shall review the statutory method for determining aquatic lands lease
9 rates for private marinas, public marinas not owned and operated by
10 port districts, yacht clubs, and other entities leasing state land for
11 boat moorage. The review shall consider alternative methods for
12 determining rents for these entities for a fair distribution of rent,
13 consistent with the department management mandates for state aquatic
14 lands.

15 (12) \$40,000 of the general fund--state appropriation for fiscal
16 year 2011 and \$100,000 of the aquatic lands enhancement account--state
17 appropriation are provided solely to install up to twenty mooring buoys
18 in Eagle Harbor and to remove abandoned boats, floats, and other
19 trespassing structures.

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

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

1 **Sec. 308.** 2010 2nd sp.s. c 1 s 309 (uncodified) is amended to read
2 as follows:

3 **FOR THE DEPARTMENT OF AGRICULTURE**

4	General Fund--State Appropriation (FY 2010)	\$12,320,000
5	General Fund--State Appropriation (FY 2011)	(\$15,830,000)
6		<u>\$18,897,000</u>
7	General Fund--Federal Appropriation	(\$20,947,000)
8		<u>\$21,047,000</u>
9	General Fund--Private/Local Appropriation	\$193,000
10	Aquatic Lands Enhancement Account--State	
11	Appropriation	(\$2,551,000)
12		<u>\$2,564,000</u>
13	State Toxics Control Account--State Appropriation	\$4,724,000
14	Water Quality Permit Account--State Appropriation	\$61,000
15	TOTAL APPROPRIATION	(\$56,626,000)
16		<u>\$59,806,000</u>

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

19 (1) \$350,000 of the aquatic lands enhancement account appropriation
20 is provided solely for funding to the Pacific county noxious weed
21 control board to eradicate remaining spartina in Willapa Bay.

22 (2) \$19,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$6,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely to implement Substitute Senate
25 Bill No. 5797 (solid waste handling permits). If the bill is not
26 enacted by June 30, 2009, the amounts provided in this subsection shall
27 lapse.

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

33 (4) \$5,420,000 of the general fund--state appropriation for fiscal
34 year 2011 and \$2,782,000 of the general fund--federal appropriation are
35 provided solely for implementation of Substitute Senate Bill No. 6341
36 (food assistance/department of agriculture). Within amounts
37 appropriated in this subsection, \$65,000 of the general fund--state
38 appropriation for fiscal year 2011 is provided solely for a contract

1 with a food distribution program for communities in the southwestern
2 portion of the state and for workers impacted by timber and salmon
3 fishing closures and reductions. The department may not charge
4 administrative overhead or expenses to this contract. If the bill is
5 not enacted by June 30, 2010, the amounts provided in this subsection
6 shall lapse.

7 (5) The department shall, if public or private funds are available,
8 partner with eligible public and private entities with experience in
9 food collection and distribution to review funding sources for eight
10 full-time volunteers in the AmeriCorps VISTA program to conduct
11 outreach to local growers, agricultural donors, and community
12 volunteers. Public and private partners shall also be utilized to
13 coordinate gleaning unharvested tree fruits and fresh produce for
14 distribution to individuals throughout Washington state.

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

18 **Sec. 309.** 2010 2nd sp.s. c 1 s 310 (uncodified) is amended to read
19 as follows:

20 **FOR THE PUGET SOUND PARTNERSHIP**

21	General Fund--State Appropriation (FY 2010)	\$3,143,000
22	General Fund--State Appropriation (FY 2011)	((\$2,684,000))
23		<u>\$2,681,000</u>
24	General Fund--Federal Appropriation	((\$7,214,000))
25		<u>\$8,096,000</u>
26	Aquatic Lands Enhancement Account--State Appropriation	\$493,000
27	State Toxics Control Account--State Appropriation	\$794,000
28	TOTAL APPROPRIATION	((\$14,328,000))
29		<u>\$15,207,000</u>

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

32 (1) \$305,000 of the general fund--state appropriation for fiscal
33 year 2010 is provided solely for measuring water and habitat quality to
34 determine watershed health and assist salmon recovery.

35 (2) \$794,000 of the state toxics control account--state
36 appropriation is provided solely for activities that contribute to
37 Puget Sound protection and recovery, including provision of independent

1 advice and assessment of the state's oil spill prevention,
2 preparedness, and response programs, including review of existing
3 activities and recommendations for any necessary improvements. The
4 partnership may carry out this function through an existing committee,
5 such as the ecosystem coordination board or the leadership council, or
6 may appoint a special advisory council. Because this is a unique
7 statewide program, the partnership may invite participation from
8 outside the Puget Sound region.

9 (3) Within the amounts appropriated in this section, the Puget
10 Sound partnership shall facilitate an ongoing monitoring consortium to
11 integrate monitoring efforts for storm water, water quality, watershed
12 health, and other indicators to enhance monitoring efforts in Puget
13 Sound.

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

17 (5) \$839,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$764,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely to support public education and
20 volunteer programs. The partnership is directed to distribute the
21 majority of funding as grants to local organizations, local
22 governments, and education, communication, and outreach network
23 partners. The partnership shall track progress for this activity
24 through the accountability system of the Puget Sound partnership.

25 (6) The Puget Sound partnership shall negotiate an agreement with
26 the recreation and conservation office to consolidate or share certain
27 administrative functions currently performed by each agency
28 independently. The agencies shall proportionately share the costs of
29 such shared functions. Examples of shared functions may include, but
30 are not limited to, support for personnel, information technology,
31 grant and contract management, invasive species work, legislative
32 coordination, and policy and administrative support of various boards
33 and councils.

(End of part)

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)	(\$1,524,000)
	<u>\$1,320,000</u>
Architects' License Account--State Appropriation	\$923,000
Professional Engineers' Account--State	
Appropriation	\$3,568,000
Real Estate Commission Account--State Appropriation	\$9,987,000
Master License Account--State Appropriation	\$15,718,000
Uniform Commercial Code Account--State Appropriation	\$3,090,000
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	\$1,683,000
Business and Professions Account--State Appropriation	\$15,188,000
Real Estate Research Account--State Appropriation	\$471,000
Geologists' Account--State Appropriation	\$53,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	(\$53,948,000)
	<u>\$53,744,000</u>

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

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

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

(3) \$358,000 of the business and professions account--state appropriation is provided solely to implement Senate Bill No. 6126

1 (professional athletics). If the bill is not enacted by June 30, 2009,
2 the amount provided in this subsection shall lapse.

3 (4) \$151,000 of the real estate research account appropriation is
4 provided solely to implement chapter 156, Laws of 2010 (real estate
5 broker licensure fees).

6 (5) \$158,000 of the architects' license account--state
7 appropriation is provided solely to implement chapter 129, Laws of 2010
8 (architect licensing).

9 (6) \$60,000 of the master license account--state appropriation is
10 provided solely to implement chapter 174, Laws of 2010 (vaccine
11 association). The amount provided in this subsection shall be from fee
12 revenue authorized in chapter 174, Laws of 2010.

13 **Sec. 402.** 2010 1st sp.s. c 37 s 402 (uncodified) is amended to
14 read as follows:

15 **FOR THE STATE PATROL**

16	General Fund--State Appropriation (FY 2010)	\$38,977,000
17	General Fund--State Appropriation (FY 2011)	(\$36,059,000)
18		<u>\$32,813,000</u>
19	General Fund--Federal Appropriation	\$15,793,000
20	General Fund--Private/Local Appropriation	\$4,986,000
21	Death Investigations Account--State Appropriation	\$5,580,000
22	Enhanced 911 Account--State Appropriation	\$603,000
23	County Criminal Justice Assistance Account--State	
24	Appropriation	\$3,146,000
25	Municipal Criminal Justice Assistance Account--State	
26	Appropriation	\$1,255,000
27	Fire Service Trust Account--State Appropriation	\$131,000
28	Disaster Response Account--State Appropriation	\$8,002,000
29	Fire Service Training Account--State Appropriation	\$8,821,000
30	Aquatic Invasive Species Enforcement Account--State	
31	Appropriation	\$54,000
32	State Toxics Control Account--State Appropriation	\$509,000
33	Fingerprint Identification Account--State	
34	Appropriation	\$10,454,000
35	TOTAL APPROPRIATION	(\$134,370,000)
36		<u>\$131,374,000</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)	(\$29,696,000)
	<u>\$29,996,000</u>
General Fund--Federal Appropriation	\$87,081,000
TOTAL APPROPRIATION	(\$152,192,000)
	<u>\$152,492,000</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)~~ \$19,870,000 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)~~) \$800,000 of the general fund--state appropriation
18 for fiscal year 2011 is provided solely for contracting with a college
19 scholarship organization with expertise in conducting outreach to
20 students concerning eligibility for the Washington college bound
21 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 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
28 **APPORTIONMENT**

29	General Fund--State Appropriation (FY 2010)	\$5,126,153,000
30	General Fund--State Appropriation (FY 2011)	((\$4,912,103,000))
31		<u>\$4,625,581,000</u>
32	General Fund--Federal Appropriation	\$208,098,000
33	TOTAL APPROPRIATION	((\$10,246,354,000))
34		<u>\$9,959,832,000</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, fifty-three and two-tenths
33 certificated instructional staff units per thousand full-time
34 equivalent students in grades K through three.

35 (II) For all other districts, a minimum of forty-nine certificated
36 instructional staff units per 1,000 full-time equivalent (FTE) students
37 in grades K through three, with additional certificated instructional

1 staff units to equal the documented staffing level in grades K through
2 three, up to a maximum of fifty-three and two-tenths certificated
3 instructional staff units per 1,000 FTE students.

4 (B)(I) For districts that enroll fewer than 25 percent of their
5 total full-time equivalent student enrollment in grade four in digital
6 or online learning programs defined in WAC 392-121-182 as in effect on
7 November 1, 2009: For the 2009-10 school year, fifty-three and two-
8 tenths certificated instructional staff units per thousand full-time
9 equivalent students in grade four(~~(, and for the portion of the 2010-11~~
10 ~~school year from September 1, 2010, through January 31, 2011, forty-~~
11 ~~seven and forty three one hundredths certificated instructional staff~~
12 ~~units per thousand full-time equivalent students in grade four)).~~

13 (II) For all other districts:

14 For the 2009-10 school year, a minimum of forty-six certificated
15 instructional staff units per 1,000 full-time equivalent (FTE) students
16 in grade four, and additional certificated instructional staff units to
17 equal the documented staffing level in grade four, up to a maximum of
18 fifty-three and two-tenths certificated instructional staff units per
19 1,000 FTE students(~~(-~~

20 ~~For the portion of the 2010-11 school year from September 1, 2010,~~
21 ~~through January 31, 2011, a minimum of forty six certificated~~
22 ~~instructional staff units per 1,000 full-time equivalent (FTE) students~~
23 ~~in grade four, and additional certificated instructional staff units to~~
24 ~~equal the documented staffing level in grade four, up to a maximum of~~
25 ~~forty seven and forty three one hundredths certificated instructional~~
26 ~~staff units per 1,000 FTE students));~~

27 (iii) For the (~~portion of the~~) 2010-11 school year (~~(beginning~~
28 ~~February 1, 2010))):~~

29 (A) Forty-nine certificated instructional staff units per thousand
30 full-time equivalent students in grades kindergarten through three;

31 (B) Forty-six certificated instructional staff units per thousand
32 full-time equivalent students in grade 4;

33 (iv) (~~All allocations for instructional staff units per thousand~~
34 ~~full-time equivalent students above forty nine in grades kindergarten~~
35 ~~through three and forty six in grade four shall occur in apportionments~~
36 ~~in the monthly periods prior to February 1, 2011;~~

37 (~~v~~)) Forty-six certificated instructional staff units per thousand
38 full-time equivalent students in grades 5-12;

1 (~~(vi)~~) (v) Certificated staff allocations in this subsection
2 (2)(a) exceeding the statutory minimums established in RCW 28A.150.260
3 shall not be considered part of basic education;

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

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

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

16 (B) Middle school vocational STEM programs approved by the
17 superintendent of public instruction, a maximum of 0.92 certificated
18 instructional staff units and 0.8 certificated administrative staff
19 units for each 19.5 full-time equivalent vocational students; and

20 (C) Skills center programs meeting the standards for skills center
21 funding established in January 1999 by the superintendent of public
22 instruction with a waiver allowed for skills centers in current
23 operation that are not meeting this standard until the 2010-11 school
24 year, 0.92 certificated instructional staff units and 0.08 certificated
25 administrative units for each 16.67 full-time equivalent vocational
26 students;

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

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

36 (d) For districts enrolling not more than twenty-five average
37 annual full-time equivalent students in grades K-8, and for small
38 school plants within any school district which have been judged to be

1 remote and necessary by the state board of education and enroll not
2 more than twenty-five average annual full-time equivalent students in
3 grades K-8:

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

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

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

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

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

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

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

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

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

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

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

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

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

21 (a) For enrollments generating certificated staff unit allocations
22 under subsection (2)(e) through (h) of this section, one classified
23 staff unit for each 2.94 certificated staff units allocated under such
24 subsections;

25 (b) For all other enrollment in grades K-12, including vocational
26 full-time equivalent enrollments, one classified staff unit for each
27 58.75 average annual full-time equivalent students; and

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

32 (4) Fringe benefit allocations shall be calculated at a rate of
33 14.43 percent in the 2009-10 school year and 14.43 percent in the 2010-
34 11 school year for certificated salary allocations provided under
35 subsection (2) of this section, and a rate of 16.59 percent in the
36 2009-10 school year and 16.59 percent in the 2010-11 school year for
37 classified salary allocations provided under subsection (3) of this
38 section.

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

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

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

12 (6)(a) For nonemployee-related costs associated with each
13 certificated staff unit allocated under subsection (2)(a), (b), and (d)
14 through (g) of this section, there shall be provided a maximum of
15 \$10,179 per certificated staff unit in the 2009-10 school year and a
16 maximum of \$10,424 per certificated staff unit in the 2010-11 school
17 year.

18 (b) For nonemployee-related costs associated with each vocational
19 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
20 section, there shall be provided a maximum of \$24,999 per certificated
21 staff unit in the 2009-10 school year and a maximum of \$25,399 per
22 certificated staff unit in the 2010-11 school year.

23 (c) For nonemployee-related costs associated with each vocational
24 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
25 section, there shall be provided a maximum of \$19,395 per certificated
26 staff unit in the 2009-10 school year and a maximum of \$19,705 per
27 certificated staff unit in the 2010-11 school year.

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

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

10 (9) Funding in this section is sufficient to provide additional
11 service year credits to educational staff associates pursuant to
12 chapter 403, Laws of 2007.

13 (10)(a) The superintendent may distribute a maximum of \$7,286,000
14 outside the basic education formula during fiscal years 2010 and 2011
15 as follows:

16 (i) For fire protection for school districts located in a fire
17 protection district as now or hereafter established pursuant to chapter
18 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010
19 and a maximum of \$576,000 may be expended in fiscal year 2011;

20 (ii) For summer vocational programs at skills centers, a maximum of
21 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of
22 \$2,385,000 for the 2011 fiscal year. 20 percent of each fiscal year
23 amount may carry over from one year to the next;

24 (iii) A maximum of \$403,000 may be expended for school district
25 emergencies; and

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

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

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

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

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

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

15 (13) General apportionment payments to the Steilacoom historical
16 school district shall reflect changes to operation of the Harriet
17 Taylor elementary school consistent with the timing of reductions in
18 correctional facility capacity and staffing.

19 (14) \$202,000 of the general fund--state appropriation for fiscal
20 year 2011 is provided solely for school district emergencies as
21 certified by the superintendent. At the close of the fiscal year the
22 superintendent shall report to the office of financial management and
23 the appropriate fiscal committees of the legislature on the allocations
24 provided to districts and the nature of the emergency.

25 (15) \$28,000,000 of the general fund--state appropriation for
26 fiscal year 2011 is provided solely for the superintendent for
27 financial contingency funds for eligible school districts. Of the
28 amount provided in this section, \$15,000,000 is for school districts
29 needing financial assistance as a result of budget reductions included
30 in this act. Of the amount provided in this section, \$13,000,000 is
31 for school districts needing financial assistance as a result of
32 delaying a portion of the June apportionment payment. The financial
33 contingency funds shall be allocated to eligible districts in the form
34 of an advance of their respective general apportionment allocations.

35 (a) ELIGIBILITY:

36 The superintendent shall determine a district's eligibility for
37 receipt of financial contingency funds, and districts shall be eligible
38 only if the following conditions are met:

1 (i) A petition is submitted by the school district as provided in
2 RCW 28A.510.250 and WAC 392-121-436; and

3 (ii) The district's projected general fund balance for the month of
4 March is less than one-half of one percent of its budgeted general fund
5 expenditures as submitted to the superintendent for the 2010-11 school
6 year on the F-196 report.

7 (b) CALCULATIONS:

8 The superintendent shall calculate the financial contingency
9 allocation to each district as the lesser of:

10 (i) The amount set forth in the school district's resolution;

11 (ii) An amount not to exceed 10 percent of the total amount to
12 become due and apportionable to the district from September 1 through
13 August 31 of the subsequent school year;

14 (iii) The highest negative monthly cash and investment balance of
15 the general fund between the date of the resolution and May 31 of the
16 school year based on projects approved by the county treasurer and the
17 educational service district.

18 (c) REPAYMENT:

19 For any amount allocated to a district in state fiscal year 2011,
20 the superintendent shall deduct in state fiscal year 2012 from the
21 district's general apportionment the amount of the emergency
22 contingency allocation and any earnings by the school district on the
23 investment of a temporary cash surplus due to the emergency contingency
24 allocation. Repayments or advances will be accomplished by a reduction
25 in the school district's apportionment payments on or before June 30 of
26 the school year following the distribution of the emergency contingency
27 allocation. All disbursements, repayments, and outstanding allocations
28 to be repaid of the emergency contingency pool shall be reported to the
29 office of financial management and the appropriate fiscal committees of
30 the legislature on July 1 and January 1 of each year.

31 **Sec. 503.** 2010 1st sp.s. c 37 s 503 (uncodified) is amended to
32 read as follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION**
34 **EMPLOYEE COMPENSATION.** (1) The following calculations determine the
35 salaries used in the general fund allocations for certificated
36 instructional, certificated administrative, and classified staff units
37 under section 502 of this act:

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

7 (b) Salary allocations for certificated administrative staff units
 8 and classified staff units for each district shall be based on the
 9 district's certificated administrative and classified salary allocation
 10 amounts shown on LEAP Document 2.

11 (2) For the purposes of this section:

12 (a) "LEAP Document 1" means the staff mix factors for certificated
 13 instructional staff according to education and years of experience, as
 14 developed by the legislative evaluation and accountability program
 15 committee on April 22, 2009, at 08:22 hours; and

16 (b) "LEAP Document 2" means the school year salary allocations for
 17 certificated administrative staff and classified staff and derived and
 18 total base salaries for certificated instructional staff as developed
 19 by the legislative evaluation and accountability program committee on
 20 April 22, 2009, at 08:22 hours.

21 (3) Incremental fringe benefit factors shall be applied to salary
 22 adjustments at a rate of 14.43 percent for school year 2009-10 and
 23 14.43 percent for school year 2010-11 for certificated staff and for
 24 classified staff 16.59 percent for school year 2009-10 and 16.59
 25 percent for the 2010-11 school year.

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

29 Table of Total Base Salaries For Certificated Instructional Staff
 30 For School Year 2009-10

32 <u>Years of</u>										32 MA+90
33 <u>Service</u>	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45		or Ph.D.
34 <u>0</u>	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128		46,115
35 <u>1</u>	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617		46,589
36 <u>2</u>	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067		47,061

1	<u>3</u>	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
2	<u>4</u>	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
3	<u>5</u>	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
4	<u>6</u>	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
5	<u>7</u>	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
6	<u>8</u>	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
7	<u>9</u>		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
8	<u>10</u>			43,877	45,498	48,794	51,195	48,995	52,291	54,692
9	<u>11</u>				47,032	50,399	52,849	50,528	53,897	56,345
10	<u>12</u>				48,517	52,048	54,571	52,122	55,545	58,068
11	<u>13</u>					53,737	56,335	53,773	57,234	59,831
12	<u>14</u>					55,434	58,165	55,471	59,042	61,663
13	<u>15</u>					56,877	59,679	56,913	60,577	63,266
14	<u>16 or</u>					58,014	60,871	58,051	61,788	64,531
15	<u>more</u>									

Table of Total Base Salaries For Certificated Instructional Staff
For School Year 2010-11

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

1	<u>15</u>	56,563	59,349	56,599	60,242	62,917
2	<u>16 or</u>	57,693	60,535	57,731	61,447	64,174
3	<u>more</u>					

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

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

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

(5) For the purposes of this section:

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

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

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

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

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

(7) The certificated instructional staff base salary specified for each district in LEAP Document 2 and the salary schedules in subsection (4)(a) of this section include one learning improvement day for the 2009-10 school year and zero learning improvement days for the 2010-11 school year. A school district is eligible for the learning improvement day funds only if the learning improvement day has been added to the 180-day contract year. If fewer days are added, the

1 additional learning improvement allocation shall be adjusted
2 accordingly. The additional day shall be limited to specific
3 activities identified in the state required school improvement plan
4 related to improving student learning that are consistent with
5 education reform implementation, and shall not be considered part of
6 basic education. The principal in each school shall assure that the
7 days are used to provide the necessary school-wide, all staff
8 professional development that is tied directly to the school
9 improvement plan. The school principal and the district superintendent
10 shall maintain documentation as to their approval of these activities.
11 The length of a learning improvement day shall not be less than the
12 length of a full day under the base contract. The superintendent of
13 public instruction shall ensure that school districts adhere to the
14 intent and purposes of this subsection.

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

17 **Sec. 504.** 2010 1st sp.s. c 37 s 504 (uncodified) is amended to
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
20 **COMPENSATION ADJUSTMENTS**

21	General Fund--State Appropriation (FY 2010)	(\$4,414,000)
22	General Fund--State Appropriation (FY 2011)	((-\$1,806,000))
23		<u>(\$1,421,000)</u>
24	General Fund--Federal Appropriation	(\$1,000)
25	TOTAL APPROPRIATION	((-\$6,221,000))
26		<u>(\$5,836,000)</u>

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

29 (1)(a) Additional salary adjustments as necessary to fund the base
30 salaries for certificated instructional staff as listed for each
31 district in LEAP Document 2, defined in section 503(2)(b) of this act.
32 Allocations for these salary adjustments shall be provided to all
33 districts that are not grandfathered to receive salary allocations
34 above the statewide salary allocation schedule, and to certain
35 grandfathered districts to the extent necessary to ensure that salary
36 allocations for districts that are currently grandfathered do not fall
37 below the statewide salary allocation schedule.

1 (b) Additional salary adjustments to certain districts as necessary
2 to fund the per full-time-equivalent salary allocations for
3 certificated administrative staff as listed for each district in LEAP
4 Document 2, defined in section 503(2)(b) of this act. These
5 adjustments shall ensure a minimum salary allocation for certificated
6 administrative staff of \$57,986 in the 2009-10 school year and \$57,986
7 in the 2010-11 school year.

8 (c) Additional salary adjustments to certain districts as necessary
9 to fund the per full-time-equivalent salary allocations for classified
10 staff as listed for each district in LEAP Document 2, defined in
11 section 503(2)(b) of this act. These salary adjustments ensure a
12 minimum salary allocation for classified staff of \$31,865 in the 2009-
13 10 school year and \$31,865 in the 2010-11 school year.

14 (d) The appropriations in this subsection (1) include associated
15 incremental fringe benefit allocations at rates 13.79 percent for the
16 2009-10 school year and 13.79 percent for the 2010-11 school year for
17 certificated staff and 13.09 percent for the 2009-10 school year and
18 13.09 percent for the 2010-11 school year for classified staff.

19 (e) The appropriations in this section include the increased or
20 decreased portion of salaries and incremental fringe benefits for all
21 relevant state-funded school programs in part V of this act. Changes
22 for general apportionment (basic education) are based on the salary
23 allocation schedules and methodology in sections 502 and 503 of this
24 act. Changes for special education result from changes in each
25 district's basic education allocation per student. Changes for
26 educational service districts and institutional education programs are
27 determined by the superintendent of public instruction using the
28 methodology for general apportionment salaries and benefits in sections
29 502 and 503 of this act. The appropriations in this section provide
30 incremental fringe benefit alterations based on formula adjustments as
31 follows:

	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0	\$0

1	Highly Capable (per formula student)	(\$1.49)	(\$2.98)
2			<u>\$0.00</u>
3	Transitional Bilingual Education (per eligible bilingual student)	(\$3.93)	(\$7.86)
4	Learning Assistance (per formula student)	(\$1.18)	(\$2.36)

5 (f) The appropriations in this section include no salary
6 adjustments for substitute teachers.

7 (2) ~~(\$44,213,000)~~ \$43,747,000 is ~~(provided)~~ for adjustments to
8 insurance benefit allocations. The maintenance rate for insurance
9 benefit allocations is \$732.00 per month for the 2009-10 and 2010-11
10 school years. The appropriations in this section provide for a rate
11 increase to \$745.00 per month for the 2009-10 school year and \$768.00
12 per month for the 2010-11 school year. The adjustments to health
13 insurance benefits are at the following rates:

14		School Year	
15		2009-10	2010-11
16	Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
17	Highly Capable (per formula student)	\$0.79	(\$2.22)
18			<u>\$0.00</u>
19	Transitional Bilingual Education (per eligible bilingual student)	\$2.11	\$5.83
20	Learning Assistance (per formula student)	\$0.54	\$1.49

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

24 **Sec. 505.** 2010 1st sp.s. c 37 s 505 (uncodified) is amended to
25 read as follows:

26	FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION	
27	General Fund--State Appropriation (FY 2010)	\$317,116,000
28	General Fund--State Appropriation (FY 2011)	(\$296,747,000)
29		<u>\$298,449,000</u>
30	TOTAL APPROPRIATION	(\$613,863,000)
31		<u>\$615,565,000</u>

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

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

6 (2) A maximum of \$878,000 of this fiscal year 2010 appropriation
7 and a maximum of (~~\$892,000~~) \$836,000 of the fiscal year 2011
8 appropriation may be expended for regional transportation coordinators
9 and related activities. The transportation coordinators shall ensure
10 that data submitted by school districts for state transportation
11 funding shall, to the greatest extent practical, reflect the actual
12 transportation activity of each district.

13 (3) Allocations for transportation of students shall be based on
14 reimbursement rates of \$48.15 per weighted mile in the 2009-10 school
15 year and \$48.37 per weighted mile in the 2010-11 school year exclusive
16 of salary and benefit adjustments provided in section 504 of this act.
17 Allocations for transportation of students transported more than one
18 radius mile shall be based on weighted miles as determined by
19 superintendent of public instruction multiplied by the per mile
20 reimbursement rates for the school year pursuant to the formulas
21 adopted by the superintendent of public instruction. Allocations for
22 transportation of students living within one radius mile shall be based
23 on the number of enrolled students in grades kindergarten through five
24 living within one radius mile of their assigned school multiplied by
25 the per mile reimbursement rate for the school year multiplied by 1.29.

26 (4) The office of the superintendent of public instruction shall
27 provide reimbursement funding to a school district only after the
28 superintendent of public instruction determines that the school bus was
29 purchased from the list established pursuant to RCW 28A.160.195(2) or
30 a comparable competitive bid process based on the lowest price quote
31 based on similar bus categories to those used to establish the list
32 pursuant to RCW 28A.160.195.

33 (5) The superintendent of public instruction shall base
34 depreciation payments for school district buses on the pre-sales tax
35 five-year average of lowest bids in the appropriate category of bus.
36 In the final year on the depreciation schedule, the depreciation
37 payment shall be based on the lowest bid in the appropriate bus
38 category for that school year.

1 (6) Funding levels in this section reflect reductions from the
2 implementation of Substitute House Bill No. 1292 (authorizing waivers
3 from the one hundred eighty-day school year requirement in order to
4 allow four-day school weeks).

5 **Sec. 506.** 2010 1st sp.s. c 37 s 506 (uncodified) is amended to
6 read as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
8 **PROGRAMS**

9	General Fund--State Appropriation (FY 2010)	\$3,159,000
10	General Fund--State Appropriation (FY 2011)	\$3,159,000
11	General Fund--Federal Appropriation	(\$391,988,000)
12		<u>\$448,588,000</u>
13	TOTAL APPROPRIATION	(\$398,306,000)
14		<u>\$454,906,000</u>

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

17 (1) \$3,000,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$3,000,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided for state matching money for federal
20 child nutrition programs.

21 (2) \$100,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$100,000 of the 2011 fiscal year appropriation are
23 provided for summer food programs for children in low-income areas.

24 (3) \$59,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$59,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely to reimburse school districts for
27 school breakfasts served to students enrolled in the free or reduced
28 price meal program pursuant to chapter 287, Laws of 2005 (requiring
29 school breakfast programs in certain schools).

30 **Sec. 507.** 2010 1st sp.s. c 37 s 507 (uncodified) is amended to
31 read as follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
33 **PROGRAMS**

34	General Fund--State Appropriation (FY 2010)	\$632,136,000
35	General Fund--State Appropriation (FY 2011)	(\$650,856,000)
36		<u>\$560,003,000</u>

1	General Fund--Federal Appropriation	((\$664,601,000))
2		<u>\$675,613,000</u>
3	Education Legacy Trust Account--State	
4	Appropriation	((\$756,000))
5		<u>\$86,687,000</u>
6	TOTAL APPROPRIATION	((\$1,948,349,000))
7		<u>\$1,954,439,000</u>

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

10 (1) Funding for special education programs is provided on an excess
11 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
12 that special education students as a class receive their full share of
13 the general apportionment allocation accruing through sections 502 and
14 504 of this act. To the extent a school district cannot provide an
15 appropriate education for special education students under chapter
16 28A.155 RCW through the general apportionment allocation, it shall
17 provide services through the special education excess cost allocation
18 funded in this section.

19 (2)(a) The superintendent of public instruction shall ensure that:
20 (i) Special education students are basic education students first;
21 (ii) As a class, special education students are entitled to the
22 full basic education allocation; and
23 (iii) Special education students are basic education students for
24 the entire school day.

25 (b) The superintendent of public instruction shall continue to
26 implement the full cost method of excess cost accounting, as designed
27 by the committee and recommended by the superintendent, pursuant to
28 section 501(1)(k), chapter 372, Laws of 2006.

29 (3) Each fiscal year appropriation includes such funds as are
30 necessary to complete the school year ending in the fiscal year and for
31 prior fiscal year adjustments.

32 (4) The superintendent of public instruction shall distribute state
33 funds to school districts based on two categories: (a) The first
34 category includes (i) children birth through age two who are eligible
35 for the optional program for special education eligible developmentally
36 delayed infants and toddlers, and (ii) students eligible for the
37 mandatory special education program and who are age three or four, or
38 five and not yet enrolled in kindergarten; and (b) the second category

1 includes students who are eligible for the mandatory special education
2 program and who are age five and enrolled in kindergarten and students
3 age six through 21.

4 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent
5 shall make allocations to each district based on the sum of:

6 (i) A district's annual average headcount enrollment of students
7 ages birth through four and those five year olds not yet enrolled in
8 kindergarten, as defined in subsection (4) of this section, multiplied
9 by the district's average basic education allocation per full-time
10 equivalent student, multiplied by 1.15; and

11 (ii) A district's annual average full-time equivalent basic
12 education enrollment multiplied by the funded enrollment percent
13 determined pursuant to subsection (6)(b) of this section, multiplied by
14 the district's average basic education allocation per full-time
15 equivalent student multiplied by 0.9309.

16 (b) For purposes of this subsection, "average basic education
17 allocation per full-time equivalent student" for a district shall be
18 based on the staffing ratios required by RCW 28A.150.260 and shall not
19 include enhancements, secondary vocational education, or small schools
20 in the 2009-10 school year. In the 2010-11 school year, the per
21 student allocation under this subsection (5)(b) shall include the same
22 factors as in the 2009-10 school year, but shall also include the
23 classified staff enhancements included in section 502(3)(b).

24 (6) The definitions in this subsection apply throughout this
25 section.

26 (a) "Annual average full-time equivalent basic education
27 enrollment" means the resident enrollment including students enrolled
28 through choice (RCW 28A.225.225) and students from nonhigh districts
29 (RCW 28A.225.210) and excluding students residing in another district
30 enrolled as part of an interdistrict cooperative program (RCW
31 28A.225.250).

32 (b) "Enrollment percent" means the district's resident special
33 education annual average enrollment, excluding the birth through age
34 four enrollment and those five year olds not yet enrolled in
35 kindergarten, as a percent of the district's annual average full-time
36 equivalent basic education enrollment.

37 Each district's general fund--state funded special education

1 enrollment shall be the lesser of the district's actual enrollment
2 percent or 12.7 percent.

3 (7) At the request of any interdistrict cooperative of at least 15
4 districts in which all excess cost services for special education
5 students of the districts are provided by the cooperative, the maximum
6 enrollment percent shall be calculated in accordance with subsection
7 (6)(b) of this section, and shall be calculated in the aggregate rather
8 than individual district units. For purposes of this subsection, the
9 average basic education allocation per full-time equivalent student
10 shall be calculated in the aggregate rather than individual district
11 units.

12 (8) To the extent necessary, (~~(\$44,269,000)~~) \$36,758,000 of the
13 general fund--state appropriation and \$29,574,000 of the general fund--
14 federal appropriation are provided for safety net awards for districts
15 with demonstrated needs for special education funding beyond the
16 amounts provided in subsection (5) of this section. If the federal
17 safety net awards based on the federal eligibility threshold exceed the
18 federal appropriation in this subsection (8) in any fiscal year, the
19 superintendent shall expend all available federal discretionary funds
20 necessary to meet this need. Safety net funds shall be awarded by the
21 state safety net oversight committee subject to the following
22 conditions and limitations:

23 (a) The committee shall consider unmet needs for districts that can
24 convincingly demonstrate that all legitimate expenditures for special
25 education exceed all available revenues from state funding formulas.
26 In the determination of need, the committee shall also consider
27 additional available revenues from federal sources. Differences in
28 program costs attributable to district philosophy, service delivery
29 choice, or accounting practices are not a legitimate basis for safety
30 net awards. In the determination of need, the committee shall require
31 that districts demonstrate that they are maximizing their eligibility
32 for all state and federal revenues related to services for special
33 education-eligible students. Awards associated with (b) and (c) of
34 this subsection shall not exceed the total of a district's specific
35 determination of need.

36 (b) The committee shall then consider the extraordinary high cost
37 needs of one or more individual special education students.

1 Differences in costs attributable to district philosophy, service
2 delivery choice, or accounting practices are not a legitimate basis for
3 safety net awards.

4 (c) Using criteria developed by the committee, the committee shall
5 then consider extraordinary costs associated with communities that draw
6 a larger number of families with children in need of special education
7 services. The safety net awards to school districts shall be adjusted
8 to reflect amounts awarded under (b) of this subsection.

9 (d) The maximum allowable indirect cost for calculating safety net
10 eligibility may not exceed the federal restricted indirect cost rate
11 for the district plus one percent.

12 (e) Safety net awards must be adjusted for any audit findings or
13 exceptions related to special education funding.

14 (f) Safety net awards shall be adjusted based on the percent of
15 potential medicaid eligible students billed as calculated by the
16 superintendent in accordance with chapter 318, Laws of 1999. The state
17 safety net oversight committee shall ensure that safety net
18 documentation and awards are based on current medicaid revenue amounts.

19 (g) The office of the superintendent of public instruction, at the
20 conclusion of each school year, shall recover safety net funds that
21 were distributed prospectively but for which districts were not
22 subsequently eligible.

23 (9) The superintendent of public instruction may adopt such rules
24 and procedures as are necessary to administer the special education
25 funding and safety net award process. Prior to revising any standards,
26 procedures, or rules, the superintendent shall consult with the office
27 of financial management and the fiscal committees of the legislature.

28 (10) The safety net oversight committee appointed by the
29 superintendent of public instruction shall consist of:

30 (a) One staff from the office of superintendent of public
31 instruction;

32 (b) Staff of the office of the state auditor who shall be nonvoting
33 members of the committee; and

34 (c) One or more representatives from school districts or
35 educational service districts knowledgeable of special education
36 programs and funding.

37 (11) The office of the superintendent of public instruction shall

1 review and streamline the application process to access safety net
2 funds, provide technical assistance to school districts, and annually
3 survey school districts regarding improvement to the process.

4 (12) A maximum of \$678,000 may be expended from the general fund--
5 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
6 full-time equivalent aides at children's orthopedic hospital and
7 medical center. This amount is in lieu of money provided through the
8 home and hospital allocation and the special education program.

9 (13) The superintendent shall maintain the percentage of federal
10 flow-through to school districts at 85 percent. In addition to other
11 purposes, school districts may use increased federal funds for high-
12 cost students, for purchasing regional special education services from
13 educational service districts, and for staff development activities
14 particularly relating to inclusion issues.

15 (14) A school district may carry over from one year to the next
16 year up to 10 percent of the general fund--state funds allocated under
17 this program; however, carryover funds shall be expended in the special
18 education program.

19 (15) \$262,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$251,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for two additional full-time
22 equivalent staff to support the work of the safety net committee and to
23 provide training and support to districts applying for safety net
24 awards.

25 (16) \$50,000 of the general fund--state appropriation for fiscal
26 year 2010, \$50,000 of the general fund--state appropriation for fiscal
27 2011, and \$100,000 of the general fund--federal appropriation shall be
28 expended to support a special education ombudsman program within the
29 office of superintendent of public instruction.

30 **Sec. 508.** 2010 1st sp.s. c 37 s 508 (uncodified) is amended to
31 read as follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
33 **DISTRICTS**

34	General Fund--State Appropriation (FY 2010)	\$8,394,000
35	General Fund--State Appropriation (FY 2011)	(\$8,319,000)
36		<u>\$7,796,000</u>
37	TOTAL APPROPRIATION	(\$16,713,000)

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) \$3,355,000 of the general fund--state appropriation for fiscal year 2010 and ((~~\$3,355,000~~)) \$3,144,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for regional professional development related to mathematics and science curriculum and instructional strategies. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support. The office of superintendent of public instruction shall also allocate to each educational service district additional amounts provided in section 504 of this act for compensation increases associated with the salary amounts and staffing provided in this subsection (2).

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.310.340, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

Sec. 509. 2010 1st sp.s. c 37 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE

General Fund--State Appropriation (FY 2010)	\$93,141,000
General Fund--State Appropriation (FY 2011)	((\$286,911,000))
	<u>\$268,014,000</u>

1 General Fund--Federal Appropriation \$157,043,000
 2 TOTAL APPROPRIATION ((~~\$537,095,000~~))
 3 \$518,198,000

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

6 ((~~1~~)) \$157,043,000 of the general fund--federal appropriation for
 7 fiscal year 2010 is provided solely for American recovery and
 8 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
 9 state reductions for local effort assistance payments.

10 ((~~2~~) ~~\$21,808,000 of the general fund--state appropriation for~~
 11 ~~fiscal year 2011 is provided solely for implementation of Substitute~~
 12 ~~House Bill No. 2893 (school levies). If the bill is not enacted by~~
 13 ~~June 30, 2010, the amount provided in this subsection shall lapse.))~~

14 **Sec. 510.** 2010 1st sp.s. c 37 s 510 (uncodified) is amended to
 15 read as follows:

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

18 General Fund--State Appropriation (FY 2010) \$18,059,000
 19 General Fund--State Appropriation (FY 2011) ((~~\$19,006,000~~))
 20 \$16,635,000
 21 TOTAL APPROPRIATION ((~~\$37,065,000~~))
 22 \$34,694,000

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

25 (1) Each general fund--state fiscal year appropriation includes
 26 such funds as are necessary to complete the school year ending in the
 27 fiscal year and for prior fiscal year adjustments.

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

33 (3) State funding for each institutional education program shall be
 34 based on the institution's annual average full-time equivalent student
 35 enrollment. Staffing ratios for each category of institution shall
 36 remain the same as those funded in the 1995-97 biennium.

1 (4) The funded staffing ratios for education programs for juveniles
2 age 18 or less in department of corrections facilities shall be the
3 same as those provided in the 1997-99 biennium.

4 (5) \$228,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$228,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely to maintain at least one
7 certificated instructional staff and related support services at an
8 institution whenever the K-12 enrollment is not sufficient to support
9 one full-time equivalent certificated instructional staff to furnish
10 the educational program. The following types of institutions are
11 included: Residential programs under the department of social and
12 health services for developmentally disabled juveniles, programs for
13 juveniles under the department of corrections, and programs for
14 juveniles under the juvenile rehabilitation administration.

15 (6) Ten percent of the funds allocated for each institution may be
16 carried over from one year to the next.

17 **Sec. 511.** 2010 1st sp.s. c 37 s 511 (uncodified) is amended to
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
20 **CAPABLE STUDENTS**

21	General Fund--State Appropriation (FY 2010)	\$9,189,000
22	General Fund--State Appropriation (FY 2011)	(\$9,188,000)
23		<u>\$2,028,000</u>
24	TOTAL APPROPRIATION	(\$18,377,000)
25		<u>\$11,217,000</u>

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

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

31 (2) Allocations for school district programs for highly capable
32 students shall be distributed at a maximum rate of \$401.08 per funded
33 student for the 2009-10 school year (~~and \$401.08 per funded student~~
34 ~~for the 2010-11 school year~~), exclusive of salary and benefit
35 adjustments pursuant to section 504 of this act. ~~((The))~~ For the 2009-
36 10 school year the number of funded students shall be a maximum of

1 2.314 percent of each district's full-time equivalent basic education
2 enrollment.

3 (3) \$90,000 of the fiscal year 2010 appropriation and (~~(\$90,000)~~)
4 \$84,000 of the fiscal year 2011 appropriation are provided for the
5 Washington destination imagination network and future problem-solving
6 programs.

7 (4) \$170,000 of the fiscal year 2010 appropriation and (~~(\$170,000)~~)
8 \$159,000 of the fiscal year 2011 appropriation are provided for the
9 centrum program at Fort Worden state park.

10 **Sec. 512.** 2010 1st sp.s. c 37 s 512 (uncodified) is amended to
11 read as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS**
13 **PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND**
14 **THE NO CHILD LEFT BEHIND ACT**

15 General Fund--Federal Appropriation \$43,886,000

16 **Sec. 513.** 2010 2nd sp.s. c 1 s 503 (uncodified) is amended to read
17 as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
19 **PROGRAMS**

20 General Fund--State Appropriation (FY 2010) \$93,642,000

21 General Fund--State Appropriation (FY 2011) (~~(\$92,643,000)~~)

22 \$89,076,000

23 General Fund--Federal Appropriation \$154,627,000

24 Education Legacy Trust Account--State

25 Appropriation \$100,381,000

26 TOTAL APPROPRIATION (~~(\$441,293,000)~~)

27 \$437,488,000

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

30 (1) \$35,804,000 of the general fund--state appropriation for fiscal
31 year 2010, \$31,850,000 of the general fund--state appropriation for
32 fiscal year 2011, \$1,350,000 of the education legacy trust
33 account--state appropriation, and \$17,869,000 of the general fund--
34 federal appropriation are provided solely for development and
35 implementation of the Washington state assessment system, including:

36 (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)~~) \$88,743,000 of the education legacy trust
12 account--state appropriation is provided solely for grants for
13 voluntary full-day kindergarten at the highest poverty schools, as
14 provided in chapter 400, Laws of 2007. The office of the
15 superintendent of public instruction shall provide allocations to
16 districts for recipient schools in accordance with the funding formulas
17 provided in section 502 of this act. Each kindergarten student who
18 enrolls for the voluntary full-day program in a recipient school shall
19 count as one-half of one full-time equivalent student for the purpose
20 of making allocations under this subsection. Although the allocations
21 are formula-driven, the office of the superintendent shall consider the
22 funding provided in this subsection as a fixed amount, and shall limit
23 the number of recipient schools so as to stay within the amounts
24 appropriated each fiscal year in this subsection. The funding provided
25 in this subsection is estimated to provide full-day kindergarten
26 programs for 20 percent of kindergarten enrollment. Funding priority
27 shall be given to schools with the highest poverty levels, as measured
28 by prior year free and reduced priced lunch eligibility rates in each
29 school. Additionally, as a condition of funding, school districts must
30 agree to provide the full-day program to the children of parents who
31 request it in each eligible school. For the purposes of calculating a
32 school 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 provided solely to eliminate the lunch co-pay for
4 students in grades kindergarten through third grade that are eligible
5 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 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)~~) \$1,797,000 of the general fund--state
24 appropriation for fiscal year 2011 are provided solely for grants to
25 school districts to provide a continuum of care for children and
26 families to help children become ready to learn. Grant proposals from
27 school districts shall contain local plans designed collaboratively
28 with community service providers. If a continuum of care program
29 exists in the area in which the school district is located, the local
30 plan shall provide for coordination with existing programs to the
31 greatest extent possible. Grant funds shall be allocated pursuant to
32 RCW 70.190.040.

33 (18) \$1,861,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$1,836,000 of the general fund--state appropriation for
35 fiscal year 2011 are provided solely for improving technology
36 infrastructure, monitoring and reporting on school district technology
37 development, promoting standards for school district technology,

1 promoting statewide coordination and planning for technology
2 development, and providing regional educational technology support
3 centers, including state support activities, under chapter 28A.650 RCW.

4 (19) \$225,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$150,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the operation of the center
7 for the improvement of student learning pursuant to RCW 28A.300.130.

8 (20) \$246,000 of the education legacy trust account--state
9 appropriation is provided solely for costs associated with the office
10 of the superintendent of public instruction's statewide director of
11 technology position.

12 (21)(a) \$28,715,000 of the general fund--state appropriation for
13 fiscal year 2010 and (~~(\$36,168,000)~~) \$34,398,000 of the general fund--
14 state appropriation for fiscal year 2011 are provided solely for the
15 following bonuses for teachers who hold valid, unexpired certification
16 from the national board for professional teaching standards and who are
17 teaching in a Washington public school, subject to the following
18 conditions and limitations:

19 (i) For national board certified teachers, a bonus of \$5,000 per
20 teacher beginning in the 2007-08 school year and adjusted for inflation
21 in each school year thereafter in which Initiative 732 cost of living
22 adjustments are provided;

23 (ii) An additional \$5,000 annual bonus shall be paid to national
24 board certified teachers who teach in either: (A) High schools where
25 at least 50 percent of student headcount enrollment is eligible for
26 federal free or reduced price lunch, (B) middle schools where at least
27 60 percent of student headcount enrollment is eligible for federal free
28 or reduced price lunch, or (C) elementary schools where at least 70
29 percent of student headcount enrollment is eligible for federal free or
30 reduced price lunch;

31 (iii) The superintendent of public instruction shall adopt rules to
32 ensure that national board certified teachers meet the qualifications
33 for bonuses under (a)(ii) of this subsection for less than one full
34 school year receive bonuses in a pro-rated manner; and

35 (iv) During the 2009-10 and 2010-11 school years, and within the
36 available state and federal appropriations, certificated instructional
37 staff who have met the eligibility requirements and have applied for
38 certification from the national board for professional teaching

1 standards may receive a conditional two thousand dollars or the amount
2 set by the office of the superintendent of public instruction to
3 contribute toward the current assessment fee, not including the initial
4 up-front candidacy payment. The fee shall be an advance on the first
5 annual bonus under RCW 28A.405.415. The assessment fee for national
6 certification is provided in addition to compensation received under a
7 district's salary schedule adopted in accordance with RCW 28A.405.200
8 and shall not be included in calculations of a district's average
9 salary and associated salary limitation under RCW 28A.400.200.
10 Recipients who fail to receive certification after three years are
11 required to repay the assessment fee, not including the initial up-
12 front candidacy payment, as set by the national board for professional
13 teaching standards and administered by the office of the superintendent
14 of public instruction. The office of the superintendent of public
15 instruction shall adopt rules to define the terms for initial grant of
16 the assessment fee and repayment, including applicable fees.

17 (b) Included in the amounts provided in this subsection are amounts
18 for mandatory fringe benefits.

19 (22) \$2,475,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$456,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for secondary career and technical
22 education grants pursuant to chapter 170, Laws of 2008. This funding
23 may additionally be used to support FIRST Robotics programs. In fiscal
24 year 2011, if equally matched by private donations, \$300,000 of the
25 appropriation shall be used to support FIRST Robotics programs,
26 including FIRST Robotics professional development.

27 (23) \$75,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for the implementation of House Bill No.
29 2621 (K-12 school resource programs). If the bill is not enacted by
30 June 30, 2010, the amount provided in this subsection shall lapse.

31 (24) \$300,000 of the general fund--state appropriation for fiscal
32 year 2010 is provided solely for the local farms-healthy kids program
33 as described in chapter 215, Laws of 2008. The program is suspended in
34 the 2011 fiscal year, and not eliminated.

35 (25) \$2,348,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$1,000,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for a beginning educator support
38 program. School districts and/or regional consortia may apply for

1 grant funding beginning in the 2009-10 school year. The superintendent
2 shall implement this program in 5 to 15 school districts and/or
3 regional consortia. The program provided by a district and/or regional
4 consortia shall include: A paid orientation; assignment of a qualified
5 mentor; development of a professional growth plan for each beginning
6 teacher aligned with professional certification; release time for
7 mentors and new teachers to work together, and teacher observation time
8 with accomplished peers. \$250,000 may be used to provide state-wide
9 professional development opportunities for mentors and beginning
10 educators. The superintendent of public instruction shall adopt rules
11 to establish and operate a research-based beginning educator support
12 program no later than August 31, 2009. OSPI must evaluate the
13 program's progress and may contract for this work. A report to the
14 legislature about the beginning educator support program is due
15 November 1, 2010.

16 (26) \$1,790,000 of the education legacy trust account--state
17 appropriation is provided solely for the development and implementation
18 of diagnostic assessments, consistent with the recommendations of the
19 Washington assessment of student learning work 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.

36 **Sec. 514.** 2010 1st sp.s. c 37 s 514 (uncodified) is amended to
37 read as follows:

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

3	General Fund--State Appropriation (FY 2010)	\$76,419,000
4	General Fund--State Appropriation (FY 2011)	(\$77,672,000)
5		<u>\$79,879,000</u>
6	General Fund--Federal Appropriation	\$65,263,000
7	TOTAL APPROPRIATION	(\$219,354,000)
8		<u>\$221,561,000</u>

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

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

14 (2) The superintendent shall distribute a maximum of \$901.46 per
15 eligible bilingual student in the 2009-10 school year and \$901.46 in
16 the 2010-11 school year, exclusive of salary and benefit adjustments
17 provided in section 504 of this act.

18 (3) The superintendent may withhold up to 1.5 percent of the school
19 year allocations to school districts in subsection (2) of this section,
20 and adjust the per eligible pupil rates in subsection (2) of this
21 section accordingly, solely for the central provision of assessments as
22 provided in RCW 28A.180.090 (1) and (2).

23 (4) \$70,000 of the amounts appropriated in this section are
24 provided solely to track current and former transitional bilingual
25 program students.

26 (5) The general fund--federal appropriation in this section is
27 provided for migrant education under Title I Part C and English
28 language acquisition, and language enhancement grants under Title III
29 of the elementary and secondary education act.

30 **Sec. 515.** 2010 1st sp.s. c 37 s 515 (uncodified) is amended to
31 read as follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
33 **ASSISTANCE PROGRAM**

34	General Fund--State Appropriation (FY 2010)	\$103,865,000
35	General Fund--State Appropriation (FY 2011)	(\$110,312,000)
36		<u>\$113,803,000</u>
37	General Fund--Federal Appropriation	(\$553,925,000)

1		<u>\$580,425,000</u>
2	Education Legacy Trust Account--State Appropriation	\$47,980,000
3	TOTAL APPROPRIATION	((\$816,082,000))
4		<u>\$846,073,000</u>

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

7 (1) The general fund--state appropriations in this section are
8 subject to the following conditions and limitations:

9 (a) The appropriations include such funds as are necessary to
10 complete the school year ending in the fiscal year and for prior fiscal
11 year adjustments.

12 (b) Funding for school district learning assistance programs shall
13 be allocated at maximum rates of \$281.71 per funded student for the
14 2009-10 school year and ((~~\$283.00~~)) \$282.98 per funded student for the
15 2010-11 school year exclusive of salary and benefit adjustments
16 provided under section 504 of this act.

17 (c) A school district's funded students for the learning assistance
18 program shall be the sum of the following as appropriate:

19 (i) The district's full-time equivalent enrollment in grades K-12
20 for the prior school year multiplied by the district's percentage of
21 October headcount enrollment in grades K-12 eligible for free or
22 reduced price lunch in the prior school year; and

23 (ii) If, in the prior school year, the district's percentage of
24 October headcount enrollment in grades K-12 eligible for free or
25 reduced price lunch exceeded forty percent, subtract forty percent from
26 the district's percentage and multiply the result by the district's K-
27 12 annual average full-time equivalent enrollment for the prior school
28 year.

29 (d) In addition to the amounts allocated in (b) and (c) of this
30 subsection, an additional amount shall be allocated to school districts
31 with high concentrations of poverty and English language learner
32 students, subject to the following rules and conditions:

33 (i) To qualify for additional funding under this subsection, a
34 district's October headcount enrollment in grades kindergarten through
35 grade twelve must have at least twenty percent enrolled in the
36 transitional bilingual instruction program based on an average of the
37 program headcount taken in October and May of the prior school year;

1 and must also have at least forty percent eligible for free or reduced
2 price lunch based on October headcount enrollment in grades
3 kindergarten through twelve in the prior school year.

4 (ii) Districts meeting the specifications in (d)(i) of this
5 subsection shall receive additional funded students for the learning
6 assistance program at the rates specified in subsection (1)(b) of this
7 section. The number of additional funded student units shall be
8 calculated by subtracting twenty percent from the district's percent
9 transitional bilingual instruction program enrollment as defined in
10 (d)(i) of this subsection, and the resulting percent shall be
11 multiplied by the district's kindergarten through twelve annual average
12 full-time equivalent enrollment for the prior school year.

13 (2) Allocations made pursuant to subsection (1) of this section
14 shall be adjusted to reflect ineligible applications identified through
15 the annual income verification process required by the national school
16 lunch program, as recommended in the report of the state auditor on the
17 learning assistance program dated February, 2010.

18 (3) The general fund--federal appropriation in this section is
19 provided for Title I Part A allocations of the no child left behind act
20 of 2001.

21 (4) A school district may carry over from one year to the next up
22 to 10 percent of the general fund--state or education legacy trust
23 funds allocated under this program; however, carryover funds shall be
24 expended for the learning assistance program.

25 (5) School districts are encouraged to coordinate the use of these
26 funds with other federal, state, and local sources to serve students
27 who are below grade level and to make efficient use of resources in
28 meeting the needs of students with the greatest academic deficits.

29 (6) Within amounts appropriated in this section, funding is
30 provided for the implementation of extended learning programs required
31 in chapter 328, Laws of 2008.

32 **Sec. 516.** 2010 1st sp.s. c 37 s 516 (uncodified) is amended to
33 read as follows:

34 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**
35 **PROGRAMS**

36	General Fund--State Appropriation (FY 2010)	\$19,000
37	General Fund--State Appropriation (FY 2011)	((25,730,000))

1		<u>\$25,417,000</u>
2	General Fund--Federal Appropriation	\$200,295,000
3	TOTAL APPROPRIATION	((\$226,044,000))
4		<u>\$225,731,000</u>

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

7 (1) Funding for school district student achievement programs shall
8 be allocated at a maximum rate of \$131.16 per FTE student for the 2009-
9 10 school year and \$0 per FTE student for the 2010-11 school year. For
10 the purposes of this section, FTE student refers to the annual average
11 full-time equivalent enrollment of the school district in grades
12 kindergarten through twelve for the prior school year, as reported to
13 the office of the superintendent of public instruction by August 31st
14 of the previous school year.

15 (2) The appropriation is allocated for the following uses as
16 specified in RCW 28A.505.210:

17 (a) To reduce class size by hiring certificated elementary
18 classroom teachers in grades K-4 and paying nonemployee-related costs
19 associated with those new teachers;

20 (b) To make selected reductions in class size in grades 5-12, such
21 as small high school writing classes;

22 (c) To provide extended learning opportunities to improve student
23 academic achievement in grades K-12, including, but not limited to,
24 extended school year, extended school day, before-and-after-school
25 programs, special tutoring programs, weekend school programs, summer
26 school, and all-day kindergarten;

27 (d) To provide additional professional development for educators
28 including additional paid time for curriculum and lesson redesign and
29 alignment, training to ensure that instruction is aligned with state
30 standards and student needs, reimbursement for higher education costs
31 related to enhancing teaching skills and knowledge, and mentoring
32 programs to match teachers with skilled, master teachers. The funding
33 shall not be used for salary increases or additional compensation for
34 existing teaching duties, but may be used for extended year and
35 extended day teaching contracts;

36 (e) To provide early assistance for children who need
37 prekindergarten support in order to be successful in school; or

1 (f) To provide improvements or additions to school building
2 facilities which are directly related to the class size reductions and
3 extended learning opportunities under (a) through (c) of this
4 subsection (2).

5 (3) The superintendent of public instruction shall distribute the
6 school year allocation according to the monthly apportionment schedule
7 defined in RCW 28A.510.250.

8 (4) \$200,295,000 of the general fund--federal appropriation for
9 fiscal year 2010 is provided solely for American recovery and
10 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
11 state reductions for the student achievement program.

12 **Sec. 517.** 2010 1st sp.s. c 37 s 517 (uncodified) is amended to
13 read as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION.** (1) Appropriations
15 made in this act to the office of the superintendent of public
16 instruction shall initially be allotted as required by this act.
17 Subsequent allotment modifications shall not include transfers of
18 moneys between sections of this act, except as expressly provided in
19 subsection (2) of this section.

20 (2) The appropriations to the office of the superintendent of
21 public instruction in this act shall be expended for the programs and
22 amounts specified in this act. However, after May 1, (~~2010~~) 2011,
23 unless specifically prohibited by this act and after approval by the
24 director of financial management, the superintendent of public
25 instruction may transfer state general fund appropriations for fiscal
26 year (~~2010~~) 2011 among the following programs to meet the
27 apportionment schedule for a specified formula in another of these
28 programs: General apportionment; employee compensation adjustments;
29 pupil transportation; special education programs; institutional
30 education programs; transitional bilingual programs; and student
31 achievement and learning assistance programs.

32 (3) The director of financial management shall notify the
33 appropriate legislative fiscal committees in writing prior to approving
34 any allotment modifications or transfers under this section.

(End of part)

PART VI
HIGHER EDUCATION

Sec. 601. 2010 2nd sp.s. c 1 s 601 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund--State Appropriation (FY 2010)	\$631,804,000
General Fund--State Appropriation (FY 2011)	(\$603,296,000)
	<u>\$650,960,000</u>
General Fund--Federal Appropriation	\$17,171,000
Education Legacy Trust Account--State Appropriation . .	(\$95,035,000)
	<u>\$47,586,000</u>
Opportunity Express Account--State Appropriation	\$18,556,000
TOTAL APPROPRIATION	(\$1,365,862,000)
	<u>\$1,366,077,000</u>

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

(1) \$28,761,000 of the general fund--state appropriation for fiscal year 2010, \$28,761,000 of the general fund--state appropriation for fiscal year 2011, and \$17,556,000 of the opportunity express account--state appropriation are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 6,200 full-time equivalent students in fiscal year 2010 and at least 9,984 full-time equivalent students in fiscal year 2011.

(2) \$2,725,000 of the general fund--state appropriation for fiscal year 2010 and \$2,725,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) Of the amounts appropriated in this section, \$3,500,000 is provided solely for the student achievement initiative.

1 (4) When implementing the appropriations in this section, the state
2 board and the trustees of the individual community and technical
3 colleges shall minimize impact on academic programs, maximize
4 reductions in administration, and shall at least maintain, and endeavor
5 to increase, enrollment opportunities and degree and certificate
6 production in high employer-demand fields of study at their academic
7 year 2008-09 levels.

8 (5) Within the board's 2009-11 biennial budget allocation to
9 Bellevue College, and pursuant to RCW 28B.50.810, the college may
10 implement, on a tuition and fee basis, an additional applied
11 baccalaureate degree in interior design. This program is intended to
12 provide students with additional opportunities to earn baccalaureate
13 degrees and to respond to emerging job and economic growth
14 opportunities. The program reviews and approval decisions required by
15 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that
16 the degree may be offered during the 2009-10 academic year.

17 (6) In accordance with the recommendations of the higher education
18 coordinating board's 2008 *Kitsap region higher education center study*,
19 the state board shall facilitate development of university centers by
20 allocating thirty 2-year and 4-year partnership full-time enrollment
21 equivalencies to Olympic College and ten 2-year and 4-year partnership
22 full-time enrollment equivalencies to Peninsula College. The colleges
23 shall use the allocations to establish a partnership with a
24 baccalaureate university or universities for delivery of upper division
25 degree programs in the Kitsap region. The Olympic and Peninsula
26 Community College districts shall additionally work together to ensure
27 coordinated development of these and other future baccalaureate
28 opportunities through coordinated needs assessment, planning, and
29 scheduling.

30 (7) By September 1, 2009, the state board for community and
31 technical colleges, the higher education coordinating board, and the
32 office of financial management shall review and to the extent necessary
33 revise current 2009-11 performance measures and targets based on the
34 level of state, tuition, and other resources appropriated or authorized
35 in this act and in the omnibus 2009-11 omnibus capital budget act. The
36 boards and the office of financial management shall additionally
37 develop new performance targets for the 2011-13 and the 2013-15 biennia

1 that will guide and measure the community and technical college
2 system's contributions to achievement of the state's higher education
3 master plan goals.

4 (8) \$2,250,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$2,250,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the hospital employee
7 education and training program under which labor, management, and
8 college partnerships develop or expand and evaluate training programs
9 for incumbent hospital workers that lead to careers in nursing and
10 other high-demand health care occupations. The board shall report
11 student progress, outcomes, and costs to the relevant fiscal and policy
12 committees of the legislature by November 2009 and November 2010.

13 (9) Community and technical colleges are not required to send mass
14 mailings of course catalogs to residents of their districts. Community
15 and technical colleges shall consider lower cost alternatives, such as
16 mailing postcards or brochures that direct individuals to online
17 information and other ways of acquiring print catalogs.

18 (10) \$1,112,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$1,113,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the state board to enhance
21 online distance learning and open courseware technology. Funds shall
22 be used to support open courseware, open textbooks, open licenses to
23 increase access, affordability and quality of courses in higher
24 education. The state board for community and technical colleges shall
25 select the most appropriate courses to support open courseware based
26 solely upon criteria of maximizing the value of instruction and
27 reducing costs of textbooks and other instructional materials for the
28 greatest number of students in higher education, regardless of the type
29 of institution those students attend.

30 (11) \$158,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely to implement House Bill No. 2694 (B.S. in
32 nursing/university center). If the bill is not enacted by June 30,
33 2010, the amount provided in this subsection shall lapse.

34 (12)(a) The labor education and research center is transferred from
35 The Evergreen State College to south Seattle community college and
36 shall begin operations on July 1, 2010.

37 (b) At least \$164,000 of the general fund--state appropriation for

1 fiscal year 2011 shall be expended on the labor education and research
2 center to provide outreach programs and direct educational and research
3 services to labor unions and worker-centered organizations.

4 (13) \$1,000,000 of the opportunity express account--state
5 appropriation is provided solely for the opportunity grant program as
6 specified in RCW 28B.50.271.

7 (14) \$1,750,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided solely for the state board for community and
9 technical colleges to contract with the aerospace training and research
10 center on Paine field in Everett, Washington to support industry-
11 identified training in the aerospace sector.

12 (15) Sufficient amounts are provided in this section to implement
13 the food stamp employment and training program under Second Substitute
14 House Bill No. 2782 (security lifeline act).

15 **Sec. 602.** 2010 2nd sp.s. c 1 s 602 (uncodified) is amended to read
16 as follows:

17 **FOR THE UNIVERSITY OF WASHINGTON**

18	General Fund--State Appropriation (FY 2010)	\$269,571,000
19	General Fund--State Appropriation (FY 2011)	(\$259,706,000)
20		<u>\$287,741,000</u>
21	General Fund--Federal Appropriation	\$43,971,000
22	Education Legacy Trust Account--State Appropriation . .	(\$54,534,000)
23		<u>\$26,345,000</u>
24	Accident Account--State Appropriation	\$6,750,000
25	Medical Aid Account--State Appropriation	\$6,540,000
26	Biotoxin Account--State Appropriation	\$449,000
27	TOTAL APPROPRIATION	(\$641,521,000)
28		<u>\$641,367,000</u>

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

31 (1) In implementing the appropriations in this section, the
32 president and regents shall seek to minimize impacts on student
33 services and instructional programs by maximizing reductions in
34 administration and other non-instructional activities.

35 (2) Because higher education is an essential driver of economic
36 recovery and development, the university shall maintain, and endeavor
37 to increase, enrollment and degree production levels at or beyond their

1 academic year 2008-09 levels in the following high-demand fields:
2 Biological and biomedical sciences; computer and information sciences;
3 education with specializations in special education, math, or science;
4 engineering and engineering technology; health professions and related
5 clinical sciences; and mathematics and statistics.

6 (3) \$75,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$75,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for forestry research by the
9 Olympic natural resources center.

10 (4) \$150,000 of the general fund--state appropriation for fiscal
11 year 2010 is provided solely for the William D. Ruckelshaus center for
12 facilitation, support, and analysis to support the nurse staffing
13 steering committee in its work to apply best practices related to
14 patient safety and nurse staffing.

15 (5) \$54,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$54,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the University of Washington
18 geriatric education center to provide a voluntary adult family home
19 certification program. In addition to the minimum qualifications
20 required under RCW 70.128.120, individuals participating in the
21 voluntary adult family home certification program shall complete fifty-
22 two hours of class requirements as established by the University of
23 Washington geriatric education center. Individuals completing the
24 requirements of RCW 70.128.120 and the voluntary adult family home
25 certification program shall be issued a certified adult family home
26 license by the department of social and health services. The
27 department of social and health services shall adopt rules implementing
28 the provisions of this subsection.

29 (6) \$50,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$52,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the center for international
32 trade in forest products in the college of forest resources.

33 (7) \$250,000 of the general fund--state appropriation for fiscal
34 year 2011 is provided solely for joint planning to increase the number
35 of residency positions and programs in eastern Washington and Spokane
36 within the existing Washington, Wyoming, Alaska, Montana, Idaho (WWAMI)
37 regional medical education program partnership between the University
38 of Washington school of medicine, Washington State University, and area

1 physicians and hospitals. The joint planning efforts are to include
2 preparation of applications for new residency programs in family
3 medicine, internal medicine, obstetrics, psychiatry and general
4 surgery; business plans for those new programs; and for increasing the
5 number of positions in existing programs among regional academic and
6 hospital partners and networks. The results of the joint planning
7 efforts, including the status of the application preparation and
8 business plan, must be reported to the house of representatives
9 committee on higher education and the senate committee on higher
10 education and workforce development by December 1, 2010.

11 (8) \$25,000 of the general fund--state appropriation for fiscal
12 year 2011 is provided solely for implementation of chapter 164, Laws of
13 2010 (local government infrastructure). The University of Washington
14 shall use a qualified researcher to report the percentage probability
15 that the application's assumptions and estimates of jobs created and
16 increased tax receipts will be achieved by the projects. In making
17 this report, the qualified researcher shall work with the department of
18 revenue and the applicants to develop a series of factors that are
19 based on available economic metrics and sound principles.

20 **Sec. 603.** 2010 2nd sp.s. c 1 s 603 (uncodified) is amended to read
21 as follows:

22 **FOR WASHINGTON STATE UNIVERSITY**

23	General Fund--State Appropriation (FY 2010)	\$169,462,000
24	General Fund--State Appropriation (FY 2011)	(\$170,699,000)
25		<u>\$187,326,000</u>
26	General Fund--Federal Appropriation	\$15,772,000
27	Education Legacy Trust Account--State Appropriation . .	(\$34,435,000)
28		<u>\$17,699,000</u>
29	TOTAL APPROPRIATION	(\$390,368,000)
30		<u>\$390,259,000</u>

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

33 (1) In implementing the appropriations in this section, the
34 president and regents shall seek to minimize impacts on student
35 services and instructional programs by maximizing reductions in
36 administration and other non-instructional activities.

1 (2) Because higher education is an essential driver of economic
2 recovery and development, the university shall maintain, and endeavor
3 to increase, enrollment and degree production levels at or beyond their
4 academic year 2008-09 levels in the following high-demand fields:
5 Biological and biomedical sciences; computer and information sciences;
6 education with specializations in special education, math, or science;
7 engineering and engineering technology; health professions and related
8 clinical sciences; and mathematics and statistics.

9 (3) When implementing reductions for fiscal year 2010 and fiscal
10 year 2011, Washington State University shall minimize reductions to
11 extension services and agriculture extension services. Agriculture
12 extension includes:

13 (a) Faculty with extension appointments working within the
14 following departments in the college of agricultural, human, and
15 natural resource sciences with extension appointments: Animal
16 sciences, crop and soil sciences, entomology, horticulture, and plant
17 pathology;

18 (b) The portion of county extension educators' appointments
19 assigned to the "agricultural programs" area;

20 (c) Staff with extension appointments and extension operating
21 allocations located at the irrigated agriculture research and extension
22 center (Prosser), northwest Washington research and extension center
23 (Mt. Vernon), and tree fruit research and extension center (Wenatchee);
24 and

25 (d) Extension contributions to the center for precision
26 agricultural systems, center for sustaining agriculture and natural
27 resources, and the agriculture weather network.

28 (4) \$75,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$75,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for research related to honeybee
31 colony collapse disease.

32 **Sec. 604.** 2010 2nd sp.s. c 1 s 604 (uncodified) is amended to read
33 as follows:

34 **FOR EASTERN WASHINGTON UNIVERSITY**

35	General Fund--State Appropriation (FY 2010)	\$34,689,000
36	General Fund--State Appropriation (FY 2011)	(\$35,126,000)
37		<u>\$43,101,000</u>

1	General Fund--Federal Appropriation	\$5,522,000
2	Education Legacy Trust Account--State Appropriation	(\$16,041,000)
3		<u>\$8,046,000</u>
4	TOTAL APPROPRIATION	(\$91,378,000)
5		<u>\$91,358,000</u>

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

8 (1) In implementing the appropriations in this section, the
9 president and governing board shall seek to minimize impacts on student
10 services and instructional programs by maximizing reductions in
11 administration and other non-instructional activities.

12 (2) Because higher education is an essential driver of economic
13 recovery and development, the university shall maintain, and endeavor
14 to increase, enrollment and degree production levels at or beyond their
15 academic year 2008-09 levels in the following high-demand fields:
16 Biological and biomedical sciences; computer and information sciences;
17 education with specializations in special education, math, or science;
18 engineering and engineering technology; health professions and related
19 clinical sciences; and mathematics and statistics.

20 (3) At least \$200,000 of the general fund--state appropriation for
21 fiscal year 2010 and at least \$200,000 of the general fund--state
22 appropriation for fiscal year 2011 shall be expended on the northwest
23 autism center.

24 **Sec. 605.** 2010 2nd sp.s. c 1 s 605 (uncodified) is amended to read
25 as follows:

26 **FOR CENTRAL WASHINGTON UNIVERSITY**

27	General Fund--State Appropriation (FY 2010)	\$30,289,000
28	General Fund--State Appropriation (FY 2011)	(\$32,383,000)
29		<u>\$41,811,000</u>
30	General Fund--Federal Appropriation	\$6,975,000
31	Education Legacy Trust Account--State Appropriation	(\$19,012,000)
32		<u>\$9,538,000</u>
33	TOTAL APPROPRIATION	(\$88,659,000)
34		<u>\$88,613,000</u>

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

1 (1) In implementing the appropriations in this section, the
2 president and governing board shall seek to minimize impacts on student
3 services and instructional programs by maximizing reductions in
4 administration and other non-instructional activities.

5 (2) Because higher education is an essential driver of economic
6 recovery and development, the university shall maintain, and endeavor
7 to increase, enrollment and degree production levels at or beyond their
8 academic year 2008-09 levels in the following high-demand fields:
9 Biological and biomedical sciences; computer and information sciences;
10 education with specializations in special education, math, or science;
11 engineering and engineering technology; health professions and related
12 clinical sciences; and mathematics and statistics.

13 **Sec. 606.** 2010 2nd sp.s. c 1 s 606 (uncodified) is amended to read
14 as follows:

15 **FOR THE EVERGREEN STATE COLLEGE**

16	General Fund--State Appropriation (FY 2010)	\$20,514,000
17	General Fund--State Appropriation (FY 2011)	(\$17,728,000)
18		<u>\$20,406,000</u>
19	General Fund--Federal Appropriation	\$2,366,000
20	Education Legacy Trust Account--State Appropriation . .	(\$5,417,000)
21		<u>\$2,725,000</u>
22	TOTAL APPROPRIATION	(\$46,025,000)
23		<u>\$46,011,000</u>

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

26 (1) In implementing the appropriations in this section, the
27 president and governing board shall seek to minimize impacts on student
28 services and instructional programs by maximizing reductions in
29 administration and other non-instructional activities.

30 (2) Because higher education is an essential driver of economic
31 recovery and development, the college shall maintain, and endeavor to
32 increase, enrollment and degree production levels at or beyond their
33 academic year 2008-09 levels in the following high-demand fields:
34 Biological and biomedical sciences; computer and information sciences;
35 education with specializations in special education, math, or science;
36 engineering and engineering technology; health professions and related
37 clinical sciences; and mathematics and statistics.

1 (3)(a) At least \$100,000 of the general fund--state appropriation
2 for fiscal year 2010 shall be expended on the labor education and
3 research center.

4 (b) In fiscal year 2011 the labor education and research center
5 shall be transferred from The Evergreen State College to south Seattle
6 community college.

7 (4) \$100,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$100,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for the Washington state institute
10 for public policy to report to the legislature regarding efficient and
11 effective programs and policies. The report shall calculate the return
12 on investment to taxpayers from evidence-based prevention and
13 intervention programs and policies that influence crime, K-12 education
14 outcomes, child maltreatment, substance abuse, mental health, public
15 health, public assistance, employment, and housing. The institute for
16 public policy shall provide the legislature with a comprehensive list
17 of programs and policies that improve these outcomes for children and
18 adults in Washington and result in more cost-efficient use of public
19 resources. The institute shall submit interim reports by December 15,
20 2009, and October 1, 2010, and a final report by June 30, 2011. The
21 institute may receive additional funds from a private organization for
22 the purpose of conducting this study.

23 (5) To the extent federal or private funding is available for this
24 purpose, the Washington state institute for public policy and the
25 center for reinventing public education at the University of Washington
26 shall examine the relationship between participation in pension systems
27 and teacher quality and mobility patterns in the state. The department
28 of retirement systems shall facilitate researchers' access to necessary
29 individual-level data necessary to effectively conduct the study. The
30 researchers shall ensure that no individually identifiable information
31 will be disclosed at any time. An interim report on project findings
32 shall be completed by November 15, 2010, and a final report shall be
33 submitted to the governor and to the relevant committees of the
34 legislature by October 15, 2011.

35 (6) At least \$200,000 of the general fund--state appropriation for
36 fiscal year 2010 and at least \$200,000 of the general fund--state
37 appropriation for fiscal year 2011 shall be expended on the Washington
38 center for undergraduate education.

1 (7) \$15,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided solely for the Washington state institute for
3 public policy to examine the need for and methods to increase the
4 availability of nonfood items, such as personal hygiene supplies,
5 soaps, paper products, and other items, to needy persons in the state.
6 The study shall examine existing private and public programs that
7 provide such products, and develop recommendations for the most cost-
8 effective incentives for private and public agencies to increase local
9 distribution outlets and local and regional networks of supplies. A
10 final report shall be delivered to the legislature and the governor by
11 December 1, 2009.

12 (8) \$17,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$42,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided to the Washington state institute for
15 public policy to implement Second Substitute House Bill No. 2106 (child
16 welfare outcomes). If the bill is not enacted by June 30, 2009, the
17 amounts provided in this subsection shall lapse.

18 (9) \$54,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$23,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely to implement Substitute Senate
21 Bill No. 5882 (racial disproportionality). If the bill is not enacted
22 by June 30, 2009, the amounts provided in this subsection shall lapse.

23 (10) \$75,000 of the general fund--state appropriation for fiscal
24 year 2010 is provided solely for the Washington state institute of
25 public policy to evaluate the adequacy of and access to financial aid
26 and independent living programs for youth in foster care. The
27 examination shall include opportunities to improve efficiencies within
28 these programs. The institute shall report its findings by December 1,
29 2009.

30 (11) \$75,000 of the general fund--state appropriation for fiscal
31 year 2010 is provided solely for the Washington state institute for
32 public policy to conduct an assessment of the general assistance
33 unemployable program and other similar programs. The assessment shall
34 include a review of programs in other states that provide similar
35 services and will include recommendations on promising approaches that
36 both improve client outcomes and reduce state costs. A report is due
37 by December 1, 2009.

1 (12) To the extent funds are available, the Washington state
2 institute for public policy is encouraged to continue the longitudinal
3 analysis of long-term mental health outcomes directed in chapter 334,
4 Laws of 2001 (mental health performance audit), to build upon the
5 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill
6 offenders); and to assess program outcomes and cost effectiveness of
7 the children's mental health pilot projects as required by chapter 372,
8 Laws of 2006.

9 (13) \$50,000 of the general fund--state appropriation for fiscal
10 year 2011 is provided solely for the institute for public policy to
11 provide research support to the council on quality education.

12 (14) At least \$119,207 of the general fund--state appropriation for
13 fiscal year 2011 shall be expended on the longhouse center.

14 (15) At least \$103,146 of the general fund--state appropriation for
15 fiscal year 2011 shall be expended on the Northwest Indian applied
16 research institute.

17 **Sec. 607.** 2010 2nd sp.s. c 1 s 607 (uncodified) is amended to read
18 as follows:

19 **FOR WESTERN WASHINGTON UNIVERSITY**

20	General Fund--State Appropriation (FY 2010)	\$43,146,000
21	General Fund--State Appropriation (FY 2011)	(\$46,359,000)
22		<u>\$52,709,000</u>
23	General Fund--Federal Appropriation	\$8,885,000
24	Education Legacy Trust Account--State Appropriation . .	(\$12,917,000)
25		<u>\$6,518,000</u>
26	TOTAL APPROPRIATION	(\$111,307,000)
27		<u>\$111,258,000</u>

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

30 (1) In implementing the appropriations in this section, the
31 president and governing board shall seek to minimize impacts on student
32 services and instructional programs by maximizing reductions in
33 administration and other non-instructional activities.

34 (2) Because higher education is an essential driver of economic
35 recovery and development, the university shall maintain, and endeavor
36 to increase, enrollment and degree production levels at or beyond their
37 academic year 2008-09 levels in the following high-demand fields:

1 Biological and biomedical sciences; computer and information sciences;
2 education with specializations in special education, math, or science;
3 engineering and engineering technology; health professions and related
4 clinical sciences; and mathematics and statistics.

5 **Sec. 608.** 2010 1st sp.s. c 37 s 610 (uncodified) is amended to
6 read as follows:

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

9	General Fund--State Appropriation (FY 2010)	\$6,402,000
10	General Fund--State Appropriation (FY 2011)	(\$5,561,000)
11		<u>\$5,339,000</u>
12	General Fund--Federal Appropriation	\$4,332,000
13	TOTAL APPROPRIATION	(\$16,295,000)
14		<u>\$16,073,000</u>

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

17 (1) Within the funds appropriated in this section, the higher
18 education coordinating board shall complete a system design planning
19 project that defines how the current higher education delivery system
20 can be shaped and expanded over the next ten years to best meet the
21 needs of Washington citizens and businesses for high quality and
22 accessible post-secondary education. The board shall propose policies
23 and specific, fiscally feasible implementation recommendations to
24 accomplish the goals established in the *2008 strategic master plan for*
25 *higher education*. The project shall specifically address the roles,
26 missions, and instructional delivery systems both of the existing and
27 of proposed new components of the higher education system; the extent
28 to which specific academic programs should be expanded, consolidated,
29 or discontinued and how that would be accomplished; the utilization of
30 innovative instructional delivery systems and pedagogies to reach both
31 traditional and nontraditional students; and opportunities to
32 consolidate institutional administrative functions. The study
33 recommendations shall also address the proposed location, role,
34 mission, academic program, and governance of any recommended new
35 campus, institution, or university center. During the planning
36 process, the board shall inform and actively involve the chairs from
37 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. 609.** 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)	(\$122,218,000)
30		<u>\$178,502,000</u>
31	General Fund--Federal Appropriation	\$13,129,000
32	Education Legacy Trust Account--State	
33	Appropriation	(\$116,060,000)
34		<u>\$59,776,000</u>
35	Opportunity Pathways Account--State Appropriation	\$73,500,000
36	TOTAL APPROPRIATION	\$513,239,000

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

3 (1) \$178,726,000 of the general fund--state appropriation for
4 fiscal year 2010, \$120,572,000 of the general fund--state appropriation
5 for fiscal year 2011, \$109,188,000 of the education legacy trust
6 account appropriation, \$73,500,000 of the opportunity pathways
7 appropriation, and \$2,545,000 of the general fund--federal
8 appropriation are provided solely for student financial aid payments
9 under the state need grant; the state work study program including up
10 to a four percent administrative allowance; the Washington scholars
11 program; and the Washington award for vocational excellence. State
12 need grant and the Washington award for vocational excellence shall be
13 adjusted to offset the cost of the resident undergraduate tuition
14 increases, limited to those tuition increases authorized under this
15 act. The Washington scholars program shall provide awards sufficient
16 to offset ninety percent of the total tuition and fee award.

17 (2)(a) Within the funds appropriated in this section, eligibility
18 for the state need grant shall include students with family incomes at
19 or below 70 percent of the state median family income (MFI), adjusted
20 for family size. Awards for all students shall be adjusted by the
21 estimated amount by which Pell grant increases exceed projected
22 increases in the noninstructional costs of attendance. Awards for
23 students with incomes between 51 and 70 percent of the state median
24 shall be prorated at the following percentages of the award amount
25 granted to those with incomes below 51 percent of the MFI: 70 percent
26 for students with family incomes between 51 and 55 percent MFI; 65
27 percent for students with family incomes between 56 and 60 percent MFI;
28 60 percent for students with family incomes between 61 and 65 percent
29 MFI; and 50 percent for students with family incomes between 66 and 70
30 percent MFI.

31 (b) Grant awards for students at private four-year colleges shall
32 be set at the same level as the student would receive if attending one
33 of the public research universities.

34 (3) To the maximum extent practicable, the board shall provide
35 state work study subsidies only to resident students during the 2010-11
36 academic year. Additionally, in order to provide work opportunities to
37 as many resident students as possible, the board is encouraged to

1 increase the proportion of student wages that is to be paid by both
2 proprietary and nonprofit, public, and private employers.

3 (4) \$3,872,000 of the education legacy trust account--state
4 appropriation is provided solely for the passport to college
5 scholarship program pursuant to chapter 28B.117 RCW. The higher
6 education coordinating board shall contract with a college scholarship
7 organization with expertise in managing scholarships for low-income,
8 high-potential students and foster care children and young adults to
9 administer the program. Of the amount in this subsection, \$39,000 is
10 provided solely for the higher education coordinating board for
11 administration of the contract and the remaining shall be contracted
12 out to the organization for the following purposes:

13 (a) \$384,000 is provided solely for program administration, and

14 (b) \$3,449,000 is provided solely for student financial aid for up
15 to 151 students and to fund student support services. Funds are
16 provided for student scholarships, provider training, and for incentive
17 payments to the colleges they attend for individualized student support
18 services which may include, but are not limited to, college and career
19 advising, counseling, tutoring, costs incurred for students while
20 school is not in session, personal expenses, health insurance, and
21 emergency services.

22 (5) \$1,250,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided solely for the health professional scholarship
24 and loan program. The funds provided in this subsection shall be: (a)
25 Prioritized for health care deliver sites demonstrating a commitment to
26 serving the uninsured; and (b) allocated between loan repayments and
27 scholarships proportional to current program allocations.

28 (6) For fiscal year 2010 and fiscal year 2011, the board shall
29 defer loan or conditional scholarship repayments to the future teachers
30 conditional scholarship and loan repayment program for up to one year
31 for each participant if the participant has shown evidence of efforts
32 to find a teaching job but has been unable to secure a teaching job per
33 the requirements of the program.

34 (7) \$246,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$246,000 of the general fund--state appropriation for
36 fiscal year 2011 are for community scholarship matching grants and its
37 administration. To be eligible for the matching grant, nonprofit
38 groups organized under section 501(c)(3) of the federal internal

1 revenue code must demonstrate they have raised at least \$2,000 in new
2 moneys for college scholarships after the effective date of this
3 section. Groups may receive no more than one \$2,000 matching grant per
4 year and preference shall be given to groups affiliated with
5 scholarship America. Up to a total of \$46,000 per year of the amount
6 appropriated in this section may be awarded to a nonprofit community
7 organization to administer scholarship matching grants, with preference
8 given to an organization affiliated with scholarship America.

9 (8) \$500,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$500,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for state need grants provided to
12 students enrolled in three to five credit-bearing quarter credits, or
13 the equivalent semester credits. Total state expenditures on this
14 program shall not exceed the amounts provided in this subsection.

15 (9) \$2,500,000 of the education legacy trust account--state
16 appropriation is provided solely for the gaining early awareness and
17 readiness for undergraduate programs project.

18 (10) \$75,000 of the general fund--state appropriation for fiscal
19 year 2010 is provided solely for higher education student child care
20 matching grants under chapter 28B.135 RCW.

21 (11) \$200,000 of the general fund--state appropriation for fiscal
22 year 2011 is provided solely for continuation of the leadership 1000
23 scholarship sponsorship and matching program.

24 (12) In 2010 and 2011, the board shall continue to designate
25 Washington scholars and scholar-alternates and to recognize them at
26 award ceremonies as provided in RCW 28A.600.150, but state funding is
27 provided for award of only one scholarship per legislative district
28 during the 2010-11 academic year. After the 2010-11 academic year, and
29 as provided in RCW 28B.76.660, the board may distribute grants to these
30 eligible students to the extent that funds are appropriated for this
31 purpose.

32 **Sec. 610.** 2010 1st sp.s. c 37 s 612 (uncodified) is amended to
33 read as follows:

34 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

35	General Fund--State Appropriation (FY 2010)	\$1,465,000
36	General Fund--State Appropriation (FY 2011)	(\$1,444,000)
37		<u>\$1,358,000</u>

1 General Fund--Federal Appropriation ((~~\$54,020,000~~))
 2 \$54,022,000
 3 TOTAL APPROPRIATION ((~~\$56,929,000~~))
 4 \$56,845,000

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

7 (1) \$60,000 of the general fund--state appropriation for fiscal
 8 year 2010 and \$60,000 of the general fund--state appropriation for
 9 fiscal year 2011 are provided solely for implementation of Engrossed
 10 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
 11 bill is not enacted by June 30, 2009, the amounts provided in this
 12 subsection shall lapse.

13 (2) In 2010 and 2011, the board shall continue to designate
 14 recipients of the Washington award for vocational excellence and to
 15 recognize them at award ceremonies as provided in RCW 28C.04.535, but
 16 state funding is provided for award of only one scholarship per
 17 legislative district during the 2010-11 academic year. After the 2010-
 18 11 academic year, and as provided in RCW 28B.76.670, the board may
 19 distribute grants to these eligible students to the extent that funds
 20 are appropriated for this purpose.

21 **Sec. 611.** 2010 1st sp.s. c 37 s 613 (uncodified) is amended to
 22 read as follows:

23 **FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**
 24 General Fund--State Appropriation (FY 2010) \$1,598,000
 25 General Fund--State Appropriation (FY 2011) ((~~\$1,490,000~~))
 26 \$1,396,000
 27 TOTAL APPROPRIATION ((~~\$3,088,000~~))
 28 \$2,994,000

29 The appropriations in this section are subject to the following
 30 conditions and limitations: Within existing resources, the Spokane
 31 intercollegiate research and technology institute shall coordinate with
 32 the Washington technology center to identify gaps and overlaps in
 33 programs and evaluate strategies to reduce administrative overhead
 34 expenses per section 122(27) of this act.

35 **Sec. 612.** 2010 1st sp.s. c 37 s 614 (uncodified) is amended to
 36 read as follows:

1 **FOR THE DEPARTMENT OF EARLY LEARNING**

2	General Fund--State Appropriation (FY 2010)	\$60,400,000
3	General Fund--State Appropriation (FY 2011)	(\$21,241,000)
4		<u>\$19,046,000</u>
5	General Fund--Federal Appropriation	(\$265,305,000)
6		<u>\$266,004,000</u>
7	Opportunity Pathways Account--State Appropriation	\$40,000,000
8	TOTAL APPROPRIATION	(\$386,946,000)
9		<u>\$385,450,000</u>

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

12 (1) \$54,878,000 of the general fund--state appropriation for fiscal
13 year 2010 and ~~(\$14,685,000)~~ \$14,405,000 of the general fund--state
14 appropriation for fiscal year 2011, and \$40,000,000 of the opportunity
15 pathways account appropriation are provided solely for early childhood
16 education and assistance program services. This appropriation
17 temporarily reduces the number of slots for the 2009-11 fiscal biennium
18 for the early childhood education and assistance program. The
19 department shall reduce slots where providers serve both federal
20 headstart and early childhood education and assistance program
21 children, to the greatest extent possible, in order to achieve no
22 reduction of slots across the state. The amounts in this subsection
23 also reflect reductions to the administrative expenditures for the
24 early childhood education and assistance program. The department shall
25 reduce administrative expenditures, to the greatest extent possible,
26 prior to reducing early childhood education and assistance program
27 slots. Of these amounts, \$10,284,000 is a portion of the biennial
28 amount of state matching dollars required to receive federal child care
29 and development fund grant dollars.

30 (2) \$1,000,000 of the general fund--federal appropriation is
31 provided to the department to contract with Thrive by Five, Washington
32 for a pilot project for a quality rating and improvement system to
33 provide parents with information they need to choose quality child care
34 and education programs and to improve the quality of early care and
35 education programs. The department in collaboration with Thrive by
36 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,
37 and Kitsap counties. The department shall use child care development
38 fund quality money for this purpose.

1 (3) \$425,000 of the general fund--state appropriation for fiscal
2 year 2010, (~~(\$213,000)~~) \$200,000 of the general fund--state
3 appropriation for fiscal year 2011, and \$850,000 of the general fund--
4 federal appropriation are provided solely for child care resource and
5 referral network services. The general fund--federal funding
6 represents moneys from the American recovery and reinvestment act of
7 2009 (child care development block grant).

8 (4) \$750,000 of the general fund--state appropriation for fiscal
9 year 2010, (~~(\$750,000 of the general fund--state appropriation for~~
10 ~~fiscal year 2011,)~~) and \$1,500,000 of the general fund--federal
11 appropriation are provided solely for the career and wage ladder
12 program created by chapter 507, Laws of 2005. The general fund--
13 federal funding represents moneys from the American recovery and
14 reinvestment act of 2009 (child care development block grant).

15 (5) \$50,000 of the general fund--state appropriation for fiscal
16 year 2010 (~~(and \$50,000 of the general fund--state appropriation for~~
17 ~~fiscal year 2011 are)~~) is provided solely for the department to work
18 with stakeholders and the office of the superintendent of public
19 instruction to identify and test a kindergarten assessment process and
20 tools in geographically diverse school districts. School districts may
21 participate in testing the kindergarten assessment process on a
22 voluntary basis. The department shall report to the legislature on the
23 kindergarten assessment process not later than January 15, 2011.
24 Expenditure of amounts provided in this subsection is contingent on
25 receipt of an equal match from private sources. As matching funds are
26 made available, the department may expend the amounts provided in this
27 subsection.

28 (6) \$1,600,000 of the general fund--federal appropriation is
29 provided solely for the department to fund programs to improve the
30 quality of infant and toddler child care through training, technical
31 assistance, and child care consultation.

32 (7) \$200,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$200,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely to develop and provide culturally
35 relevant supports for parents, family, and other caregivers.

36 (8) The legislature notes that the department of early learning is
37 developing a plan for improving child care licensing and is consulting,
38 as practicable, with parents, licensed child care providers, and

1 stakeholders from the child care community. The plan shall outline the
2 processes and specify the resources necessary for improvements such as
3 continuing licenses, child care licensing technology, and weighted
4 child care regulations, including development of risk-based decision
5 making models and inclusive, evidence-based rule making. The
6 department shall submit to the appropriate committees of the
7 legislature a plan by January 15, 2011.

8 (9) The department is the lead agency for and recipient of the
9 federal child care and development fund grant. Amounts within this
10 grant shall be used to fund child care licensing, quality initiatives,
11 agency administration, and other costs associated with child care
12 subsidies. The department shall transfer a portion of this grant to
13 the department of social and health services to partially fund the
14 child care subsidies paid by the department of social and health
15 services on behalf of the department of early learning.

16 (10) The department shall use child care development fund money to
17 satisfy the federal audit requirement of the improper payments act
18 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent
19 on the audits will not count against the five percent state limit on
20 administrative expenditures.

21 (11) Within available amounts, the department in consultation with
22 the office of financial management and the department of social and
23 health services shall report quarterly enrollments and active caseload
24 for the working connections child care program to the legislative
25 fiscal committees. The report shall also identify the number of cases
26 participating in both temporary assistance for needy families and
27 working connections child care.

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

34 (13) (~~(\$500,000)~~) \$374,000 of the general fund--state appropriation
35 for fiscal year 2011 is provided solely for the department to contract
36 with the private-public partnership established in chapter 43.215 RCW
37 for home visitation programs. Of this amount, \$200,000 of the general
38 fund--state appropriation for fiscal year 2011 is provided solely for

1 expenditure into the home visiting services account created in Part IX
2 of this act to be used for contracts for home visitation with the
3 private-public partnership.

4 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the
5 department is authorized to increase child care center licensure fees
6 by fifty-two dollars for the first twelve children and an additional
7 four dollars per additional child in fiscal year 2011 for costs to the
8 department for the licensure activity, including costs of necessary
9 inspection.

10 **Sec. 613.** 2010 1st sp.s. c 37 s 615 (uncodified) is amended to
11 read as follows:

12 **FOR THE STATE SCHOOL FOR THE BLIND**

13	General Fund--State Appropriation (FY 2010)	\$5,902,000
14	General Fund--State Appropriation (FY 2011)	(\$5,985,000)
15		<u>\$5,506,000</u>
16	General Fund--Private/Local Appropriation	\$1,942,000
17	TOTAL APPROPRIATION	(\$13,829,000)
18		<u>\$13,350,000</u>

19 The appropriations in this section are subject to the following
20 conditions and limitations: \$271,000 of the general fund--
21 private/local appropriation is provided solely for the school for the
22 blind to offer short course programs, allowing students the opportunity
23 to leave their home schools for short periods and receive intensive
24 training. The school for the blind shall provide this service to the
25 extent that it is funded by contracts with school districts and
26 educational services districts.

27 **Sec. 614.** 2010 1st sp.s. c 37 s 616 (uncodified) is amended to
28 read as follows:

29 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
30 **LOSS**

31	General Fund--State Appropriation (FY 2010)	\$8,593,000
32	General Fund--State Appropriation (FY 2011)	(\$8,782,000)
33		<u>\$8,226,000</u>
34	General Fund--Private/Local Appropriation	\$526,000
35	TOTAL APPROPRIATION	(\$17,901,000)
36		<u>\$17,345,000</u>

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

3 (1) \$210,000 of the general fund--private/local appropriation is
4 provided solely for the operation of the shared reading video outreach
5 program. The school for the deaf shall provide this service to the
6 extent it is funded by contracts with school districts and educational
7 service districts.

8 (2) \$25,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$25,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for implementation of Engrossed
11 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If
12 the bill is not enacted by June 30, 2009, the amounts provided in this
13 subsection shall lapse.

14 **Sec. 615.** 2010 1st sp.s. c 37 s 617 (uncodified) is amended to
15 read as follows:

16 **FOR THE WASHINGTON STATE ARTS COMMISSION**

17	General Fund--State Appropriation (FY 2010)	\$1,844,000
18	General Fund--State Appropriation (FY 2011)	(\$1,347,000)
19		<u>\$1,228,000</u>
20	General Fund--Federal Appropriation	(\$1,944,000)
21		<u>\$2,107,000</u>
22	General Fund--Private/Local Appropriation	\$1,052,000
23	TOTAL APPROPRIATION	(\$6,187,000)
24		<u>\$6,231,000</u>

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

33 **Sec. 616.** 2010 1st sp.s. c 37 s 618 (uncodified) is amended to
34 read as follows:

35 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

36	General Fund--State Appropriation (FY 2010)	\$2,592,000
----	---	-------------

1 General Fund--State Appropriation (FY 2011) ((~~\$2,607,000~~))
 2 \$2,379,000
 3 TOTAL APPROPRIATION ((~~\$5,199,000~~))
 4 \$4,971,000

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

13 **Sec. 617.** 2010 1st sp.s. c 37 s 619 (uncodified) is amended to
 14 read as follows:

15 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

16 General Fund--State Appropriation (FY 2010) \$1,612,000
 17 General Fund--State Appropriation (FY 2011) ((~~\$1,632,000~~))
 18 \$1,489,000
 19 TOTAL APPROPRIATION ((~~\$3,244,000~~))
 20 \$3,101,000

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

(End of part)

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 2010 1st sp.s. c 37 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2010)	\$842,590,000
General Fund--State Appropriation (FY 2011)	(\$894,284,000)
	<u>\$879,284,000</u>
State Building Construction Account--State	
Appropriation	\$11,707,000
Columbia River Basin Water Supply Development Account--	
State Appropriation	\$117,000
Hood Canal Aquatic Rehabilitation Bond Account--State	
Appropriation	\$11,000
State Taxable Building Construction Account--State	
Appropriation	\$1,136,000
Gardner-Evans Higher Education Construction Account--	
State Appropriation	\$260,000
Debt-Limit Reimbursable Bond Retirement Account--State	
Appropriation	\$2,612,000
TOTAL APPROPRIATION	(\$1,752,717,000)
	<u>\$1,737,717,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2010 shall be expended into the debt-limit general fund bond retirement account by June 30, 2010.

Sec. 702. 2010 1st sp.s. c 37 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO

1 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

2 General Fund--State Appropriation (FY 2010) \$26,436,000

3 General Fund--State Appropriation (FY 2011) (~~(\$27,773,000)~~)

4 \$27,713,000

5 School Construction and Skill Centers Building

6 Account--State Appropriation \$477,000

7 Nondebt-Limit Reimbursable Bond Retirement Account--

8 State Appropriation (~~(\$140,872,000)~~)

9 \$135,872,000

10 TOTAL APPROPRIATION (~~(\$195,558,000)~~)

11 \$190,498,000

12 The appropriations in this section are subject to the following

13 conditions and limitations: The general fund appropriation is for

14 expenditure into the nondebt-limit general fund bond retirement

15 account. The entire general fund--state appropriation for fiscal year

16 2010 shall be expended into the nondebt-limit general fund bond

17 retirement account by June 30, 2010.

18 **Sec. 703.** 2010 1st sp.s. c 37 s 703 (uncodified) is amended to

19 read as follows:

20 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**

21 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

22 General Fund--State Appropriation (FY 2010) \$1,357,000

23 General Fund--State Appropriation (FY 2011) \$1,357,000

24 State Building Construction Account--State

25 Appropriation \$1,273,000

26 Columbia River Basin Water Supply Development

27 Account--State Appropriation \$9,000

28 Hood Canal Aquatic Rehabilitation Bond Account--

29 State Appropriation \$1,000

30 State Taxable Building Construction Account--State

31 Appropriation \$72,000

32 Gardner-Evans Higher Education Construction

33 Account--State Appropriation \$18,000

34 School Construction and Skill Centers Building

35 Account--State Appropriation (~~(\$30,000)~~)

36 \$37,000

37 TOTAL APPROPRIATION (~~(\$4,117,000)~~)

2 **Sec. 704.** 2010 1st sp.s. c 37 s 705 (uncodified) is amended to
3 read as follows:

4 **FOR THE DEPARTMENT OF HEALTH--COUNTY PUBLIC HEALTH ASSISTANCE**
5 General Fund--State Appropriation (FY 2011) \$24,000,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: The director of the department of health
8 shall distribute the appropriations to the following counties and
9 health districts in the amounts designated to support public health
10 services, including public health nursing:

(Health District	FY 2011
12 Adams County Health District	\$30,951
13 Asotin County Health District	\$67,714
14 Benton-Franklin Health District	\$1,165,612
15 Chelan-Douglas Health District	\$184,761
16 Clallam County Health and Human Services Department	\$141,752
17 Southwest Washington Health District	\$1,084,473
18 Columbia County Health District	\$40,529
19 Cowlitz County Health Department	\$278,560
20 Garfield County Health District	\$15,028
21 Grant County Health District	\$118,596
22 Grays Harbor Health Department	183,870
23 Island County Health Department	\$91,892
24 Jefferson County Health and Human Services	\$85,782
25 Seattle-King County Department of Public Health	\$9,531,747
26 Bremerton-Kitsap County Health District	\$554,669
27 Kittitas County Health Department	\$92,499
28 Klickitat County Health Department	\$62,402
29 Lewis County Health Department	\$105,801
30 Lincoln County Health Department	\$29,705
31 Mason County Department of Health Services	\$95,988
32 Okanogan County Health District	\$63,458
33 Pacific County Health Department	\$77,427
34 Tacoma-Pierce County Health Department	\$2,820,590
35 San Juan County Health and Community Services	\$37,531

1	Skagit County Health Department	\$223,927
2	Snohomish Health District	\$2,258,207
3	Spokane County Health District	\$2,101,429
4	Northeast Tri-County Health District	\$110,454
5	Thurston County Health Department	\$600,419
6	Wahkiakum County Health Department	\$13,772
7	Walla Walla County-City Health Department	\$172,062
8	Wheaton County Health Department	\$855,863
9	Whitman County Health Department	\$78,733
10	Yakima Health District	\$623,797
11	TOTAL APPROPRIATIONS	\$24,000,000))
12	<u>Health District</u>	<u>FY 2011</u>
13	<u>Clallam County Health and Human Services Department</u>	\$131,729
14	<u>Clark County Health District</u>	\$982,997
15	<u>Skamania County Health Department</u>	\$24,794
16	<u>Columbia County Health District</u>	\$37,663
17	<u>Cowlitz County Health Department</u>	\$258,863
18	<u>Garfield County Health District</u>	\$13,965
19	<u>Grant County Health District</u>	\$110,210
20	<u>Grays Harbor Health Department</u>	\$170,869
21	<u>Island County Health Department</u>	\$85,394
22	<u>Jefferson County Health and Human Services</u>	\$79,716
23	<u>Seattle-King County Department of Public Health</u>	\$8,857,773
24	<u>Bremerton-Kitsap County Health District</u>	\$515,449
25	<u>Kittitas County Health Department</u>	\$85,959
26	<u>Klickitat County Health Department</u>	\$57,990
27	<u>Lewis County Health Department</u>	\$98,320
28	<u>Lincoln County Health Department</u>	\$27,605
29	<u>Mason County Department of Health Services</u>	\$89,201
30	<u>Okanogan County Health District</u>	\$58,971
31	<u>Pacific County Health Department</u>	\$71,952
32	<u>Tacoma-Pierce County Health Department</u>	\$2,621,151
33	<u>San Juan County Health and Community Services</u>	\$34,877
34	<u>Skagit County Health Department</u>	\$208,093
35	<u>Snohomish Health District</u>	\$2,098,533
36	<u>Spokane County Health District</u>	\$1,952,840

1	(c) William Davis, claim number 99970008	\$8,093
2	(d) Gene T. Strader, claim number 99970009	\$33,875
3	(e) Cecilio Cortez, claim number 99970012	\$17,055
4	(f) Alexander D. Coble, claim number 99970013	\$302,110
5	(g) James W. Jolly, claim number 99970017	\$28,884
6	(h) James Jay Olsen, claim number 99970018	\$97,220
7	(i) Todd E. Miller, claim number 99970019	\$6,957
8	(j) Sean S. DeHart, claim number 99970021	\$52,062
9	(k) Thomas L. Raglin, Jr., claim number 99970022	\$4,360
10	(l) Matthew Smitham, claim number 99970016	\$8,100
11	(m) John R. Frederick, claim number 99970020	\$7,719
12	(n) Justin C. Federmeier, claim number 99970023	\$29,728
13	(o) David R. Palmer, claim number 99970024	\$4,250
14	(p) Ian K. Berghoffer, claim number 99970026	\$33,455
15	(q) Darryl L. Koenen, claim number 99970027	\$23,077
16	(r) Lee J. Stites, claim number 99970028	\$7,502
17	(s) Bobby G. Ewing, claim number 99970029	\$51,093
18	<u>(t) Dylan Friesz, claim number 99970030</u>	<u>\$10,200</u>
19	<u>(u) Kevin L. Lund, claim number 99970031</u>	<u>\$11,402</u>
20	<u>(v) Rodney C. Price, claim number 99970033</u>	<u>\$11,250</u>
21	<u>(w) Matthew S. Lovacs, claim number 99970034</u>	<u>\$25,700</u>
22	<u>(x) Christopher A. Peeler, claim number 99970035</u>	<u>\$47,923</u>
23	<u>(y) Dwayne Myatt-Perez, claim number 99970036</u>	<u>\$70,000</u>
24	(2) Payment of death benefit, pursuant to RCW 41.04.017: Estate of	
25	Erik Anderson, claim number 99970014	\$150,000

26 **Sec. 707.** 2010 1st sp.s. c 37 s 710 (uncodified) is amended to
27 read as follows:

28 **STRATEGIC PRINTING STRATEGY.** (1) The office of financial
29 management shall work with the appropriate state agencies to generate
30 savings of \$1,500,000 from the state general fund that can arise from
31 a strategic printing strategy. (~~From appropriations in this act, the~~
32 ~~office of financial management shall reduce general fund state~~
33 ~~allotments by \$1,500,000 for fiscal year 2011 to reflect the savings~~
34 ~~from the strategic printing strategy. The allotment reductions shall~~
35 ~~be placed in unallotted status and remain unexpended.))~~

36 (2) The office of financial management, with the assistance of the
37 department of information services and the department of printing,

1 shall conduct an analysis of the state's printing processes to identify
2 the most reasonable strategies of attaining a statewide savings target
3 of \$1,500,000 without affecting direct program activities. The
4 strategies shall include, but not be limited to, standardizing
5 envelopes, utilizing print management, and streamlining processes.
6 Pursuant to RCW 41.06.142(3), the strategies shall also include, on the
7 approval of the office of financial management, pilot projects to
8 authorize state agencies and institutions to directly acquire printing
9 services. The analysis shall identify savings by agency and fund that
10 will result from the implementation of a strategic printing strategy.
11 The results of this analysis shall then be provided to the director of
12 financial management and appropriate legislative committees by July 1,
13 2010. The director shall use the analysis as the basis to achieve the
14 savings identified in subsection (1) of this section.

15 **Sec. 708.** 2010 1st sp.s. c 37 s 711 (uncodified) is amended to
16 read as follows:

17 **INFORMATION TECHNOLOGY.** Pursuant to section 11, chapter 282, Laws
18 of 2010 (state government technology use), the office of financial
19 management shall work with the appropriate state agencies to generate
20 savings of (~~(\$30,000,000)~~) \$8,632,000 from technology efficiencies from
21 the state general fund. (~~(From appropriations in this act, the office
22 of financial management shall reduce general fund state allotments by
23 \$30,000,000 for fiscal year 2011. The office of financial management
24 shall, utilizing existing fund balance, reduce the data processing
25 revolving account rates in an amount to reflect up to half of the
26 reductions identified in this section. The allotment reductions shall
27 be placed in unallotted status and remain unexpended.)~~) Nothing in
28 this section is intended to impact revenue collection efforts by the
29 department of revenue.

30 **Sec. 709.** 2009 c 564 s 711 (uncodified) is amended to read as
31 follows:

32 **FOR THE OFFICE OF FINANCIAL MANAGEMENT-- EDUCATION TECHNOLOGY**
33 **REVOLVING ACCOUNT**

34	General Fund--State Appropriation (FY 2010)	\$8,000,000
35	General Fund--State Appropriation (FY 2011)	(\$8,000,000)
36		<u>\$7,000,000</u>

1 TOTAL APPROPRIATION ((~~\$16,000,000~~))
2 \$15,000,000

3 The appropriations in this section are subject to the following
4 conditions and limitations: The appropriations in this section are
5 provided solely for expenditure into the education technology revolving
6 account for the purpose of covering ongoing operational and equipment
7 replacement costs incurred by the K-20 educational network program in
8 providing telecommunication services to network participants.

9 **Sec. 710.** 2009 c 564 s 719 (uncodified) is amended to read as
10 follows:

11 **FOR THE OFFICE OF FINANCIAL MANAGEMENT-- O'BRIEN BUILDING IMPROVEMENT**
12 General Fund--State Appropriation (FY 2010) \$1,435,000
13 General Fund--State Appropriation (FY 2011) (~~(\$1,435,000)~~)
14 \$1,884,000
15 TOTAL APPROPRIATION (~~(\$2,870,000)~~)
16 \$3,319,000

17 The appropriations in this section are subject to the following
18 conditions and limitations: The appropriations are provided solely for
19 expenditure into the general administration services account for
20 payment of principal, interest, and financing expenses associated with
21 the certificate of participation for the O'Brien building improvement,
22 project number 20081007.

23 NEW SECTION. **Sec. 711.** A new section is added to 2009 c 564
24 (uncodified) to read as follows:

25 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--WASHINGTON OPPORTUNITY**
26 **PATHWAYS ACCOUNT**
27 General Fund--State Appropriation (FY 2011) \$19,000,000

28 The appropriation in this section is subject to the following
29 conditions and limitations: The appropriation is provided solely for
30 expenditure into the Washington opportunity pathways account.

31 NEW SECTION. **Sec. 712.** A new section is added to 2009 c 564
32 (uncodified) to read as follows:

33 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION LEGACY TRUST ACCOUNT**
34 General Fund--State Appropriation (FY 2011) \$1,501,000

1 The appropriation in this section is subject to the following
2 conditions and limitations: The appropriation is provided solely for
3 expenditure into the education legacy trust account.

(End of part)

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))
	<u>\$7,888,000</u>
General Fund Appropriation for public utility	
district excise tax distributions	((\$47,342,000))
	<u>\$45,254,000</u>
General Fund Appropriation for prosecuting	
attorney distributions	((\$6,281,000))
	<u>\$5,804,000</u>
General Fund Appropriation for boating safety	
and education distributions	((\$4,854,000))
	<u>\$3,954,000</u>
General Fund Appropriation for other tax	
distributions	((\$50,000))
	<u>\$52,000</u>
General Fund Appropriation for habitat conservation	
program distributions	((\$3,000,000))
	<u>\$2,642,000</u>
Death Investigations Account Appropriation for	
distribution to counties for publicly funded	
autopsies	\$2,544,000
Aquatic Lands Enhancement Account Appropriation for	
harbor improvement revenue distribution	\$170,000
Timber Tax Distribution Account Appropriation for	
distribution to "timber" counties	((\$36,651,000))
	<u>\$29,929,000</u>
County Criminal Justice Assistance Appropriation	((\$68,528,000))
	<u>\$65,887,000</u>
Municipal Criminal Justice Assistance	
Appropriation	((\$27,175,000))
	<u>\$25,516,000</u>

1	City-County Assistance Account Appropriation for local	
2	government financial assistance distribution . . .	((\$27,366,000))
3		<u>\$24,183,000</u>
4	Liquor Excise Tax Account Appropriation for liquor	
5	excise tax distribution	((\$58,268,000))
6		<u>\$58,949,000</u>
7	Streamline Sales and Use Tax Account Appropriation for	
8	distribution to local taxing jurisdictions to	
9	mitigate the unintended revenue redistribution	
10	effect of the sourcing law changes	((\$50,056,000))
11		<u>\$49,933,000</u>
12	Columbia River Water Delivery Account Appropriation	
13	for the Confederated Tribes of the Colville	
14	Reservation	((\$7,315,000))
15		<u>\$7,257,000</u>
16	Columbia River Water Delivery Account Appropriation	
17	for the Spokane Tribe of Indians	((\$4,644,000))
18		<u>\$4,704,000</u>
19	Liquor Revolving Account Appropriation for liquor	
20	profits distribution	((\$68,741,000))
21		<u>\$65,200,000</u>
22	Liquor Revolving Account Appropriation for additional	
23	liquor profits distribution to local governments . . .	\$18,677,000
24	TOTAL APPROPRIATION	((\$439,234,000))
25		<u>\$418,543,000</u>

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

29 NEW SECTION. **Sec. 802.** 2010 1st sp.s. c 37 s 802 (uncodified) is
30 repealed.

31 **Sec. 803.** 2010 2nd sp.s. c 1 s 801 (uncodified) is amended to read
32 as follows:

33 **FOR THE STATE TREASURER--TRANSFERS**
34 State Treasurer's Service Account: For transfer to the
35 state general fund, \$16,400,000 for fiscal
36 year 2010 and \$26,400,000 for fiscal year 2011 \$42,800,000

1 Waste Reduction, Recycling and Litter Control Account:
2 For transfer to the state general fund, \$3,000,000
3 for fiscal year 2010 and \$3,000,000 for fiscal year
4 2011 \$6,000,000
5 State Toxics Control Account: For transfer to the
6 state general fund, \$15,340,000 for fiscal year
7 2010 and \$37,780,000 for fiscal
8 year 2011 \$53,120,000
9 Local Toxics Control Account: For transfer to the
10 state general fund, \$37,060,000 for fiscal year
11 2010 and \$48,759,000 for fiscal year 2011 \$85,819,000
12 Education Construction Account: For transfer to the
13 state general fund, \$105,228,000 for fiscal year
14 2010 and \$106,451,000 for fiscal year 2011 \$211,679,000
15 Aquatics Lands Enhancement Account: For transfer to
16 the state general fund, \$8,520,000 for fiscal
17 year 2010 and (~~(\$5,050,000)~~) \$12,550,000 for
18 fiscal year 2011 (~~(\$13,570,000)~~)
19 \$21,070,000
20 Drinking Water Assistance Account: For transfer to
21 the drinking water assistance repayment account \$28,600,000
22 Economic Development Strategic Reserve Account: For
23 transfer to the state general fund, \$2,500,000 for
24 fiscal year 2010 and (~~(\$2,500,000)~~) \$3,900,000 for
25 fiscal year 2011 (~~(\$5,000,000)~~)
26 \$6,400,000
27 Tobacco Settlement Account: For transfer to the state
28 general fund, in an amount not to exceed by more
29 than \$26,000,000 the actual amount of the annual
30 payment to the tobacco settlement account (~~(\$204,098,000)~~)
31 \$187,546,000
32 Tobacco Settlement Account: For transfer to the life
33 sciences discovery fund, in an amount not to exceed
34 \$26,000,000 less than the actual amount of the
35 strategic contribution supplemental payment to
36 the tobacco settlement account (~~(\$39,170,000)~~)
37 \$30,570,000
38 General Fund: For transfer to the streamline sales and

1 use tax account, \$24,274,000 for fiscal year 2010
2 and \$24,182,000 for fiscal year 2011 \$48,456,000
3 State Convention and Trade Center Account: For
4 transfer to the state convention and trade center
5 operations account, \$1,000,000 for fiscal year
6 2010 (~~and \$3,100,000 for fiscal year 2011~~) (~~(\$4,100,000)~~)
7 \$1,000,000
8 Tobacco Prevention and Control Account: For transfer
9 to the state general fund, \$1,961,000 for fiscal
10 year 2010 and \$3,000,000 for fiscal year 2011 \$4,961,000
11 Nisqually Earthquake Account: For transfer to the
12 disaster response account for fiscal year 2010 \$500,000
13 Judicial Information Systems Account: For transfer
14 to the state general fund, \$3,250,000 for fiscal
15 year 2010 and \$3,250,000 for fiscal year 2011 \$6,500,000
16 Department of Retirement Systems Expense Account: For
17 transfer to the state general fund, \$1,000,000 for
18 fiscal year 2010 and \$1,500,000 for fiscal year
19 2011 \$2,500,000
20 State Emergency Water Projects Account: For transfer
21 to the state general fund, \$390,000 for fiscal
22 year 2011 \$390,000
23 The Charitable, Educational, Penal, and Reformatory
24 Institutions Account: For transfer to the state
25 general fund, \$5,550,000 for fiscal year 2010 and
26 (~~(\$5,550,000)~~) \$4,550,000 for fiscal year 2011 (~~(\$11,100,000)~~)
27 \$10,000,000
28 Energy Freedom Account: For transfer to the state
29 general fund, \$4,038,000 for fiscal year 2010 and
30 \$2,978,000 for fiscal year 2011 \$7,016,000
31 Thurston County Capital Facilities Account: For
32 transfer to the state general fund, \$8,604,000
33 for fiscal year 2010 and (~~(\$5,538,000)~~) \$5,156,000
34 for fiscal year 2011 (~~(\$14,142,000)~~)
35 \$13,760,000
36 Public Works Assistance Account: For transfer to the
37 state general fund, \$279,640,000 for fiscal year
38 2010 and \$229,560,000 for fiscal year 2011 \$509,200,000

1 Budget Stabilization Account: For transfer to the
2 state general fund for fiscal year 2010 \$45,130,000
3 Liquor Revolving Account: For transfer to the state
4 general fund, \$31,000,000 for fiscal year 2010 and
5 \$31,000,000 for fiscal year 2011 \$62,000,000
6 Public Works Assistance Account: For transfer to the
7 city-county assistance account, \$5,000,000 on
8 July 1, 2009, and \$5,000,000 on July 1, 2010 \$10,000,000
9 Public Works Assistance Account: For transfer to the
10 drinking water assistance account, \$6,930,000
11 for fiscal year 2010 and \$4,000,000 for fiscal
12 year 2011 \$10,930,000
13 Shared Game Lottery Account: For transfer to the
14 education legacy trust account, \$3,600,000 for
15 fiscal year 2010 and \$2,400,000 for fiscal year
16 2011 \$6,000,000
17 State Lottery Account: For transfer to the education
18 legacy trust account, \$9,500,000 for fiscal year
19 2010 and \$9,500,000 for fiscal year 2011 \$19,000,000
20 College Faculty Awards Trust Fund: For transfer
21 to the state general fund for fiscal year 2010,
22 an amount not to exceed the actual cash balance
23 of the fund and \$1,957,000 for fiscal year 2011 ((~~\$4,000,000~~))
24 \$5,957,000
25 Washington Distinguished Professorship Trust Fund:
26 For transfer to the state general fund for fiscal
27 year 2010, an amount not to exceed the actual cash
28 balance of the fund and \$2,966,000 for fiscal
29 year 2011 ((~~\$6,000,000~~))
30 \$8,966,000
31 Washington Graduate Fellowship Trust Account:
32 For transfer to the state general fund for fiscal
33 year 2010, an amount not to exceed the actual cash
34 balance of the fund and \$1,008,000 for fiscal
35 year 2011 ((~~\$2,000,000~~))
36 \$3,008,000
37 GET Ready for Math and Science Scholarship Account:
38 For transfer to the state general fund for

1 fiscal year 2010, an amount not to exceed
 2 the actual cash balance not comprised of or
 3 needed to match private contributions \$1,800,000
 4 Financial Services Regulation Account: For transfer
 5 to the state general fund, \$2,000,000 for fiscal
 6 year 2010 and \$7,000,000 for fiscal year 2011 \$9,000,000
 7 Data Processing Revolving Fund: For transfer to
 8 the state general fund, \$5,632,000 for fiscal
 9 year 2010 and \$4,159,000 for fiscal year 2011 ((~~\$5,632,000~~))
 10 \$9,791,000
 11 Public Service Revolving Account: For transfer to
 12 the state general fund, \$8,000,000 for fiscal
 13 year 2010 and \$7,000,000 for fiscal year 2011 \$15,000,000
 14 Water Quality Capital Account: For transfer to the
 15 state general fund, \$278,000 for fiscal year 2011 \$278,000
 16 Performance Audits of Government Account: For
 17 transfer to the state general fund, \$10,000,000
 18 for fiscal year 2010 and \$5,000,000 for fiscal
 19 year 2011 \$15,000,000
 20 Job Development Account: For transfer to the
 21 state general fund, \$20,930,000 for fiscal
 22 year 2010 \$20,930,000
 23 Savings Incentive Account: For transfer to the
 24 state general fund, \$10,117,000 for fiscal
 25 year 2010 and \$32,075,000 for fiscal year 2011 ((~~\$10,117,000~~))
 26 \$42,192,000
 27 Education Savings Account: For transfer to the
 28 state general fund, ((~~\$100,767,000~~)) \$90,690,000
 29 for fiscal year 2010 and \$53,384,000 for fiscal
 30 year 2011 ((~~\$100,767,000~~))
 31 \$144,074,000
 32 Cleanup Settlement Account: For transfer to the
 33 state efficiency and restructuring account for
 34 fiscal year 2011 \$39,480,000
 35 Disaster Response Account: For transfer to the
 36 state drought preparedness account, \$4,000,000
 37 for fiscal year 2010 \$4,000,000
 38 (~~Washington State Convention and Trade Center Account:~~

1 the state general fund, \$4,000,000 for fiscal
2 year 2011 \$4,000,000
3 Freshwater Aquatic Algae Control Account: For
4 transfer to the state general fund, \$400,000 for
5 fiscal year 2011 \$400,000
6 Freshwater Aquatic Weeds Account: For transfer to
7 the state general fund, \$300,000 for fiscal
8 year 2011 \$300,000
9 Liquor Control Board Construction and Maintenance
10 Account: For transfer to the state general fund
11 for fiscal year 2011 \$3,000,000

12 **Sec. 804.** 2010 1st sp.s. c 31 s 1 (uncodified) is amended to read
13 as follows:

14 (1) The state treasurer shall transfer two hundred (~~twenty-nine~~)
15 twenty-three million two hundred nine thousand dollars or as much of
16 that amount as is available from the budget stabilization account to
17 the state general fund for fiscal year 2011.

18 (2) The transfer in subsection (1) of this section is to minimize
19 reductions to public school programs in the 2010 supplemental omnibus
20 operating budget.

(End of part)

1 incentive programs authorized by section 912, chapter 564, Laws of
2 2009, as well as other reductions to the cost of operations. The
3 amount of cost reductions to be achieved by each institution shall be
4 adjusted to reflect voluntary and mandatory temporary layoffs at the
5 institution during the 2009-2011 fiscal biennium and implemented prior
6 to January 1, 2010, but not adjusted by other compensation reduction
7 plans adopted as a result of the enactment of chapter 564, Laws of
8 2009, or the enactment of other compensation cost reduction measures
9 applicable to the 2009-2011 fiscal biennium.

10 (d) The director of financial management shall review, approve, and
11 submit to the legislative fiscal committees those executive branch
12 state agencies and higher education institution plans that achieves the
13 cost reductions as provided in the omnibus appropriations act. For
14 those executive branch state agencies and institutions of higher
15 education that do not have an approved compensation and operations
16 reduction plan, the institution shall be closed on the dates specified
17 in subsection (2) of this section.

18 (e) For each agency of the legislative branch, the chief clerk of
19 the house of representatives and the secretary of the senate shall
20 review and approve a plan of employee mandatory and voluntary leave for
21 the 2009-2011 fiscal biennium that achieves the cost reductions as
22 provided in the omnibus appropriations act. The amount of compensation
23 cost reductions to be achieved shall be adjusted, if necessary, to
24 reflect voluntary and mandatory temporary layoffs at the agencies
25 during the 2009-2011 fiscal biennium and implemented prior to January
26 1, 2010.

27 (f) For each agency of the judicial branch, the supreme court shall
28 review and approve a plan of employee mandatory and voluntary leave for
29 the 2009-2011 fiscal biennium that achieve the cost reductions as
30 provided in the omnibus appropriations act. The amount of compensation
31 cost reductions to be achieved shall be adjusted, if necessary, to
32 reflect voluntary and mandatory temporary layoffs at the agencies
33 during the 2009-2011 fiscal biennium and implemented prior to January
34 1, 2010.

35 (2) Each state agency of the executive, legislative, and judicial
36 branch, and any institution that does not have an approved plan in
37 accordance with subsection (1) of this section shall be closed on the

1 following dates in addition to the legal holidays specified in RCW
2 1.16.050:

- 3 (a) Monday, July 12, 2010;
- 4 (b) Friday, August 6, 2010;
- 5 (c) Tuesday, September 7, 2010;
- 6 (d) Monday, October 11, 2010;
- 7 (e) Monday, December 27, 2010;
- 8 (f) Friday, January 28, 2011;
- 9 (g) Tuesday, February 22, 2011;
- 10 (h) Friday, March (~~11~~) 28, 2011;
- 11 (i) Friday, April 22, 2011;
- 12 (j) Friday, June 10, 2011.

13 (3) If the closure of state agencies or institutions under
14 subsection (2) of this section prevents the performance of any action,
15 the action shall be considered timely if performed on the next business
16 day.

17 (4) The following activities of state agencies and institutions of
18 higher education are exempt from subsections (1) and (2) of this
19 section:

20 (a) Direct custody, supervision, and patient care in: (i)
21 Corrections; (ii) juvenile rehabilitation; (iii) institutional care of
22 veterans, or individuals with mental illness, and individuals with
23 developmental disabilities; (iv) state hospitals, the University of
24 Washington medical center, and Harborview medical center; (v) the
25 special commitment center; (vi) the school for the blind; (vii) the
26 state center for childhood deafness and hearing loss; and (viii) the
27 Washington youth academy;

28 (b) Direct protective services to children and other vulnerable
29 populations, child support enforcement, disability determination
30 services, complaint investigators, and residential care licensors and
31 surveyors in the department of social and health services and the
32 department of health;

33 (c) Washington state patrol investigative services and field
34 enforcement;

35 (d) Hazardous materials response or emergency response and cleanup;

36 (e) Emergency public health and patient safety response and the
37 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 15.76.115 and 2010 1st sp.s. c 37 s 912 are each
25 amended to read as follows:

26 The fair fund is created in the custody of the state treasury. All
27 moneys received by the department of agriculture for the purposes of
28 this fund and from RCW 67.16.105(~~(+4)~~) (7) shall be deposited into the
29 fund. At the beginning of fiscal year 2002 and each fiscal year
30 thereafter, the state treasurer shall transfer into the fair fund from
31 the general fund the sum of two million dollars, except for fiscal year
32 2011 the state treasurer shall not make a transfer of any funds into
33 the fair fund from the general fund (~~(the sum of one million one~~
34 ~~hundred three thousand dollars)). Expenditures from the fund may be~~
35 used only for assisting fairs in the manner provided in this chapter.
36 Only the director of agriculture or the director's designee may

1 authorize expenditures from the fund. The fund is subject to allotment
2 procedures under chapter 43.88 RCW, but no appropriation is required
3 for expenditures.

4 **Sec. 903.** RCW 18.04.105 and 2004 c 159 s 2 are each amended to
5 read as follows:

6 (1) A license to practice public accounting shall be granted by the
7 board to any person:

8 (a) Who is of good character. Good character, for purposes of this
9 section, means lack of a history of dishonest or felonious acts. The
10 board may refuse to grant a license on the ground of failure to satisfy
11 this requirement only if there is a substantial connection between the
12 lack of good character of the applicant and the professional and
13 ethical responsibilities of a licensee and if the finding by the board
14 of lack of good character is supported by a preponderance of evidence.
15 When an applicant is found to be unqualified for a license because of
16 a lack of good character, the board shall furnish the applicant a
17 statement containing the findings of the board and a notice of the
18 applicant's right of appeal;

19 (b) Who has met the educational standards established by rule as
20 the board determines to be appropriate;

21 (c) Who has passed an examination;

22 (d) Who has had one year of experience which is gained:

23 (i) Through the use of accounting, issuing reports on financial
24 statements, management advisory, financial advisory, tax, tax advisory,
25 or consulting skills;

26 (ii) While employed in government, industry, academia, or public
27 practice; and

28 (iii) Meeting the competency requirements in a manner as determined
29 by the board to be appropriate and established by board rule; and

30 (e) Who has paid appropriate fees as established by rule by the
31 board.

32 (2) The examination described in subsection (1)(c) of this section
33 shall test the applicant's knowledge of the subjects of accounting and
34 auditing, and other related fields the board may specify by rule. The
35 time for holding the examination is fixed by the board and may be
36 changed from time to time. The board shall prescribe by rule the
37 methods of applying for and taking the examination, including methods

1 for grading examinations and determining a passing grade required of an
2 applicant for a license. The board shall to the extent possible see to
3 it that the grading of the examination, and the passing grades, are
4 uniform with those applicable to all other states. The board may make
5 use of all or a part of the uniform certified public accountant
6 examination and advisory grading service of the American Institute of
7 Certified Public Accountants and may contract with third parties to
8 perform administrative services with respect to the examination as the
9 board deems appropriate to assist it in performing its duties under
10 this chapter. The board shall establish by rule provisions for
11 transitioning to a new examination structure or to a new media for
12 administering the examination.

13 (3) The board shall charge each applicant an examination fee for
14 the initial examination or for reexamination. The applicable fee shall
15 be paid by the person at the time he or she applies for examination,
16 reexamination, or evaluation of educational qualifications. Fees for
17 examination, reexamination, or evaluation of educational qualifications
18 shall be determined by the board under chapter 18.04 RCW. There is
19 established in the state treasury an account to be known as the
20 certified public accountants' account. All fees received from
21 candidates to take any or all sections of the certified public
22 accountant examination shall be used only for costs related to the
23 examination. During the 2009-2011 fiscal biennium, the legislature may
24 transfer from the certified public accountants' account to the state
25 general fund such amounts as reflect the excess fund balance of the
26 account.

27 (4) Persons who on June 30, 2001, held valid certificates
28 previously issued under this chapter shall be deemed to be certificate
29 holders, subject to the following:

30 (a) Certificate holders may, prior to June 30, 2006, petition the
31 board to become licensees by documenting to the board that they have
32 gained one year of experience through the use of accounting, issuing
33 reports on financial statements, management advisory, financial
34 advisory, tax, tax advisory, or consulting skills, without regard to
35 the eight-year limitation set forth in (b) of this subsection, while
36 employed in government, industry, academia, or public practice.

37 (b) Certificate holders who do not petition to become licensees
38 prior to June 30, 2006, may after that date petition the board to

1 become licensees by documenting to the board that they have one year of
2 experience acquired within eight years prior to applying for a license
3 through the use of accounting, issuing reports on financial statements,
4 management advisory, financial advisory, tax, tax advisory, or
5 consulting skills in government, industry, academia, or public
6 practice.

7 (c) Certificate holders who petition the board pursuant to (a) or
8 (b) of this subsection must also meet competency requirements in a
9 manner as determined by the board to be appropriate and established by
10 board rule.

11 (d) Any certificate holder petitioning the board pursuant to (a) or
12 (b) of this subsection to become a licensee must submit to the board
13 satisfactory proof of having completed an accumulation of one hundred
14 twenty hours of CPE during the thirty-six months preceding the date of
15 filing the petition.

16 (e) Any certificate holder petitioning the board pursuant to (a) or
17 (b) of this subsection to become a licensee must pay the appropriate
18 fees established by rule by the board.

19 (5) Certificate holders shall comply with the prohibition against
20 the practice of public accounting in RCW 18.04.345.

21 (6) Persons who on June 30, 2001, held valid certificates
22 previously issued under this chapter are deemed to hold inactive
23 certificates, subject to renewal as inactive certificates, until they
24 have petitioned the board to become licensees and have met the
25 requirements of subsection (4) of this section. No individual who did
26 not hold a valid certificate before July 1, 2001, is eligible to obtain
27 an inactive certificate.

28 (7) Persons deemed to hold inactive certificates under subsection
29 (6) of this section shall comply with the prohibition against the
30 practice of public accounting in subsection (8)(b) of this section and
31 RCW 18.04.345, but are not required to display the term inactive as
32 part of their title, as required by subsection (8)(a) of this section
33 until renewal. Certificates renewed to any persons after June 30,
34 2001, are inactive certificates and the inactive certificate holders
35 are subject to the requirements of subsection (8) of this section.

36 (8) Persons holding an inactive certificate:

37 (a) Must use or attach the term "inactive" whenever using the title
38 CPA or certified public accountant or referring to the certificate, and

1 print the word "inactive" immediately following the title, whenever the
2 title is printed on a business card, letterhead, or any other document,
3 including documents published or transmitted through electronic media,
4 in the same font and font size as the title; and

5 (b) Are prohibited from practicing public accounting.

6 **Sec. 904.** RCW 43.21A.660 and 1999 c 251 s 1 are each amended to
7 read as follows:

8 Funds in the freshwater aquatic weeds account may be appropriated
9 to the department of ecology to develop a freshwater aquatic weeds
10 management program. Funds shall be expended as follows:

11 (1) No less than two-thirds of the appropriated funds shall be
12 issued as grants to (a) cities, counties, tribes, special purpose
13 districts, and state agencies to prevent, remove, reduce, or manage
14 excessive freshwater aquatic weeds; (b) fund demonstration or pilot
15 projects consistent with the purposes of this section; and (c) fund
16 hydrilla eradication activities in waters of the state. Except for
17 hydrilla eradication activities, such grants shall only be issued for
18 lakes, rivers, or streams with a public boat launching ramp or which
19 are designated by the department of fish and wildlife for fly-fishing.
20 The department shall give preference to projects having matching funds
21 or in-kind services; ~~((and))~~

22 (2) No more than one-third of the appropriated funds shall be
23 expended to:

24 (a) Develop public education programs relating to preventing the
25 propagation and spread of freshwater aquatic weeds; and

26 (b) Provide technical assistance to local governments and citizen
27 groups; and

28 (3) During the 2009-2011 fiscal biennium, the legislature may
29 transfer from the freshwater aquatic weeds account to the state general
30 fund such amounts as reflect the excess fund balance of the account.

31 **Sec. 905.** RCW 43.21A.667 and 2009 c 564 s 933 are each amended to
32 read as follows:

33 (1) The freshwater aquatic algae control account is created in the
34 state treasury. Moneys directed to the account from RCW ~~((88.02.050))~~
35 88.02.560 must be deposited in the account. Expenditures from the

1 account may only be used as provided in this section. Moneys in the
2 account may be spent only after appropriation.

3 (2) Funds in the freshwater aquatic algae control account may be
4 appropriated to the department to develop a freshwater aquatic algae
5 control program. Funds must be expended as follows:

6 (a) As grants to cities, counties, tribes, special purpose
7 districts, and state agencies to manage excessive freshwater algae,
8 with priority for the treatment of lakes in which harmful algal blooms
9 have occurred within the past three years; and during the 2009-2011
10 fiscal biennium to provide grants for sea lettuce research and removal
11 to assist Puget Sound communities that are impacted by hyperblooms of
12 sea lettuce; (~~and~~)

13 (b) To provide technical assistance to applicants and the public
14 about aquatic algae control; and

15 (c) During the 2009-2011 fiscal biennium, the legislature may
16 transfer from the freshwater aquatic algae control account to the state
17 general fund such amounts as reflect the excess fund balance of the
18 account.

19 (3) The department shall submit a biennial report to the
20 appropriate legislative committees describing the actions taken to
21 implement this section along with suggestions on how to better fulfill
22 the intent of chapter 464, Laws of 2005. The first report is due
23 December 1, 2007.

24 **Sec. 906.** RCW 43.79.460 and 2010 1st sp.s. c 37 s 928 are each
25 amended to read as follows:

26 (1) The savings incentive account is created in the custody of the
27 state treasurer. The account shall consist of all moneys appropriated
28 to the account by the legislature. The account is subject to the
29 allotment procedures under chapter 43.88 RCW, but no appropriation is
30 required for expenditures from the account.

31 (2) Within the savings incentive account, the state treasurer may
32 create subaccounts to be credited with incentive savings attributable
33 to individual state agencies, as determined by the office of financial
34 management in consultation with the legislative fiscal committees.
35 Moneys deposited in the subaccounts may be expended only on the
36 authorization of the agency's executive head or designee and only for
37 the purpose of one-time expenditures to improve the quality,

1 efficiency, and effectiveness of services to customers of the state,
2 such as one-time expenditures for employee training, employee
3 incentives, technology improvements, new work processes, or performance
4 measurement. Funds may not be expended from the account to establish
5 new programs or services, expand existing programs or services, or
6 incur ongoing costs that would require future expenditures.

7 (3) For purposes of this section, "incentive savings" means state
8 general fund appropriations that are unspent as of June 30th of a
9 fiscal year, excluding any amounts included in across-the-board
10 reductions under RCW 43.88.110 and excluding unspent appropriations
11 for:

12 (a) Caseload and enrollment in entitlement programs, except to the
13 extent that an agency has clearly demonstrated that efficiencies have
14 been achieved in the administration of the entitlement program.
15 "Entitlement program," as used in this section, includes programs for
16 which specific sums of money are appropriated for pass-through to third
17 parties or other entities;

18 (b) Enrollments in state institutions of higher education;

19 (c) A specific amount contained in a condition or limitation to an
20 appropriation in the biennial appropriations act, if the agency did not
21 achieve the specific purpose or objective of the condition or
22 limitation;

23 (d) Debt service on state obligations; and

24 (e) State retirement system obligations.

25 (4) The office of financial management, after consulting with the
26 legislative fiscal committees, shall report the amount of savings
27 incentives achieved.

28 (5) (~~For fiscal year 2009, the legislature may transfer from the~~
29 ~~savings incentive account to the state general fund such amounts as~~
30 ~~reflect the fund balance of the account attributable to unspent state~~
31 ~~general fund appropriations for fiscal year 2008.)) For fiscal year
32 2010, the legislature may transfer from the savings incentive account
33 to the state general fund such amounts as reflect the fund balance of
34 the account attributable to unspent state general fund appropriations
35 for fiscal year 2009. For fiscal year 2011, the legislature may
36 transfer from the savings incentive account to the state general fund
37 such amounts as reflect the fund balance of the account attributable to
38 unspent state general fund appropriations for fiscal year 2010. For~~

1 fiscal year 2011, the legislature may transfer from the savings
2 incentive account to the state general fund eight million dollars or as
3 much as reflects the fund balance of the account attributable to
4 unspent agency credits prior to fiscal year 2009. Credits for
5 legislative and judicial agencies are not included in this action, with
6 the exception and upon consent of the supreme court, court of appeals,
7 office of public defense, and office of civil legal aid.

8 **Sec. 907.** RCW 43.79.465 and 2010 1st sp.s. c 37 s 929 are each
9 amended to read as follows:

10 The education savings account is created in the state treasury.
11 The account shall consist of all moneys appropriated to the account by
12 the legislature.

13 (1) Ten percent of legislative appropriations to the education
14 savings account shall be distributed as follows: (a) Fifty percent to
15 the distinguished professorship trust fund under RCW 28B.76.565; (b)
16 seventeen percent to the graduate fellowship trust fund under RCW
17 28B.76.610; and (c) thirty-three percent to the college faculty awards
18 trust fund under RCW 28B.50.837.

19 (2) The remaining moneys in the education savings account may be
20 appropriated solely for (a) common school construction projects that
21 are eligible for funding from the common school construction account,
22 (b) technology improvements in the common schools, (c) during the 2001-
23 03 fiscal biennium, technology improvements in public higher education
24 institutions, (d) during the 2007-2009 fiscal biennium, the legislature
25 may transfer from the education savings account to the state general
26 fund such amounts as reflect the excess fund balance of the account
27 attributable to unspent state general fund appropriations for fiscal
28 year 2008, and (e) for fiscal year ((2010)) 2011, the legislature may
29 transfer from the education savings account to the state general fund
30 such amounts as reflect the fund balance of the account attributable to
31 unspent general fund appropriations for fiscal year ((2009)) 2010.

32 **Sec. 908.** RCW 43.83B.430 and 2002 c 371 s 910 are each amended to
33 read as follows:

34 The state drought preparedness account is created in the state
35 treasury. All receipts from appropriated funds designated for the
36 account and funds transferred from the state emergency water projects

1 revolving account must be deposited into the account. Moneys in the
2 account may be spent only after appropriation. Expenditures from the
3 account may be used only for drought preparedness. During the ((2001-
4 2003)) 2009-2011 fiscal biennium, the legislature may transfer from the
5 state drought preparedness account to the state general fund such
6 amounts as reflect the excess fund balance of the account.

7 **Sec. 909.** RCW 51.44.170 and 2003 1st sp.s. c 25 s 926 are each
8 amended to read as follows:

9 The industrial insurance premium refund account is created in the
10 custody of the state treasurer. All industrial insurance refunds
11 earned by state agencies or institutions of higher education under the
12 state fund retrospective rating program shall be deposited into the
13 account. The account is subject to the allotment procedures under
14 chapter 43.88 RCW, but no appropriation is required for expenditures
15 from the account. Only the executive head of the agency or institution
16 of higher education, or designee, may authorize expenditures from the
17 account. No agency or institution of higher education may make an
18 expenditure from the account for an amount greater than the refund
19 earned by the agency. If the agency or institution of higher education
20 has staff dedicated to workers' compensation claims management,
21 expenditures from the account must be used to pay for that staff, but
22 additional expenditure from the account may be used for any program
23 within an agency or institution of higher education that promotes or
24 provides incentives for employee workplace safety and health and early,
25 appropriate return-to-work for injured employees. During the ((2003-
26 2005)) 2009-2011 fiscal biennium, the legislature may transfer from the
27 industrial insurance premium refund account to the state general fund
28 such amounts as reflect the excess fund balance of the account.

29 **Sec. 910.** RCW 66.08.235 and 2005 c 151 s 4 are each amended to
30 read as follows:

31 The liquor control board construction and maintenance account is
32 created within the state treasury. The liquor control board shall
33 deposit into this account a portion of the board's markup, as
34 authorized by chapter 66.16 RCW, placed upon liquor as determined by
35 the board. Moneys in the account may be spent only after
36 appropriation. The liquor control board shall use deposits to this

1 account to fund construction and maintenance of a centralized
2 distribution center for liquor products intended for sale through the
3 board's liquor store and contract liquor store system. During the
4 ~~((2001-2003))~~ 2009-2011 fiscal biennium, the legislature may transfer
5 from the liquor control board construction and maintenance account to
6 the state general fund such amounts as reflect the ~~((appropriations
7 reductions made by the 2002 supplemental appropriations act for
8 administrative efficiencies and savings))~~ excess fund balance in the
9 account.

10 **Sec. 911.** RCW 82.14.380 and 1999 c 311 s 201 are each amended to
11 read as follows:

12 (1) The distressed county assistance account is created in the
13 state treasury. Into this account shall be placed a portion of all
14 motor vehicle excise tax receipts as provided in RCW 82.44.110. At
15 such times as distributions are made under RCW 82.44.150, the state
16 treasurer shall distribute the funds in the distressed county
17 assistance account to each county imposing the sales and use tax
18 authorized under RCW 82.14.370 as of January 1, 1999, in the same
19 proportions as distributions of the tax imposed under RCW 82.14.370 for
20 these counties for the previous quarter.

21 (2) Funds distributed from the distressed county assistance account
22 shall be expended by the counties for criminal justice and other
23 purposes. During the 2009-2011 fiscal biennium, the legislature may
24 transfer from the distressed county assistance account to the state
25 general fund such amounts as reflect the excess fund balance of the
26 account.

27 **Sec. 912.** RCW 90.56.500 and 2009 c 11 s 9 are each amended to read
28 as follows:

29 (1) The state oil spill response account is created in the state
30 treasury. All receipts from RCW 82.23B.020(1) shall be deposited in
31 the account. All costs reimbursed to the state by a responsible party
32 or any other person for responding to a spill of oil shall also be
33 deposited in the account. Moneys in the account shall be spent only
34 after appropriation. The account is subject to allotment procedures
35 under chapter 43.88 RCW.

36 (2) The account shall be used exclusively to pay for:

1 (a) The costs associated with the response to spills of crude oil
2 or petroleum products into the navigable waters of the state; and

3 (b) The costs associated with the department's use of the emergency
4 response towing vessel as described in RCW 88.46.135.

5 (3) Except during the 2009-2011 fiscal biennium, payment of
6 response costs under subsection (2)(a) of this section shall be limited
7 to spills which the director has determined are likely to exceed fifty
8 thousand dollars. In addition, during the 2009-2011 fiscal biennium,
9 payment of response costs under subsection (2)(a) of this section may
10 also be used for spills of hazardous substances, as defined in RCW
11 70.105D.002(10).

12 (4) Before expending moneys from the account, the director shall
13 make reasonable efforts to obtain funding for response costs under
14 subsection (2) of this section from the person responsible for the
15 spill and from other sources, including the federal government.

16 (5) Reimbursement for response costs shall be allowed only for
17 costs which are not covered by funds appropriated to the agencies
18 responsible for response activities. Costs associated with the
19 response to spills of crude oil or petroleum products shall include:

20 (a) Natural resource damage assessment and related activities;

21 (b) Spill related response, containment, wildlife rescue, cleanup,
22 disposal, and associated costs;

23 (c) Interagency coordination and public information related to a
24 response; and

25 (d) Appropriate travel, goods and services, contracts, and
26 equipment.

27 NEW SECTION. Sec. 913. If any provision of this act or its
28 application to any person or circumstance is held invalid, the
29 remainder of the act or the application of the provision to other
30 persons or circumstances is not affected.

31 NEW SECTION. Sec. 914. This act is necessary for the immediate
32 preservation of the public peace, health, or safety, or support of the
33 state government and its existing public institutions, and takes effect
34 immediately.

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