

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6062

55th Legislature
1997 Regular Session

Passed by the Senate April 19, 1997
YEAS 26 NAYS 0

President of the Senate

Passed by the House April 17, 1997
YEAS 53 NAYS 44

**Speaker of the
House of Representatives**

Approved

CERTIFICATE

I, Mike O Connell, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6062** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

Governor of the State of Washington

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6062

AS RECOMMENDED BY CONFERENCE COMMITTEE

Passed Legislature - 1997 Regular Session

State of Washington 55th Legislature 1997 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators West and Spanel; by request of Governor Locke)

Read first time 03/26/97.

1 AN ACT Relating to fiscal matters; making appropriations and
2 authorizing expenditures for the operations of state agencies for the
3 fiscal biennium beginning July 1, 1997, and ending June 30, 1999;
4 amending RCW 43.08.250, 69.50.520, 79.24.580, and 86.26.007; reenacting
5 and amending RCW 82.44.110; creating new sections; providing an
6 effective date; and declaring an emergency.

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

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

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

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

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

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

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

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

13 **PART I**

14 **GENERAL GOVERNMENT**

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

16	General Fund Appropriation (FY 1998)	. . . . .	\$	24,241,000
17	General Fund Appropriation (FY 1999)	. . . . .	\$	25,637,000
18	TOTAL APPROPRIATION	. . . . .	\$	49,878,000

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

21 (1) \$75,000 of the general fund fiscal year 1998 appropriation and
22 \$75,000 of the general fund fiscal year 1999 appropriation are provided
23 solely for the independent operations of the legislative ethics board.
24 Expenditure decisions of the board, including employment of staff,
25 shall be independent of the senate and house of representatives.

26 (2) \$25,000 of the general fund fiscal year 1998 appropriation is
27 provided solely to implement Substitute Senate Concurrent Resolution
28 No. 8408 (water policy report). If the concurrent resolution is not
29 enacted by June 30, 1997, the amount provided in this subsection shall
30 lapse.

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

32	General Fund Appropriation (FY 1998)	. . . . .	\$	19,357,000
33	General Fund Appropriation (FY 1999)	. . . . .	\$	20,663,000
34	TOTAL APPROPRIATION	. . . . .	\$	40,020,000

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

3 (1) \$75,000 of the general fund fiscal year 1998 appropriation and
4 \$75,000 of the general fund fiscal year 1999 appropriation are provided
5 solely for the independent operations of the legislative ethics board.
6 Expenditure decisions of the board, including employment of staff,
7 shall be independent of the senate and house of representatives.

8 (2) \$25,000 of the general fund fiscal year 1998 appropriation is
9 provided solely to implement Substitute Senate Concurrent Resolution
10 No. 8408 (water policy report). If the concurrent resolution is not
11 enacted by June 30, 1997, the amount provided in this subsection shall
12 lapse.

13 (3) \$100,000 of the general fund appropriation for fiscal year 1998
14 is provided solely for a study of financial aid and tuition by the
15 senate committee on ways and means and the house of representatives
16 committee on appropriations.

17 (a) The study shall report on the current usage and distribution of
18 financial aid, investigate other resources available to financial aid
19 recipients, and shall compare alternative methods of financial aid
20 distribution and their impacts on the sectors of higher education and
21 students served within each sector.

22 (b) The study shall also provide comparative data from other states
23 on methods of establishing tuition rates and the relationship of
24 tuition to state funding.

25 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
26 **COMMITTEE**

27	General Fund Appropriation (FY 1998)	. . . . .	\$	1,524,000
28	General Fund Appropriation (FY 1999)	. . . . .	\$	1,837,000
29	TOTAL APPROPRIATION	. . . . .	\$	3,361,000

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

32 (1) \$103,000 of the general fund fiscal year 1998 appropriation and
33 \$412,000 of the general fund fiscal year 1999 appropriation are
34 provided solely to implement Engrossed Substitute Senate Bill No. 5633
35 (performance audit of the department of transportation). If the bill
36 is not enacted by June 30, 1997, the amounts provided in this
37 subsection shall lapse.

1 (2) \$50,000 of the general fund appropriation for fiscal year 1998
2 is provided solely to implement Substitute Senate Bill No. 5071 (school
3 district territory). If the bill is not enacted by June 30, 1997, the
4 amount provided in this subsection shall lapse.

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

7	General Fund Appropriation (FY 1998)	. . . . .	\$	1,263,000
8	General Fund Appropriation (FY 1999)	. . . . .	\$	1,332,000
9	TOTAL APPROPRIATION	. . . . .	\$	2,595,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: The committee shall conduct an inventory
12 and examination of state data processing projects funded in this act
13 and make recommendations to improve the accountability and legislative
14 evaluation and oversight of these projects.

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

16 Department of Retirement Systems Expense Account

17	Appropriation	\$	1,681,000
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18 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
19 **COMMITTEE**

20	General Fund Appropriation (FY 1998)	\$	5,430,000
21	General Fund Appropriation (FY 1999)	. . . . .	\$	5,430,000
22	TOTAL APPROPRIATION	. . . . .	\$	10,860,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: \$800,000 of the general fund fiscal year
25 1998 appropriation and \$800,000 of the general fund fiscal year 1999
26 appropriation are provided solely for purchasing computers and related
27 equipment on behalf of the senate, house of representatives, and
28 statute law committee. Equipment shall be purchased only at the
29 request of the customer agencies.

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

31	General Fund Appropriation (FY 1998)	. . . . .	\$	3,226,000
32	General Fund Appropriation (FY 1999)	. . . . .	\$	3,559,000
33	TOTAL APPROPRIATION	. . . . .	\$	6,785,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$35,000 of the general fund fiscal year
3 1998 appropriation and \$36,000 of the general fund fiscal year 1999
4 appropriation are provided solely for the uniform legislation
5 commission.

6 NEW SECTION. **Sec. 108. FOR THE SUPREME COURT**

7	General Fund Appropriation (FY 1998)	. . . . .	\$	4,640,000
8	General Fund Appropriation (FY 1999)	. . . . .	\$	4,813,000
9	TOTAL APPROPRIATION	. . . . .	\$	9,453,000

10 NEW SECTION. **Sec. 109. FOR THE LAW LIBRARY**

11	General Fund Appropriation (FY 1998)	. . . . .	\$	1,769,000
12	General Fund Appropriation (FY 1999)	. . . . .	\$	1,785,000
13	TOTAL APPROPRIATION	. . . . .	\$	3,554,000

14 NEW SECTION. **Sec. 110. FOR THE COURT OF APPEALS**

15	General Fund Appropriation (FY 1998)	. . . . .	\$	10,225,000
16	General Fund Appropriation (FY 1999)	. . . . .	\$	10,133,000
17	TOTAL APPROPRIATION	. . . . .	\$	20,358,000

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

20 (1) \$271,000 of the general fund fiscal year 1999 appropriation is
21 provided solely for an additional judge position and related support
22 staff in division I, effective July 1, 1998.

23 (2) \$490,000 of the general fund fiscal year 1998 appropriation is
24 provided solely for remodeling existing space in division I court
25 facilities to house additional staff.

26 NEW SECTION. **Sec. 111. FOR THE COMMISSION ON JUDICIAL CONDUCT**

27	General Fund Appropriation (FY 1998)	. . . . .	\$	652,000
28	General Fund Appropriation (FY 1999)	. . . . .	\$	653,000
29	TOTAL APPROPRIATION	. . . . .	\$	1,305,000

30 NEW SECTION. **Sec. 112. FOR THE ADMINISTRATOR FOR THE COURTS**

31	General Fund Appropriation (FY 1998)	. . . . .	\$	12,723,000
32	General Fund Appropriation (FY 1999)	. . . . .	\$	12,595,000
33	Public Safety and Education Account			
34	Appropriation	. . . . .	\$	31,134,000

1	Judicial Information Systems Account	
2	Appropriation	\$ 16,305,000
3	TOTAL APPROPRIATION	\$ 72,757,000

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

6 (1) Funding provided in the judicial information systems account
7 appropriation shall be used for the operations and maintenance of
8 technology systems that improve services provided by the supreme court,
9 the court of appeals, the office of public defense, and the office of
10 the administrator for the courts. \$400,000 of the judicial information
11 systems account appropriation is provided solely for the year 2000 date
12 conversion.

13 (2) No moneys appropriated in this section may be expended by the
14 administrator for the courts for payments in excess of fifty percent of
15 the employer contribution on behalf of superior courts judges for
16 insurance and health care plans and federal social security and
17 medicare and medical aid benefits. Consistent with Article IV, section
18 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,
19 it is the intent of the legislature that the cost of these employer
20 contributions shall be shared equally between the state and county or
21 counties in which the judges serve. The administrator for the courts
22 shall continue to implement procedures for the collection and
23 disbursement of these employer contributions.

24 (3) \$6,510,000 of the public safety and education account
25 appropriation is provided solely for the continuation of treatment
26 alternatives to street crimes (TASC) programs in Pierce, Snohomish,
27 Clark, King, Spokane, and Yakima counties.

28 (4) \$125,000 of the public safety and education account
29 appropriation is provided solely for the workload associated with the
30 increase in state cases filed in Thurston county superior court.

31 (5) \$223,000 of the public safety and education account
32 appropriation is provided solely for the gender and justice commission.

33 (6) \$308,000 of the public safety and education account
34 appropriation is provided solely for the minority and justice
35 commission.

36 (7) \$100,000 of the general fund fiscal year 1998 appropriation and
37 \$100,000 of the general fund fiscal year 1999 appropriation are
38 provided solely for judicial program enhancements. Within the funding
39 provided in this subsection, the office of administrator of courts in

1 consultation with the supreme court shall determine the program or
2 programs to receive an enhancement.

3 (8) \$35,000 of the general fund fiscal year 1998 appropriation is
4 provided solely for the implementation of Engrossed Substitute House
5 Bill No. 1771 (guardian certification). If the bill is not enacted by
6 June 30, 1997, the amount provided in this subsection shall lapse.

7 (9) \$100,000 of the general fund fiscal year 1998 appropriation is
8 provided solely for the Snohomish county preprosecution diversion
9 program.

10 NEW SECTION. **Sec. 113. FOR THE OFFICE OF PUBLIC DEFENSE**

11 Public Safety and Education Account

12 Appropriation \$ 12,187,000

13 The appropriation in this section is subject to the following
14 conditions and limitations:

15 (1) The cost of defending indigent offenders in death penalty cases
16 has escalated significantly over the last four years. The office of
17 public defense advisory committee shall analyze the current methods for
18 reimbursing private attorneys and shall develop appropriate standards
19 and criteria designed to control costs and still provide indigent
20 defendants their constitutional right to representation at public
21 expense. The office of public defense advisory committee shall report
22 its findings and recommendations to the supreme court and the
23 appropriate legislative committees by September 30, 1998.

24 (2) \$688,000 of the public safety and education account
25 appropriation is provided solely to increase the reimbursement for
26 private attorneys providing constitutionally mandated indigent defense
27 in nondeath penalty cases.

28 NEW SECTION. **Sec. 114. FOR THE OFFICE OF THE GOVERNOR**

29 General Fund--State Appropriation (FY 1998) \$ 5,047,000
30 General Fund--State Appropriation (FY 1999) \$ 4,963,000
31 General Fund--Federal Appropriation \$ 188,000
32 Water Quality Account Appropriation \$ 700,000
33 TOTAL APPROPRIATION \$ 10,898,000

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

1 (1) \$1,618,000 of the general fund--state appropriation for fiscal
 2 year 1998, \$1,520,000 of the general fund--state appropriation for
 3 fiscal year 1999, \$700,000 of the water quality account appropriation,
 4 and \$188,000 of the general fund--federal appropriation are provided
 5 solely for the implementation of the Puget Sound work plan and agency
 6 action items PSAT-01 through PSAT-06.

7 (2) \$12,000 of the general fund--state appropriation for fiscal
 8 year 1998 and \$13,000 of the general fund--state appropriation for
 9 fiscal year 1999 are provided for the state law enforcement medal of
 10 honor committee for the purposes of recognizing qualified law
 11 enforcement officers as provided by chapter 41.72 RCW.

12 NEW SECTION. **Sec. 115. FOR THE LIEUTENANT GOVERNOR**

13	General Fund Appropriation (FY 1998)	. . . . .	\$	282,000
14	General Fund Appropriation (FY 1999)	. . . . .	\$	283,000
15	TOTAL APPROPRIATION	. . . . .	\$	565,000

16 NEW SECTION. **Sec. 116. FOR THE PUBLIC DISCLOSURE COMMISSION**

17	General Fund Appropriation (FY 1998)	. . . . .	\$	1,457,000
18	General Fund Appropriation (FY 1999)	. . . . .	\$	1,206,000
19	TOTAL APPROPRIATION	. . . . .	\$	2,663,000

20 The appropriations in this section are subject to the following
 21 conditions and limitations: \$306,000 of the general fund fiscal year
 22 1998 appropriation and \$72,000 of the general fund fiscal year 1999
 23 appropriation are provided solely for technology for customer service
 24 improvements.

25 NEW SECTION. **Sec. 117. FOR THE SECRETARY OF STATE**

26	General Fund Appropriation (FY 1998)	. . . . .	\$	8,055,000
27	General Fund Appropriation (FY 1999)	. . . . .	\$	5,901,000
28	Archives & Records Management Account--State			
29	Appropriation	. . . . .	\$	4,032,000
30	Archives & Records Management Account--Private/Local			
31	Appropriation	. . . . .	\$	2,553,000
32	Department of Personnel Service Account			
33	Appropriation	. . . . .	\$	663,000
34	TOTAL APPROPRIATION	. . . . .	\$	21,204,000

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

3 (1) \$2,355,000 of the general fund appropriation for fiscal year
4 1998 is provided solely to reimburse counties for the state's share of
5 primary and general election costs and the costs of conducting
6 mandatory recounts on state measures.

7 (2) \$2,011,000 of the general fund appropriation for fiscal year
8 1998 and \$2,536,000 of the general fund appropriation for fiscal year
9 1999 are provided solely for the verification of initiative and
10 referendum petitions, maintenance of related voter registration
11 records, and the publication and distribution of the voters and
12 candidates pamphlet.

13 (3) \$99,000 of the general fund appropriation is provided solely
14 for the state's participation in the United States census block
15 boundary suggestion program.

16 (4) \$125,000 of the fiscal year 1998 general fund appropriation is
17 provided solely for legal advertising of state measures under RCW
18 29.27.072.

19 (5) \$45,000 of the general fund fiscal year 1998 appropriation is
20 provided solely for an economic feasibility study of a state horse
21 park.

22 (6) The election review section under chapter 29.60 RCW shall be
23 administered in a manner consistent with Engrossed Senate Bill No. 5565
24 (election procedures review).

25 NEW SECTION. **Sec. 118. FOR THE GOVERNOR'S OFFICE OF INDIAN**
26 **AFFAIRS**

27	General Fund Appropriation (FY 1998)	. . . . .	\$	185,000
28	General Fund Appropriation (FY 1999)	. . . . .	\$	188,000
29	TOTAL APPROPRIATION	. . . . .	\$	373,000

30 NEW SECTION. **Sec. 119. FOR THE COMMISSION ON ASIAN-AMERICAN**
31 **AFFAIRS**

32	General Fund Appropriation (FY 1998)	. . . . .	\$	200,000
33	General Fund Appropriation (FY 1999)	. . . . .	\$	201,000
34	TOTAL APPROPRIATION	. . . . .	\$	401,000

35 NEW SECTION. **Sec. 120. FOR THE STATE TREASURER**

36 State Treasurer's Service Account

1 Appropriation \$ 11,567,000

2 NEW SECTION. **Sec. 121. FOR THE STATE AUDITOR**

3 General Fund Appropriation (FY 1998) \$ 678,000

4 General Fund Appropriation (FY 1999) \$ 678,000

5 State Auditing Services Revolving Account

6 Appropriation \$ 11,928,000

7 TOTAL APPROPRIATION \$ 13,284,000

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

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

15 (2) \$420,000 of the general fund appropriation for fiscal year 1998
16 and \$420,000 of the general fund appropriation for fiscal year 1999 are
17 provided solely for staff and related costs to audit special education
18 programs that exhibit unusual rates of growth, extraordinarily high
19 costs, or other characteristics requiring attention of the state safety
20 net committee. The auditor shall consult with the superintendent of
21 public instruction regarding training and other staffing assistance
22 needed to provide expertise to the audit staff.

23 (3) \$250,000 of the general fund fiscal year 1998 appropriation and
24 \$250,000 of the general fund fiscal year 1999 appropriation are
25 provided solely for the budget and reporting system (BARS) to improve
26 the reporting of local government fiscal data. Audits of counties and
27 cities by the division of municipal corporations shall include findings
28 regarding the completeness, accuracy, and timeliness of BARS data
29 reported to the state auditor's office.

30 NEW SECTION. **Sec. 122. FOR THE CITIZENS' COMMISSION ON SALARIES**
31 **FOR ELECTED OFFICIALS**

32 General Fund Appropriation (FY 1998) \$ 4,000

33 General Fund Appropriation (FY 1999) \$ 63,000

34 TOTAL APPROPRIATION \$ 67,000

35 NEW SECTION. **Sec. 123. FOR THE ATTORNEY GENERAL**

36 General Fund--State Appropriation (FY 1998) \$ 4,361,000

1	General Fund--State Appropriation (FY 1999)	\$	3,631,000
2	General Fund--Federal Appropriation	\$	2,248,000
3	Public Safety and Education Account		
4	Appropriation	\$	1,300,000
5	New Motor Vehicle Arbitration Account		
6	Appropriation	\$	1,094,000
7	Legal Services Revolving Account		
8	Appropriation	\$	125,008,000
9	TOTAL APPROPRIATION	\$	137,642,000

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

12 (1) The attorney general shall report each fiscal year on actual
13 legal services expenditures and actual attorney staffing levels for
14 each agency receiving legal services. The report shall be submitted to
15 the office of financial management and the fiscal committees of the
16 senate and house of representatives no later than ninety days after the
17 end of each fiscal year.

18 (2) The attorney general shall include, at a minimum, the following
19 information with each bill sent to agencies receiving legal services:

20 (a) The number of hours and cost of attorney services provided during
21 the billing period; (b) cost of support staff services provided during
22 the billing period; (c) attorney general overhead and central support
23 costs charged to the agency for the billing period; (d) direct legal
24 costs, such as filing and docket fees, charged to the agency for the
25 billing period; and (e) other costs charged to the agency for the
26 billing period. The attorney general may, with approval of the office
27 of financial management change its billing system to meet the needs of
28 its user agencies.

29 (3) \$300,000 of the fiscal year 1998 general fund--state
30 appropriation is provided for a comprehensive assessment of
31 environmental and public health impacts and for other costs related to
32 pursuing remedies for pollution in the Spokane river basin.

33 (4) \$640,000 of the fiscal year 1998 general fund--state
34 appropriation and \$210,000 of the fiscal year 1999 general fund--state
35 appropriation are provided solely to implement the supervision
36 management and recidivist tracking program to allow the department of
37 corrections and local law enforcement agencies to share information
38 concerning the activities of offenders on community supervision. No
39 information on any person may be entered into or retained in the

1 program unless the person is under the jurisdiction of the department
2 of corrections.

3 NEW SECTION. **Sec. 124. FOR THE DEPARTMENT OF FINANCIAL**
4 **INSTITUTIONS**

5 Securities Regulation Account Appropriation \$ 5,445,000

6 The appropriation in this section is subject to the following
7 conditions and limitations: \$34,000 of the securities regulation
8 account appropriation is provided solely for the implementation of
9 Engrossed House Bill No. 3901 (implementing welfare reform). If the
10 bill is not enacted by June 30, 1997, the amount provided shall lapse.

11 NEW SECTION. **Sec. 125. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
12 **AND ECONOMIC DEVELOPMENT**

13 General Fund--State Appropriation (FY 1998) \$ 56,361,000
14 General Fund--State Appropriation (FY 1999) \$ 55,351,000
15 General Fund--Federal Appropriation \$ 155,278,000
16 General Fund--Private/Local Appropriation \$ 6,903,000
17 Public Safety and Education Account
18 Appropriation \$ 8,781,000
19 Public Works Assistance Account
20 Appropriation \$ 2,223,000
21 Building Code Council Account Appropriation \$ 1,318,000
22 Administrative Contingency Account
23 Appropriation \$ 1,776,000
24 Low-Income Weatherization Assistance Account
25 Appropriation \$ 923,000
26 State Toxics Control Account Appropriation \$ 555,000
27 Violence Reduction and Drug Enforcement Account
28 Appropriation \$ 6,042,000
29 Manufactured Home Installation Training Account
30 Appropriation \$ 250,000
31 Washington Housing Trust Account
32 Appropriation \$ 7,999,000
33 Public Facility Construction Loan Revolving Account
34 Appropriation \$ 515,000
35 TOTAL APPROPRIATION \$ 304,275,000

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

3 (1) \$3,282,500 of the general fund--state appropriation for fiscal
4 year 1998 and \$3,282,500 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely for a contract with the Washington
6 technology center. For work essential to the mission of the Washington
7 technology center and conducted in partnership with universities, the
8 center shall not pay any increased indirect rate nor increases in other
9 indirect charges above the absolute amount paid during the 1995-97
10 biennium.

11 (2) \$155,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$155,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided solely for a contract with the Washington
14 manufacturing extension partnership.

15 (3) \$9,964,000 of the general fund--federal appropriation is
16 provided solely for the drug control and system improvement formula
17 grant program, to be distributed in state fiscal year 1998 as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (4) \$1,000,000 of the general fund fiscal year 1998 appropriation
20 and \$1,000,000 of the general fund fiscal year 1999 appropriation are
21 provided solely to implement Engrossed Substitute House Bill No. 1576
22 (buildable lands) or Senate Bill No. 6094 (growth management). If
23 neither bill is enacted by June 30, 1997, the amounts provided in this
24 subsection shall lapse.

25 (5) \$4,800,000 of the public safety and education account
26 appropriation is provided solely for indigent civil legal
27 representation services contracts and contracts administration. The
28 amount provided in this subsection is contingent upon enactment of
29 section 2 of Engrossed Substitute House Bill No. 2276 (civil legal
30 services for indigent persons). If section 2 of the bill is not
31 enacted by June 30, 1997, the amount provided in this subsection shall
32 lapse.

33 (6) \$643,000 of the general fund--state fiscal year 1998
34 appropriation and \$643,000 of the general fund--state fiscal year 1999
35 appropriation are provided solely to increase payment rates for
36 contracted early childhood education assistance program providers. It
37 is the legislature's intent that these amounts shall be used primarily
38 to increase compensation for persons employed in direct, front-line
39 service delivery.

1 (7) \$75,000 of the general fund--state fiscal year 1998
2 appropriation and \$75,000 of the general fund--state fiscal year 1999
3 appropriation are provided solely as a grant for the community
4 connections program in Walla Walla county.

5 (8) \$300,000 of the general fund--state fiscal year 1998
6 appropriation and \$300,000 of the general fund--state fiscal year 1999
7 appropriation are provided solely to contract with the Washington state
8 association of court-appointed special advocates/guardians ad litem
9 (CASA/GAL) to establish pilot programs in three counties to recruit
10 additional community volunteers to represent the interests of children
11 in dependency proceedings. Of this amount, a maximum of \$30,000 shall
12 be used by the department to contract for an evaluation of the
13 effectiveness of CASA/GAL in improving outcomes for dependent children.
14 The evaluation shall address the cost-effectiveness of CASA/GAL and to
15 the extent possible, identify savings in other programs of the state
16 budget where the savings resulted from the efforts of the CASA/GAL
17 volunteers. The department shall report to the governor and
18 legislature by October 15, 1998.

19 (9) \$75,000 of the general fund--state appropriation for fiscal
20 year 1999 is provided solely for state sponsorship of the "BIO 99"
21 international biotechnology conference and exhibition in the Seattle
22 area in 1999.

23 (10) \$698,000 of the general fund--state appropriation for fiscal
24 year 1998, \$697,000 of the general fund--state appropriation for fiscal
25 year 1999, and \$1,101,000 of the administrative contingency account
26 appropriation are provided solely for contracting with associate
27 development organizations.

28 (11) \$50,000 of the general fund--state appropriation for fiscal
29 year 1998 and \$50,000 of the general fund--state appropriation for
30 fiscal year 1999 are provided solely to expand the long-term care
31 ombudsman program.

32 (12) \$60,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$60,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely for implementation of the Puget
35 Sound work plan action item DCTED-01.

36 (13) \$555,000 of the state toxics control account appropriation is
37 provided solely for the public participation grant program pursuant to
38 RCW 70.105D.070. In administering the grant program, the department
39 shall award grants based upon a state-wide competitive process each

1 year. Priority is to be given to applicants that demonstrate the
2 ability to provide accurate technical information on complex waste
3 management issues. Amounts provided in this subsection may not be
4 spent on lobbying activities.

5 (14) \$20,000 of the general fund--state appropriation for fiscal
6 year 1998 is provided solely for a task force on tourism promotion and
7 development. The task force shall report to the legislature on its
8 findings and recommendations by January 31, 1998.

9 (15) \$71,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$60,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely for the pacific northwest economic
12 region (PNWER).

13 (16) \$123,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$124,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided solely for the community development
16 finance program.

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

22 NEW SECTION. **Sec. 126. FOR THE ECONOMIC AND REVENUE FORECAST**
23 **COUNCIL**

24	General Fund Appropriation (FY 1998)	. . . . .	\$	452,000
25	General Fund Appropriation (FY 1999)	. . . . .	\$	453,000
26	TOTAL APPROPRIATION	. . . . .	\$	905,000

27 NEW SECTION. **Sec. 127. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

28	General Fund--State Appropriation (FY 1998)	. . . . .	\$	10,178,000
29	General Fund--State Appropriation (FY 1999)	. . . . .	\$	9,916,000
30	General Fund--Federal Appropriation	. . . . .	\$	23,331,000
31	TOTAL APPROPRIATION	. . . . .	\$	43,425,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$125,000 of the general fund--state
34 appropriation for fiscal year 1998 and \$125,000 of the general fund--
35 state appropriation for fiscal year 1999 are provided solely for staff
36 support for the implementation of the Washington educational network.
37 Funds shall be transferred to the appropriate agency as required by

1 Substitute House Bill No. 1698 or Substitute Senate Bill No. 5002 or
2 substantially similar legislation (K-20 telecommunications).

3 NEW SECTION. **Sec. 128. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

4 Administrative Hearings Revolving Account

5 Appropriation \$ 19,615,000

6 The appropriation in this section is subject to the following
7 conditions and limitations: \$1,798,000 of the administrative hearings
8 revolving fund appropriation is provided solely to implement Engrossed
9 House Bill No. 3901 (implementing welfare reform). If the bill is not
10 enacted by June 30, 1997, the amount provided shall lapse.

11 NEW SECTION. **Sec. 129. FOR THE DEPARTMENT OF PERSONNEL**

12 Department of Personnel Service Account

13 Appropriation \$ 16,493,000

14 Higher Education Personnel Services Account

15 Appropriation \$ 1,632,000

16 TOTAL APPROPRIATION \$ 18,125,000

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

19 (1) The department shall reduce its charge for personnel services
20 to the lowest rate possible.

21 (2) \$32,000 of the department of personnel service fund
22 appropriation is provided solely for the creation, printing, and
23 distribution of the personal benefits statement for state employees.

24 (3) The department of personnel service account appropriation
25 contains sufficient funds to continue the employee exchange program
26 with the Hyogo prefecture in Japan.

27 (4) \$500,000 of the department of personnel service account
28 appropriation is provided solely for the career transition program to
29 assist state employees who are separated or are at risk of lay-off due
30 to reduction-in-force. Services shall include employee retraining and
31 career counseling.

32 (5) \$800,000 of the department of personnel service account
33 appropriation is provided solely for the human resource data warehouse
34 to: Expand the type and amount of information available on the state-
35 wide work force; and to provide the office of financial management,
36 legislature, and state agencies with direct access to the data for

1 policy and planning purposes. The department of personnel shall
 2 establish uniform reporting procedures, applicable to all state
 3 agencies and higher education institutions, for reporting data to the
 4 data warehouse by June 30, 1998. The department of personnel will
 5 report quarterly to the legislative fiscal committees, the office of
 6 financial management, the information services board, and the office of
 7 information technology oversight of the department of information
 8 services the following items: (a) The number of state agencies that
 9 have received access to the data warehouse (it is anticipated that
 10 approximately 40 agencies will receive access during the 1997-99
 11 biennium); (b) the change in requests for downloads from the mainframe
 12 computer by agencies with access to the data warehouse, to reflect
 13 transferring customers use of the mainframe computer to the more
 14 economical use of data warehouse information; and (c) a summary of
 15 customer feedback from agencies with access to the data warehouse.
 16 Authority to expend this amount is conditioned on compliance with
 17 section 902 of this act.

18 (6) The department of personnel has the authority to charge
 19 agencies for expenses associated with converting its payroll/personnel
 20 computer system to accommodate the year 2000 date change. Funding to
 21 cover these expenses shall be realized from the agency FICA savings
 22 associated with the pretax benefits contributions plan.

23 (7) The department of personnel shall charge all administrative
 24 services costs incurred by the department of retirement systems for the
 25 deferred compensation program. The billings to the department of
 26 retirement systems shall be for actual costs only.

27 NEW SECTION. **Sec. 130. FOR THE WASHINGTON STATE LOTTERY**

28 Industrial Insurance Premium Refund

29	Appropriation	\$	9,000
30	Lottery Administrative Account		
31	Appropriation	\$	19,966,000
32	TOTAL APPROPRIATION	\$	19,975,000

33 NEW SECTION. **Sec. 131. FOR THE COMMISSION ON HISPANIC AFFAIRS**

34	General Fund Appropriation (FY 1998)	\$	199,000
35	General Fund Appropriation (FY 1999)	\$	208,000
36	TOTAL APPROPRIATION	\$	407,000

1	General Fund Appropriation (FY 1998)	.. . . . .	\$	65,033,000
2	General Fund Appropriation (FY 1999)	.. . . . .	\$	65,320,000
3	Timber Tax Distribution Account			
4	Appropriation	.. . . . .	\$	4,778,000
5	Waste Reduction/Recycling/Litter Control			
6	Appropriation	.. . . . .	\$	100,000
7	State Toxics Control Account Appropriation	.. . . . .	\$	67,000
8	Solid Waste Management Account			
9	Appropriation	.. . . . .	\$	92,000
10	Oil Spill Administration Account			
11	Appropriation	.. . . . .	\$	14,000
12	TOTAL APPROPRIATION	.. . . . .	\$	135,404,000

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

15 (1) \$1,540,000 of the general fund appropriation for fiscal year
16 1998 and \$1,710,000 of the general fund appropriation for fiscal year
17 1999 are provided solely for senior citizen property tax deferral
18 distribution.

19 (2) Within the amounts appropriated in this section the department
20 shall conduct a study identifying the impacts of exempting all
21 shellfish species from the tax imposed on enhanced food fish under
22 chapter 82.27 RCW. The study shall include an estimate of the fiscal
23 impacts to state revenues as well as an examination of how such an
24 exemption would impact shellfish-based industries and communities where
25 shellfish-based industries are located. The department shall complete
26 this study and report its findings to the legislature by December 1,
27 1997.

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

29	General Fund Appropriation (FY 1998)	.. . . . .	\$	885,000
30	General Fund Appropriation (FY 1999)	.. . . . .	\$	889,000
31	TOTAL APPROPRIATION	.. . . . .	\$	1,774,000

32 NEW SECTION. **Sec. 138. FOR THE MUNICIPAL RESEARCH COUNCIL**

33	General Fund Appropriation (FY 1998)	.. . . . .	\$	1,651,000
34	General Fund Appropriation (FY 1999)	.. . . . .	\$	1,743,000
35	County Research Services Account Appropriation	.. . . . .	\$	625,000
36	TOTAL APPROPRIATION	.. . . . .	\$	4,019,000

1 The appropriations in this section are subject to the following
 2 conditions and limitations: The county research services account
 3 appropriation is provided solely to implement Substitute Senate Bill
 4 No. 5521 (county research services). If the bill is not enacted by
 5 June 30, 1997, the appropriation shall lapse.

6 NEW SECTION. **Sec. 139. FOR THE OFFICE OF MINORITY AND WOMEN'S**
 7 **BUSINESS ENTERPRISES**

8 OMWBE Enterprises Account Appropriation \$ 2,357,000

9 NEW SECTION. **Sec. 140. FOR THE DEPARTMENT OF GENERAL**
 10 **ADMINISTRATION**

11 General Fund--State Appropriation (FY 1998) \$ 1,302,000
 12 General Fund--State Appropriation (FY 1999) \$ 1,278,000
 13 General Fund--Federal Appropriation \$ 2,402,000
 14 General Fund--Private/Local Appropriation \$ 400,000
 15 Motor Transport Account Appropriation \$ 14,120,000
 16 Air Pollution Control Account Appropriation \$ 391,000
 17 General Administration Facilities and Services
 18 Revolving Account Appropriation \$ 22,299,000
 19 Central Stores Revolving Account
 20 Appropriation \$ 3,306,000
 21 Energy Efficiency Services Account
 22 Appropriation \$ 180,000
 23 Risk Management Account Appropriation \$ 2,328,000
 24 TOTAL APPROPRIATION \$ 48,006,000

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

27 (1) \$1,200,000 of the general fund--state appropriation for fiscal
 28 year 1998 and \$1,200,000 of the general fund--state appropriation for
 29 fiscal year 1999 are provided solely for the purchase of food for
 30 distribution to the state's food assistance network and related
 31 expenses.

32 (2) \$25,000 of the general fund--state appropriation for fiscal
 33 year 1998 is provided solely for the World War II memorial on the
 34 condition that the currently approved design for the World War II
 35 memorial be sited on the location selected by the World War II advisory
 36 committee and approved and recommended by the capitol campus design

1 advisory committee. This site is immediately south of the Columbia
2 street and 11th avenue axial on the west capitol campus.

3 (3) Except for the World War II memorial, no additional monuments
4 may be placed on the capitol campus until the completion of the capitol
5 campus monuments and memorial policy by the department of general
6 administration, adoption of the policy by the state capitol committee,
7 and inclusion of the policy in the department of general
8 administration's administrative code.

9 (4) The department shall not purchase any travel product for any
10 state employee or state official from a vendor who is not a Washington-
11 based seller of travel licensed under chapter 19.138 RCW.

12 (5) The department shall study the state motor pool vehicle fleet
13 to develop a plan for meeting and exceeding the minimum vehicle mileage
14 standards established by the federal government. The department shall
15 report its findings and conclusions to the appropriate legislative
16 committees by December 1, 1997.

17 (6) The department shall sell or contract for sale all surplus
18 motor pool fleet vehicles and shall, when cost effective, contract out
19 for the reconditioning, transport, and delivery of the vehicles prior
20 to their sale at auction.

21 NEW SECTION. **Sec. 141. FOR THE DEPARTMENT OF INFORMATION SERVICES**

22 Data Processing Revolving Account

23	Appropriation	\$	3,577,000
24	K-20 Technology Account Appropriation	\$	44,028,000
25	TOTAL APPROPRIATION	\$	47,605,000

26 The appropriation in this section is subject to the following
27 conditions and limitations:

28 (1) The department shall provide a toll-free telephone number and
29 operator service staff for the general public to call for information
30 about state agencies. The department may provide such staff,
31 equipment, and facilities as are necessary for this purpose. The
32 director shall adopt rules to fix terms and charges for these services.
33 All state agencies and the legislature shall participate in the
34 information program and shall reimburse the department of information
35 services in accordance with rules established by the director. The
36 department shall also provide conference calling services for state and
37 other public agencies on a fee-for-service basis.

1 (2) \$44,028,000 of the K-20 technology account appropriation shall
2 be expended in accordance with the expenditures authorized by the K-20
3 telecommunications oversight and policy committee as currently existing
4 or as modified by Substitute House Bill No. 1698, Substitute Senate
5 Bill No. 5002, or substantially similar legislation (K-20
6 telecommunications network).

7 NEW SECTION. **Sec. 142. FOR THE INSURANCE COMMISSIONER**

8	General Fund--Federal Appropriation	\$	106,000
9	Insurance Commissioners Regulatory Account		
10	Appropriation	\$	22,431,000
11	TOTAL APPROPRIATION	\$	22,537,000

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

14 (1) \$532,000 of the insurance commissioner's regulatory account
15 appropriation is provided solely for the expenditure of funds received
16 under the consent order with the Prudential insurance company. These
17 funds are provided solely for implementing the Prudential remediation
18 process and for examinations of the Prudential company.

19 (2) \$206,000 of the insurance commissioner's regulatory account
20 appropriation is provided solely to implement Substitute House Bill No.
21 1387 (basic health plan benefits). If the bill is not enacted by June
22 30, 1997, the amount provided in this subsection shall lapse.

23 (3) \$298,000 of the insurance commissioner's regulatory account
24 appropriation is provided solely for technology improvements that will
25 support the electronic filing of insurance rates and contracts and
26 enable regulators and the industry to share information about licensed
27 agents to protect the public from fraudulent sales practices.

28 NEW SECTION. **Sec. 143. FOR THE BOARD OF ACCOUNTANCY**

29	Certified Public Accountants' Account		
30	Appropriation	\$	978,000

31 The appropriation in this section is subject to the following
32 conditions and limitations: \$22,000 of the certified public
33 accountants' account appropriation is provided solely for the
34 implementation of Engrossed House Bill No. 3901 (implementing welfare
35 reform). If the bill is not enacted by June 30, 1997, the amount
36 provided shall lapse.

1 NEW SECTION. **Sec. 144. FOR THE FORENSIC INVESTIGATION COUNCIL**
2 Death Investigations Account Appropriation \$ 12,000

3 NEW SECTION. **Sec. 145. FOR THE HORSE RACING COMMISSION**
4 Horse Racing Commission Account Appropriation \$ 4,828,000

5 NEW SECTION. **Sec. 146. FOR THE LIQUOR CONTROL BOARD**
6 General Fund Appropriation (FY 1998) \$ 1,603,000
7 General Fund Appropriation (FY 1999) \$ 1,242,000
8 Liquor Control Board Construction and Maintenance
9 Account Appropriation \$ 9,919,000
10 Liquor Revolving Account Appropriation \$ 121,391,000
11 TOTAL APPROPRIATION \$ 134,155,000

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

14 (1) \$1,250,000 of the liquor revolving account appropriation is
15 provided solely for the agency information technology upgrade. This
16 item is conditioned on satisfying the requirements of section 902 of
17 this act, including the development of a project management plan, a
18 project schedule, a project budget, a project agreement, and
19 incremental funding based on completion of key milestones.

20 (2) \$1,603,000 of the general fund fiscal year 1998 appropriation
21 and \$1,242,000 of the general fund fiscal year 1999 appropriation are
22 provided solely to implement Substitute Senate Bill No. 6084 or
23 Engrossed Substitute House Bill No. 2272 (transferring enforcement
24 provisions regarding cigarette and tobacco taxes to the liquor control
25 board). If neither bill is enacted by June 30, 1997, the amounts
26 provided in this subsection shall lapse.

27 (3) \$459,000 of the liquor revolving account appropriation is
28 provided solely for implementation of Substitute Senate Bill No. 5664
29 (credit and debit cards purchases in state liquor stores). If the bill
30 is not enacted by June 30, 1997, the amount provided in this subsection
31 shall lapse.

32 (4) \$154,000 of the liquor revolving account appropriation is
33 provided solely for the implementation of Engrossed House Bill No. 3901
34 (implementing welfare reform). If the bill is not enacted by June 30,
35 1997, the amount provided in this subsection shall lapse.

1 (3) \$100,000 of the general fund--state fiscal year 1998
2 appropriation and \$100,000 of the general fund--state fiscal year 1999
3 appropriation are provided solely for the implementation of a
4 conditional scholarship program pursuant to chapter 28B.103 RCW.

5 (4) \$35,000 of the general fund--state fiscal year 1998
6 appropriation and \$35,000 of the general fund--state fiscal year 1999
7 appropriation are provided solely for the north county emergency
8 medical service.

9 NEW SECTION. **Sec. 150. FOR THE PUBLIC EMPLOYMENT RELATIONS**
10 **COMMISSION**

11	General Fund Appropriation (FY 1998)	. . . . .	\$	1,768,000
12	General Fund Appropriation (FY 1999)	. . . . .	\$	1,764,000
13	TOTAL APPROPRIATION	. . . . .	\$	3,532,000

14 NEW SECTION. **Sec. 151. FOR THE GROWTH PLANNING HEARINGS BOARD**

15	General Fund Appropriation (FY 1998)	. . . . .	\$	1,247,000
16	General Fund Appropriation (FY 1999)	. . . . .	\$	1,252,000
17	TOTAL APPROPRIATION	. . . . .	\$	2,499,000

18 NEW SECTION. **Sec. 152. FOR THE STATE CONVENTION AND TRADE CENTER**

19 State Convention and Trade Center Operating Account

20	Appropriation	\$	27,175,000
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21 NEW SECTION. **Sec. 153. FOR THE CASELOAD FORECAST COUNCIL**

22	General Fund Appropriation (FY 1998)	\$	489,000
23	General Fund Appropriation (FY 1999)	. . . . .	\$	390,000
24	TOTAL APPROPRIATION	. . . . .	\$	879,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: The appropriations are provided solely
27 to implement Substitute Senate Bill No. 5472 (caseload forecast
28 council). If the bill is not enacted by June 30, 1997, the amounts
29 provided in this subsection shall lapse.

30 (End of part)

PART II
HUMAN SERVICES

NEW SECTION. **Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.** (1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

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

(3) The appropriations in sections 202 through 213 of this act shall be expended for the programs and in the amounts listed in those sections.

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

General Fund--State Appropriation (FY 1998)	\$	191,716,000
General Fund--State Appropriation (FY 1999)	\$	201,581,000
General Fund--Federal Appropriation	\$	247,553,000
General Fund--Private/Local Appropriation	\$	400,000

1	Violence Reduction and Drug Enforcement Account	
2	Appropriation	\$ 4,230,000
3	TOTAL APPROPRIATION	\$ 645,480,000

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

6 (1) \$16,510,000 of the general fund--state appropriation for fiscal
7 year 1998 and \$17,508,000 of the general fund--state appropriation for
8 fiscal year 1999 are provided solely for purposes consistent with the
9 maintenance of effort requirements under the federal temporary
10 assistance for needy families program established under P.L. 104-193.

11 (2) \$837,000 of the violence reduction and drug enforcement account
12 appropriation and \$7,228,000 of the general fund--federal appropriation
13 are provided solely for the operation of the family policy council, the
14 community public health and safety networks, and delivery of services
15 authorized under the federal family preservation and support act.
16 Within the funds provided, the family policy council shall contract for
17 an evaluation of the community networks with the institute for public
18 policy and shall provide for audits of ten networks. Within the funds
19 provided, the family policy council may build and maintain a geographic
20 information system database tied to community network geography.

21 (3) \$577,000 of the general fund--state fiscal year 1998
22 appropriation and \$577,000 of the general fund--state fiscal year 1999
23 appropriation are provided solely to contract for the operation of one
24 pediatric interim care facility. The facility shall provide
25 residential care for up to twelve children through two years of age.
26 Seventy-five percent of the children served by the facility must be in
27 need of special care as a result of substance abuse by their mothers.
28 The facility also shall provide on-site training to biological,
29 adoptive, or foster parents. The facility shall provide at least three
30 months of consultation and support to parents accepting placement of
31 children from the facility. The facility may recruit new and current
32 foster and adoptive parents for infants served by the facility. The
33 department shall not require case management as a condition of the
34 contract.

35 (4) \$481,000 of the general fund--state fiscal year 1998
36 appropriation and \$481,000 of the general fund--state fiscal year 1999
37 appropriation are provided solely for up to three nonfacility-based
38 programs for the training, consultation, support, and recruitment of
39 biological, foster, and adoptive parents of children through age three

1 in need of special care as a result of substance abuse by their
2 mothers, except that each program may serve up to three medically
3 fragile nonsubstance-abuse-affected children. In selecting
4 nonfacility-based programs, preference shall be given to programs whose
5 federal or private funding sources have expired or that have
6 successfully performed under the existing pediatric interim care
7 program.

8 (5) \$640,000 of the general fund--state appropriation for fiscal
9 year 1998 and \$640,000 of the general fund--state appropriation for
10 fiscal year 1999 are provided solely to fund the provisions of Second
11 Substitute House Bill No. 1862 (community-based alternative response
12 system) or Second Substitute Senate Bill No. 5710 (juvenile care and
13 treatment), including section 2 of the bill. Amounts provided in this
14 subsection to implement Second Substitute House Bill No. 1862 or Second
15 Substitute Senate Bill No. 5710 must be used to serve families who are
16 screened from the child protective services risk assessment process.
17 Services shall be provided through contracts with community-based
18 organizations. If neither bill is enacted by June 30, 1997, the
19 amounts provided in this subsection shall lapse.

20 (6) \$594,000 of the general fund--state appropriation for fiscal
21 year 1998, \$556,000 of the general fund--state appropriation for fiscal
22 year 1999, and \$290,000 of the general fund--federal appropriation are
23 provided solely to fund the provisions of Engrossed Second Substitute
24 House Bill No. 2046 (foster parent liaison). The department shall
25 establish a foster parent liaison in each department of social and
26 health services region of the state and contract with a private
27 provider to implement a recruitment and retention program for foster
28 parents and adoptive families. The department shall provide a minimum
29 of two hundred additional adoptive and foster home placements by June
30 30, 1998. If the bill is not enacted by June 30, 1997, the amounts in
31 this subsection shall lapse.

32 (7) \$433,000 of the fiscal year 1998 general fund--state
33 appropriation, \$395,000 of the fiscal year 1999 general fund--state
34 appropriation, and \$894,000 of the general fund--federal appropriation
35 are provided solely to increase the rate paid to private child-placing
36 agencies.

37 (8) \$580,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$580,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided solely for development and expansion of

1 child care training requirements and optional training programs. The
2 department shall adopt rules to require annual training in early
3 childhood development of all directors, supervisors, and lead staff at
4 child care facilities. Directors, supervisors, and lead staff at child
5 care facilities include persons licensed as family child care
6 providers, and persons employed at child care centers or school age
7 child care centers. The department shall establish a program to fund
8 scholarships and grants to assist persons in meeting these training
9 requirements. The department shall also develop criteria for approving
10 training programs and establish a system for tracking who has received
11 the required level of training. In adopting rules, developing
12 curricula, setting up systems, and administering scholarship programs,
13 the department shall consult with the child care coordinating committee
14 and other community stakeholders.

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

25 (10) \$100,000 of the general fund--state appropriation for fiscal
26 year 1998 and \$100,000 of the general fund--state appropriation for
27 fiscal year 1999 are provided solely for legal costs associated with
28 the defense of vendors operating a secure treatment facility, for
29 actions arising from the good faith performance of treatment services
30 for behavioral difficulties or needs.

31 (11) \$2,745,000 of the fiscal year 1998 general fund--state
32 appropriation, \$2,745,000 of the fiscal year 1999 general fund--state
33 appropriation, and \$1,944,000 of the general fund--federal
34 appropriation are provided solely for the category of services titled
35 "intensive family preservation services."

36 (12) \$2,200,000 of the fiscal year 1998 general fund--state
37 appropriation and \$2,200,000 of the fiscal year 1999 general fund--
38 state appropriation are provided solely to continue existing continuum
39 of care and street youth projects.

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

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

18 (1) COMMUNITY SERVICES

19	General Fund--State Appropriation (FY 1998)	\$	29,732,000
20	General Fund--State Appropriation (FY 1999)	\$	28,764,000
21	General Fund--Federal Appropriation	\$	16,127,000
22	General Fund--Private/Local Appropriation	\$	378,000
23	Violence Reduction and Drug Enforcement Account		
24	Appropriation	\$	13,381,000
25	TOTAL APPROPRIATION	\$	88,382,000

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

28 (a) \$445,000 of the violence reduction and drug enforcement account
 29 appropriation is provided solely for deposit in the county criminal
 30 justice assistance account solely for costs to the criminal justice
 31 system associated with the implementation of RCW 13.04.030 as amended
 32 by Engrossed Third Substitute House Bill No. 3900 (revising the
 33 juvenile code). If RCW 13.04.030 is not amended by Engrossed Third
 34 Substitute House Bill No. 3900 by June 30, 1997, the amount provided in
 35 this subsection shall lapse. The amount provided in this subsection is
 36 intended to provide funding for county adult court and jail costs
 37 associated with the implementation of Engrossed Third Substitute House

1 Bill No. 3900 and shall be distributed in accordance with RCW
2 82.14.310.

3 (b) \$4,913,000 of the violence reduction and drug enforcement
4 account is provided solely for the implementation of Engrossed Third
5 Substitute Senate Bill No. 3900 (revising the juvenile code). The
6 amount provided in this subsection is intended to provide funding for
7 county impacts associated with the implementation of Third Substitute
8 Senate Bill No. 3900 and shall be distributed to counties as prescribed
9 in the current consolidated juvenile services (CJS) formula. If the
10 bill is not enacted by June 30, 1997, the amounts provided shall lapse.

11 (c) \$2,350,000 of the general fund--state fiscal year 1998
12 appropriation and \$2,350,000 of the general fund--state fiscal year
13 1999 appropriation are provided solely for an early intervention
14 program to be administered at the county level. Moneys shall be
15 awarded on a competitive basis to counties that have submitted plans
16 for implementation of an early intervention program consistent with
17 proven methodologies currently in place in the state. The juvenile
18 rehabilitation administration shall develop criteria for evaluation of
19 plans submitted and a timeline for awarding funding and shall assist
20 counties in creating and submitting plans for evaluation.

21 (d) \$1,832,000 of the violence reduction and drug enforcement
22 appropriation is provided solely to implement alcohol and substance
23 abuse treatment for locally committed offenders. The juvenile
24 rehabilitation administration shall award these moneys on a competitive
25 basis to counties that have submitted a plan for the provision of
26 treatment services approved by the division of alcohol and substance
27 abuse. The juvenile rehabilitation administration shall develop
28 criteria for evaluation of plans submitted and a timeline for awarding
29 funding and shall assist counties in creating and submitting plans for
30 evaluation. If Engrossed Third Substitute House Bill No. 3900
31 (juvenile code revisions) is not enacted by June 30, 1997, the amount
32 provided in this subsection shall lapse.

33 (e) \$50,000 of the general fund--state fiscal year 1998
34 appropriation and \$100,000 of the general fund--state fiscal year 1999
35 appropriation are provided solely for the juvenile rehabilitation
36 administration to contract with the institute for public policy for the
37 responsibilities assigned in Engrossed Third Substitute House Bill No.
38 3900 (juvenile code revisions). If the bill is not enacted by June 30,
39 1997, the amounts provided in this subsection shall lapse.

1 (2) INSTITUTIONAL SERVICES

2	General Fund--State Appropriation (FY 1998)	\$	49,823,000
3	General Fund--State Appropriation (FY 1999)	\$	52,373,000
4	General Fund--Private/Local Appropriation	\$	721,000
5	Violence Reduction and Drug Enforcement Account		
6	Appropriation	\$	13,156,000
7	TOTAL APPROPRIATION	\$	116,073,000

8 The appropriations in this subsection are subject to the following
9 conditions and limitations: \$3,691,000 of the general fund--state
10 fiscal year 1998 appropriation, \$6,679,000 of the general fund--state
11 fiscal year 1999 appropriation, and \$1,555,000 of the violence
12 reduction and drug enforcement account appropriation are provided
13 solely for the implementation of Engrossed Third Substitute House Bill
14 No. 3900 (juvenile code revisions). If the bill is not enacted by June
15 30, 1997, the amounts provided in this subsection shall lapse.

16 (3) PROGRAM SUPPORT

17	General Fund--State Appropriation (FY 1998)	\$	1,874,000
18	General Fund--State Appropriation (FY 1999)	\$	1,623,000
19	General Fund--Federal Appropriation	\$	156,000
20	Violence Reduction and Drug Enforcement Account		
21	Appropriation	\$	421,000
22	TOTAL APPROPRIATION	\$	4,074,000

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

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

30 (b) \$206,000 of the general fund--state fiscal year 1998
31 appropriation is provided solely for the implementation of Substitute
32 House Bill No. 1968 (juvenile offender placement). If the bill is not
33 enacted by June 30, 1997, the amount provided shall lapse.

34 (c) \$49,000 of the general fund--state fiscal year 1998
35 appropriation and \$49,000 of the general fund--state fiscal year 1999
36 appropriation are provided solely for the implementation of Engrossed
37 Third Substitute House Bill No. 3900 (juvenile code revisions). If the
38 bill is not enacted by June 30, 1997, the amounts provided shall lapse.

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

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

8 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

9	General Fund--State Appropriation (FY 1998)	\$ 167,577,000
10	General Fund--State Appropriation (FY 1999)	\$ 170,803,000
11	General Fund--Federal Appropriation	\$ 296,006,000
12	General Fund--Private/Local Appropriation	\$ 4,000,000
13	TOTAL APPROPRIATION	\$ 638,386,000

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

16 (a) Regional support networks shall use portions of the general
17 fund--state appropriation for implementation of working agreements with
18 the vocational rehabilitation program which will maximize the use of
19 federal funding for vocational programs.

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

26 (c) \$2,413,000 of the general fund--state appropriation for fiscal
27 year 1998 and \$2,393,000 of the general fund--state appropriation for
28 fiscal year 1999 are provided solely to directly reimburse eligible
29 providers for the medicaid share of mental health services provided to
30 persons eligible for both medicaid and medicare. To be reimbursed, the
31 service must be covered by and provided in accordance with the state
32 medicaid plan.

33 (d) \$1,304,000 of the general fund--state appropriation for fiscal
34 year 1998, \$3,356,000 of the general fund--state appropriation for
35 fiscal year 1999, and \$5,056,000 of the general fund--federal
36 appropriation are provided solely for distribution to those regional
37 support networks whose 1997-99 allocation would otherwise be less than
38 the regional support network would receive if all funding appropriated

1 in this subsection (1) of this section for medicaid outpatient mental
2 health services were distributed among all regional support networks at
3 the state-wide average per capita rate for each eligibility category.

4 (e) At least thirty days prior to entering contracts that would
5 capitate payments for voluntary psychiatric hospitalizations, the
6 mental health division shall report the proposed capitation rates, and
7 the assumptions and calculations by which they were established, to the
8 budget and forecasting divisions of the office of financial management,
9 the appropriations committee of the house of representatives, and the
10 ways and means committee of the senate.

11 (2) INSTITUTIONAL SERVICES

12	General Fund--State Appropriation (FY 1998)	\$	59,496,000
13	General Fund--State Appropriation (FY 1999)	\$	59,508,000
14	General Fund--Federal Appropriation	\$	127,118,000
15	General Fund--Private/Local Appropriation	\$	30,940,000
16	TOTAL APPROPRIATION	\$	277,062,000

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

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

22 (b) The mental health program at Western state hospital shall
23 continue to use labor provided by the Tacoma prerelease program of the
24 department of corrections.

25 (3) CIVIL COMMITMENT

26	General Fund Appropriation (FY 1998)	\$	5,423,000
27	General Fund Appropriation (FY 1999)	\$	6,082,000
28	TOTAL APPROPRIATION	\$	11,505,000

29 (4) SPECIAL PROJECTS

30	General Fund--State Appropriation (FY 1998)	\$	50,000
31	General Fund--State Appropriation (FY 1999)	\$	450,000
32	General Fund--Federal Appropriation	\$	3,826,000
33	TOTAL APPROPRIATION	\$	4,326,000

34 The appropriations in this subsection are subject to the following
35 conditions and limitations: \$50,000 of the general fund--state
36 appropriation for fiscal year 1998 and \$450,000 of the general fund--
37 state appropriation for fiscal year 1999 are provided solely for

1 development and operation of the pilot project for mentally ill
2 offenders described in Substitute Senate Bill No. 6002 (mentally ill
3 offenders). If the bill is not enacted by June 30, 1997, the amounts
4 provided shall lapse.

5 (5) PROGRAM SUPPORT

6	General Fund--State Appropriation (FY 1998)	\$	2,560,000
7	General Fund--State Appropriation (FY 1999)	\$	2,395,000
8	General Fund--Federal Appropriation	\$	3,111,000
9	TOTAL APPROPRIATION	\$	8,066,000

10 The appropriations in this subsection are subject to the following
11 conditions and limitations: \$60,000 of the general fund--state
12 appropriation for fiscal year 1998 is provided solely to increase the
13 department's capacity to carry out legislative intent set forth in RCW
14 71.24.400 through 71.24.415. To facilitate this activity, the
15 secretary shall appoint an oversight committee of project stakeholders
16 including representatives from: Service providers, mental health
17 regional support networks, the department's mental health division, the
18 department's division of alcohol and substance abuse, the department's
19 division of children and family services, and the department's medical
20 assistance administration. The oversight group shall continue to seek
21 ways to streamline service delivery as set forth in RCW 71.24.405 until
22 at least July 1, 1998.

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

25 (1) COMMUNITY SERVICES

26	General Fund--State Appropriation (FY 1998)	\$	140,172,000
27	General Fund--State Appropriation (FY 1999)	\$	142,643,000
28	General Fund--Federal Appropriation	\$	194,347,000
29	Health Services Account Appropriation	\$	1,695,000
30	TOTAL APPROPRIATION	\$	478,857,000

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

33 (a) \$1,695,000 of the health services account appropriation and
34 \$1,835,000 of the general fund--federal appropriation are provided
35 solely for the enrollment in the basic health plan of home care workers
36 with family incomes below 200 percent of the federal poverty level who
37 are employed through state contracts. Enrollment in the basic health

1 plan for home care workers with family incomes at or above 200 percent
2 of poverty shall be covered with general fund--state and matching
3 general fund--federal revenues that were identified by the department
4 to have been previously appropriated for health benefits coverage, to
5 the extent that these funds had not been contractually obligated for
6 worker wage increases prior to March 1, 1996.

7 (b) \$365,000 of the general fund--state appropriation for fiscal
8 year 1998 and \$1,543,000 of the general fund--state appropriation for
9 fiscal year 1999 are provided solely for employment, or other day
10 activities and training programs, for young people who complete their
11 high school curriculum in 1997 or 1998.

12 (c) \$22,974,000 of the general fund--state appropriation for fiscal
13 year 1998 and \$25,111,000 of the general fund--state appropriation for
14 fiscal year 1999, plus any vendor rate increases allotted in accordance
15 with section 213 of this act, are provided solely to deliver personal
16 care services to an average of 6,250 children and adults in fiscal year
17 1998 and an average of 7,100 children and adults in fiscal year 1999.
18 If the secretary of social and health services determines that total
19 expenditures are likely to exceed these appropriated amounts, the
20 secretary shall take action as required by RCW 74.09.520 to adjust
21 either functional eligibility standards or service levels or both
22 sufficiently to maintain expenditures within appropriated levels. Such
23 action may include the adoption of emergency rules and may not be taken
24 to the extent that projected over-expenditures are offset by under-
25 expenditures elsewhere within the program's general fund--state
26 appropriation.

27 (d) \$453,000 of the general fund--state appropriation for fiscal
28 year 1998, \$214,000 of the general fund--state appropriation for fiscal
29 year 1999, and \$719,000 of the general fund--federal appropriation are
30 provided solely to continue operation of the united cerebral palsy
31 residential center during the period in which its residents are phasing
32 into new community residences.

33 (e) \$197,000 of the general fund--state appropriation for fiscal
34 year 1998 and \$197,000 of the general fund--state appropriation for
35 fiscal year 1999 are provided solely to contract with the Washington
36 initiative for supported employment for the purpose of continuing the
37 promotion of supported employment services for persons with
38 disabilities.

39 (2) INSTITUTIONAL SERVICES

1	General Fund--State Appropriation (FY 1998)	\$	63,982,000
2	General Fund--State Appropriation (FY 1999)	\$	63,206,000
3	General Fund--Federal Appropriation	\$	142,955,000
4	General Fund--Private/Local Appropriation	\$	9,729,000
5	TOTAL APPROPRIATION	\$	279,872,000

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

8 (a) With the funds appropriated in this subsection, the secretary
9 of social and health services shall develop an eight-bed program at
10 Yakima valley school specifically for the purpose of providing respite
11 services to all eligible individuals on a state-wide basis, with an
12 emphasis on those residing in central Washington.

13 (b) \$112,000 of the general fund--state appropriation for fiscal
14 year 1998, \$113,000 of the general fund--state appropriation for
15 fiscal year 1999, and \$75,000 of the general fund--federal
16 appropriation are provided solely for a nursing community outreach
17 project at Yakima valley school. Registered nursing staff are to
18 provide nursing assessments, consulting services, training, and quality
19 assurance on behalf of individuals residing in central Washington.

20 (c) \$200,000 of the general fund--state appropriation for fiscal
21 year 1998, \$200,000 of the general fund--state appropriation for fiscal
22 year 1999, and \$400,000 of the general fund--federal appropriation are
23 provided solely for the development of a sixteen-bed program at Yakima
24 valley school specifically for the purpose of providing respite
25 services to all eligible individuals on a state-wide basis, with an
26 emphasis on those residing in central Washington.

27 (3) PROGRAM SUPPORT

28	General Fund--State Appropriation (FY 1998)	\$	2,543,000
29	General Fund--State Appropriation (FY 1999)	\$	2,517,000
30	General Fund--Federal Appropriation	\$	1,645,000
31	TOTAL APPROPRIATION	\$	6,705,000

32 (4) SPECIAL PROJECTS

33	General Fund--Federal Appropriation	\$	12,030,000
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34 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
35 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

36	General Fund--State Appropriation (FY 1998)	\$	392,045,000
37	General Fund--State Appropriation (FY 1999)	\$	416,304,000

1 General Fund--Federal Appropriation \$ 878,169,000
2 Health Services Account Appropriation \$ 6,087,000
3 TOTAL APPROPRIATION \$1,692,605,000

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

6 (1) The entire health services account appropriation and \$6,076,000
7 of the general fund--federal appropriation are provided solely for the
8 enrollment in the basic health plan of home care workers with family
9 incomes below 200 percent of the federal poverty level who are employed
10 through state contracts. Enrollment in the basic health plan for home
11 care workers with family incomes at or above 200 percent of poverty
12 shall be covered with general fund--state and matching general fund--
13 federal revenues that were identified by the department to have been
14 previously appropriated for health benefits coverage, to the extent
15 that these funds had not been contractually obligated for worker wage
16 increases prior to March 1, 1996.

17 (2) \$1,277,000 of the general fund--state appropriation for fiscal
18 year 1998 and \$1,277,000 of the general fund--state appropriation for
19 fiscal year 1999 are provided solely for operation of the volunteer
20 chore program.

21 (3) \$107,997,000 of the general fund--state appropriation for
22 fiscal year 1998 and \$120,397,000 of the general fund--state
23 appropriation for fiscal year 1999, plus any vendor rate increases
24 allocated to these services in accordance with section 213 of this act,
25 are provided solely to deliver chore, COPES, and medicaid personal care
26 services. If the secretary of social and health services determines
27 that total expenditures are likely to exceed these amounts, the
28 secretary shall take action as required by RCW 74.09.520, 74.39A.120,
29 and 74.09.530 to adjust functional eligibility standards and/or service
30 levels sufficiently to maintain expenditures within appropriated
31 levels. Such action may include the adoption of emergency rules, and
32 shall not be taken to the extent that projected over-expenditures are
33 offset by under-expenditures resulting from lower than budgeted nursing
34 home caseloads.

35 (4) \$26,000 of the general fund--state appropriation for fiscal
36 year 1998, \$59,000 of the general fund--state appropriation for fiscal
37 year 1999, and \$85,000 of the general fund--federal appropriation are
38 provided solely to employ registered nurses rather than social workers
39 to fill six of the new field positions to be filled in fiscal year 1998

1 and seven more of the new positions to be filled in fiscal year 1999.
2 These registered nurses shall conduct assessments, develop and monitor
3 service plans, and consult with social work staff to assure that
4 persons with medical needs are placed in and receive the appropriate
5 level of care.

6 (5) \$425,000 of the general fund--state appropriation for fiscal
7 year 1998 and \$882,000 of the general fund--state appropriation for
8 fiscal year 1999 are provided solely to implement Second Substitute
9 Senate Bill No. 5179 (nursing facility reimbursement). If the bill is
10 not enacted by June 30, 1997, the amounts provided in this subsection
11 shall lapse.

12 (6) A maximum of \$2,193,000 of the general fund--state
13 appropriation for fiscal year 1998 and \$2,351,000 of the general fund--
14 federal appropriation for fiscal year 1998 are provided to fund the
15 medicaid share of any new prospective payment rate adjustments as may
16 be necessary in accordance with RCW 74.46.460.

17 (7) \$242,000 of the general fund--state appropriation for fiscal
18 year 1998, \$212,000 of the general fund--state appropriation for fiscal
19 year 1999, and \$498,000 of the general fund--federal appropriation are
20 provided solely for operation of a system for investigating allegations
21 of staff abuse and neglect in nursing homes, as provided in Second
22 Substitute House Bill No. 1850 (long-term care standards of care).

23 (8) \$350,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$382,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely to supplement the incomes of
26 disabled legal immigrants who, because of loss of their federal
27 supplemental security income benefit, would otherwise be at risk of
28 placement into a more expensive long-term care setting.

29 (9)(a) The department shall establish a shadow case mix payment
30 system to educate facilities about payment system alternatives. The
31 department shall provide shadow rates beginning July 1, 1997, based on
32 the following:

33 (i) The direct care portion of the rate, usually called "nursing
34 services," shall be set under a case mix methodology that classifies
35 residents under the Resource Utilization Group III (RUG-III) Version
36 5.10 (or subsequent revision) 44 group index maximizing model based on
37 the Minimum Data Set (MDS) Version 2.0.

38 (ii) Payment to a facility shall be based on facility weighted
39 average case mix data which provides one rate to a facility reflecting

1 its mix of residents. For purposes of determining the facility's cost
2 per case mix unit, the facility average case mix score will be based on
3 the case mix of all residents. For purposes of determining the
4 facility's payment rate, the facility average case mix score shall be
5 based on the case mix of medicaid residents.

6 (iii) The direct care rates shall be adjusted prospectively each
7 quarter based on the facility's MDS 2.0 data from the quarter
8 commencing six months preceding the rate effective date. For example,
9 the MDSs for 1/1/97 - 3/31/97 shall be used to establish shadow rates
10 for 7/1/97 - 9/30/97.

11 (iv) Those costs which currently comprise nursing services as
12 defined by chapter 74.46 RCW, excluding therapies, shall be included in
13 the direct care component for case mix.

14 (v) Data from 1994 cost reports (allowable and audited costs) shall
15 be used to establish the shadow rates. The costs shall be inflated
16 comparable to fiscal year 1998 payment rates, according to RCW
17 74.46.420.

18 (vi) Separate prices, ceilings, and corridors shall be established
19 for the peer groups of metropolitan statistical area and
20 nonmetropolitan statistical area.

21 (b) The following methods shall be used to establish the shadow
22 case mix rates:

23 (i) A pricing system in which payment to a facility shall be based
24 on a price multiplied by each facility's medicaid case mix. The price,
25 per peer group, shall be established at the median direct care cost per
26 case mix unit.

27 (ii) A pricing system in which payment to a facility shall be based
28 on a price multiplied by each facility's medicaid case mix. The price,
29 per peer group, shall be based on the cost per case-mix unit of a group
30 of cost-effective benchmark facilities which meet quality standards.

31 (iii) A corridor-based system in which payment to a facility shall
32 be the facility's allowable cost per case-mix unit adjusted for case
33 mix up to a ceiling and no less than a floor. The floor, per peer
34 group, shall be established at 90 percent of the cost per case-mix unit
35 of a group of cost-effective benchmark facilities which meet quality
36 standards. The ceiling, per peer group, shall be established at 110
37 percent of the cost per case-mix unit of the group of benchmark
38 facilities.

1 (iv) A corridor-based system in which payment to a facility shall
2 be the facility's allowable cost per case-mix unit adjusted for case
3 mix up to a ceiling and no less than a floor. The floor, per peer
4 group, shall be established at 90 percent of the industry-wide median
5 direct care cost per case-mix unit. The ceiling, per peer group, shall
6 be established at 110 percent of the industry-wide median direct care
7 cost per case-mix unit.

8 (c) The department shall provide all data, information, and
9 specifications of the methods used in establishing the shadow case mix
10 rates to the nursing home provider associations.

11 (d) It is the legislature's intent that the average state payment
12 for nursing facility services under the new system increase by no more
13 than 175 percent of the health care financing administration nursing
14 home input price index, excluding capital costs. In designing the new
15 payment system, the department shall develop and propose options for
16 the combined direct and indirect rate components that assure this.

17 (10) \$50,000 of the general fund--state appropriation for fiscal
18 year 1998 and \$50,000 of the general fund--state appropriation for
19 fiscal year 1999 are provided solely for payments to any nursing
20 facility licensed under chapter 18.51 RCW which meets all of the
21 following criteria: (a) The nursing home entered into an arm's length
22 agreement for a facility lease prior to January 1, 1980; (b) the lessee
23 purchased the leased nursing home after January 1, 1980; and (c) the
24 lessor defaulted on its loan or mortgage for the assets of the home
25 after January 1, 1991, and prior to January 1, 1992. Payments provided
26 pursuant to this subsection shall not be subject to the settlement,
27 audit, or rate-setting requirements contained in chapter 74.46 RCW.

28 (11) \$546,000 of the general fund--state appropriation for fiscal
29 year 1998, \$583,000 of the general fund--state appropriation for fiscal
30 year 1999, and \$1,220,000 of the general fund--federal appropriation
31 are provided solely for an increase in the state payment rates for
32 adult residential care and enhanced adult residential care.

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

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

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

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

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

15 (3) \$485,000 of the general fund--state fiscal year 1998
16 appropriation, \$3,186,000 of the general fund--state fiscal year 1999
17 appropriation, and \$3,168,000 of the general fund--federal
18 appropriation are provided solely to continue to implement the
19 previously competitively procured electronic benefits transfer system
20 through the western states EBT alliance for distribution of cash grants
21 and food stamps so as to meet the requirements of P.L. 104-193.

22 (4) \$50,000 of the fiscal year 1998 general fund--state
23 appropriation is provided solely for a study of child care
24 affordability as directed in section 403 of Engrossed House Bill No.
25 3901 (implementing welfare reform). The study shall be performed by
26 the Washington institute for public policy. If the bill is not enacted
27 by June 30, 1997, the amount provided in this subsection shall lapse.

28 (5) \$500,000 of the fiscal year 1998 general fund--state
29 appropriation and \$500,000 of the fiscal year 1999 general fund--state
30 appropriation are provided solely for an evaluation of the WorkFirst
31 program as directed in section 705 of Engrossed House Bill No. 3901
32 (implementing welfare reform). The study shall be performed by the
33 joint legislative audit and review committee. If the bill is not
34 enacted by June 30, 1997, the amount provided in this subsection shall
35 lapse.

36 (6) \$73,129,000 of the general fund--federal appropriation is
37 provided solely to implement section 402 of Engrossed House Bill No.
38 3901 (implementing welfare reform). If section 402 of the bill is not

1 enacted by June 30, 1997, the amount provided in this subsection shall
2 lapse.

3 (7) \$7,624,000 of the fiscal year 1998 general fund--state
4 appropriation, \$18,489,000 of the fiscal year 1999 general fund--state
5 appropriation, and \$29,781,000 of the general fund--federal
6 appropriation are provided solely for implementation of Engrossed House
7 Bill No. 3901 (implementing welfare reform), including sections 404 and
8 405. If the bill is not enacted by June 30, 1997, the amounts provided
9 in this subsection shall lapse.

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

12	General Fund--State Appropriation (FY 1998)	\$	14,714,000
13	General Fund--State Appropriation (FY 1999)	\$	14,829,000
14	General Fund--Federal Appropriation	\$	80,497,000
15	General Fund--Private/Local Appropriation	\$	630,000
16	Violence Reduction and Drug Enforcement Account		
17	Appropriation	\$	72,900,000
18	TOTAL APPROPRIATION	\$	183,570,000

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

21 (1) \$2,062,000 of the general fund--federal appropriation and
22 \$7,482,000 of the violence reduction and drug enforcement account
23 appropriation are provided solely for the grant programs for school
24 districts and educational service districts set forth in RCW
25 28A.170.080 through 28A.170.100, including state support activities, as
26 administered through the office of the superintendent of public
27 instruction.

28 (2) \$1,902,000 of the general fund--state fiscal year 1998
29 appropriation, \$1,902,000 of the general fund--state fiscal year 1999
30 appropriation, and \$1,592,000 of the general fund--federal
31 appropriation are provided solely for alcohol and substance abuse
32 assessment, treatment, including treatment for drug affected infants
33 and toddlers, and child care services for clients of the division of
34 children and family services. Assessment shall be provided by approved
35 chemical dependency treatment programs as requested by child protective
36 services personnel in the division of children and family services.
37 Child care shall be provided as deemed necessary by the division of

1 children and family services while parents requiring alcohol and
2 substance abuse treatment are attending treatment programs.

3 (3) \$760,000 of the fiscal year 1998 general fund--state
4 appropriation and \$760,000 of the fiscal year 1999 general fund--state
5 appropriation are provided solely to fund a program serving mothers of
6 children affected by fetal alcohol syndrome and related conditions,
7 known as the birth-to-three program. The program may be operated in
8 two cities in the state.

9 (4) \$248,000 of the fiscal year 1998 general fund--state
10 appropriation and \$495,000 of the fiscal year 1999 general fund--state
11 appropriation are provided solely to implement Engrossed Third
12 Substitute House Bill No. 3900 (revising the juvenile code). If the
13 bill is not enacted by June 30, 1997, the amounts provided in this
14 subsection shall lapse.

15 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
16 **SERVICES--MEDICAL ASSISTANCE PROGRAM**

17	General Fund--State Appropriation (FY 1998)	\$ 684,033,000
18	General Fund--State Appropriation (FY 1999)	\$ 684,885,000
19	General Fund--Federal Appropriation	\$2,038,101,000
20	General Fund--Private/Local Appropriation	\$ 223,900,000
21	Health Services Account Appropriation	\$ 253,004,000
22	Emergency Medical and Trauma Care Services	
23	Account Appropriation	\$ 4,600,000
24	TOTAL APPROPRIATION	\$3,888,523,000

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

27 (1) The department shall continue to make use of the special
28 eligibility category created for children through age 18 and in
29 households with incomes below 200 percent of the federal poverty level
30 made eligible for medicaid as of July 1, 1994.

31 (2) It is the intent of the legislature that Harborview medical
32 center continue to be an economically viable component of the health
33 care system and that the state's financial interest in Harborview
34 medical center be recognized.

35 (3) Funding is provided in this section for the adult dental
36 program for Title XIX categorically eligible and medically needy
37 persons and to provide foot care services by podiatric physicians and
38 surgeons.

1 (4) \$1,622,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$1,622,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided for treatment of low-income kidney
4 dialysis patients.

5 (5) \$80,000 of the general fund--state appropriation for fiscal
6 year 1998, \$80,000 of the general fund--state appropriation for fiscal
7 year 1999, and \$160,000 of the general fund--federal appropriation are
8 provided solely for the prenatal triage clearinghouse to provide access
9 and outreach to reduce infant mortality.

10 (6) The department shall employ the managed care contracting and
11 negotiation strategies defined in Substitute Senate Bill No. 5125 to
12 assure that the average per-recipient cost of managed care services for
13 temporary assistance to needy families and expansion populations
14 increases by no more than two percent per year in calendar years 1998
15 and 1999.

16 (7) The department shall seek federal approval to require adult
17 medicaid recipients who are not elderly or disabled to contribute ten
18 dollars per month toward the cost of their medical assistance coverage.
19 The department shall report on the progress of this effort to the house
20 of representatives and senate health care and fiscal committees by
21 September 1 and November 15, 1997.

22 (8) \$325,000 of the general fund--state appropriation for fiscal
23 year 1998 and \$325,000 of the general fund--state appropriation for
24 fiscal year 1999 are provided solely to increase rates paid for air
25 ambulance services.

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

28	General Fund--State Appropriation (FY 1998)	\$	8,652,000
29	General Fund--State Appropriation (FY 1999)	\$	8,592,000
30	General Fund--Federal Appropriation	\$	79,542,000
31	General Fund--Private/Local Appropriation	\$	2,904,000
32	TOTAL APPROPRIATION	\$	99,690,000

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

35 (1) The division of vocational rehabilitation shall negotiate
36 cooperative interagency agreements with local organizations, including
37 higher education institutions, mental health regional support networks,
38 and county developmental disabilities programs to improve and expand

1 employment opportunities for people with severe disabilities served by
2 those local agencies.

3 (2) \$363,000 of the general fund--state appropriation for fiscal
4 year 1998, \$506,000 of the general fund--state appropriation for fiscal
5 year 1999, and \$3,208,000 of the general fund--federal appropriation
6 are provided solely for vocational rehabilitation services for
7 individuals enrolled for services with the developmental disabilities
8 program who complete their high school curriculum in 1997 or 1998.

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

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

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

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

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

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

33 (4) \$60,000 of the general fund--state appropriation for fiscal
34 year 1998 is provided solely for a welfare fraud pilot program as
35 described by House Bill No. 1822 (welfare fraud investigation).

36 (5) \$55,000 of the fiscal year 1998 general fund--state
37 appropriation, \$64,000 of the fiscal year 1999 general fund--state
38 appropriation, and \$231,000 of the general fund--federal appropriation

1 are provided solely for implementation of Engrossed House Bill No. 3901
2 (implementing welfare reform). If the bill is not enacted by June 30,
3 1997, the amounts provided in this subsection shall lapse.

4 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES--CHILD SUPPORT PROGRAM**

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

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

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

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

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

29 (4) \$305,000 of the general fund--state fiscal year 1998
30 appropriation, \$494,000 of the general fund--state fiscal year 1999
31 appropriation, and \$1,408,000 of the general fund--federal
32 appropriation are provided solely to implement Engrossed House Bill No.
33 3901 (implementing welfare reform). If the bill is not enacted by June
34 30, 1997, the amounts provided in this subsection shall lapse.

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

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

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

9 (1) \$22,893,000 of the general fund--state appropriation for fiscal
10 year 1998, \$22,835,000 of the general fund--state appropriation for
11 fiscal year 1999, \$35,431,000 of the general fund--federal
12 appropriation, \$2,215,000 of the violence reduction and drug
13 enforcement account, and \$1,502,000 of the health services account are
14 provided solely to increase the rates of contracted service providers.
15 The department need not provide all vendors with the same percentage
16 rate increase. Rather, the department is encouraged to use these funds
17 to help assure an adequate supply of qualified vendors. Vendors
18 providing services in markets where recruitment and retention of
19 qualified providers is a problem may receive larger rate increases than
20 other vendors. It is the legislature's intent that these amounts shall
21 be used primarily to increase compensation for persons employed in
22 direct, front-line service delivery. Any rate increases granted as a
23 result of this section must be implemented so that the carry-forward
24 costs into the 1999-01 biennium do not exceed the amounts provided in
25 this subsection. Within thirty days of granting a vendor rate increase
26 under this section, the department shall report the following
27 information to the fiscal committees of the legislature: (1) The
28 amounts and effective dates of any increases granted; (2) the process
29 and criteria used to determine the increases; and (3) any data used in
30 that process. In accordance with RCW 43.88.110(1), the department and
31 the office of financial management shall allot funds appropriated in
32 this section to the programs and budget units from which the funds will
33 be expended. Such allotments shall be completed no later than
34 September 15, 1997.

35 (2) \$263,000 of the fiscal year 1998 general fund--state
36 appropriation, \$349,000 of the fiscal year 1999 general fund--state
37 appropriation, and \$1,186,000 of the general fund--federal
38 appropriation are provided solely for implementation of Engrossed House
39 Bill No. 3901 (implementing welfare reform). If the bill is not

1 enacted by June 30, 1997, the amounts provided in this subsection shall
2 lapse.

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

4	General Fund--State Appropriation (FY 1998)	\$	6,316,000
5	General Fund--State Appropriation (FY 1999)	\$	6,317,000
6	State Health Care Authority Administration		
7	Account Appropriation	\$	14,719,000
8	Health Services Account Appropriation	\$	300,796,000
9	TOTAL APPROPRIATION	\$	328,148,000

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

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

14 (2) The health care authority shall utilize competitive contracting
15 strategies, increase co-pay requirements, adjust state subsidy levels,
16 and take other actions it deems necessary to assure that the funds
17 appropriated in this section are sufficient to subsidize basic health
18 plan enrollment for a monthly average of 130,000 persons during fiscal
19 years 1998 and 1999.

20 (3) Within funds appropriated in this section and sections 205 and
21 206 of this act, the health care authority shall continue to provide an
22 enhanced basic health plan subsidy option for foster parents licensed
23 under chapter 74.15 RCW and workers in state-funded homecare programs.
24 Under this enhanced subsidy option, foster parents and homecare workers
25 with family incomes below 200 percent of the federal poverty level
26 shall be allowed to enroll in the basic health plan at a cost of ten
27 dollars per covered worker per month.

28 (4) The health care authority shall require organizations and
29 individuals that are paid to deliver basic health plan services to
30 contribute a minimum of forty-five dollars per enrollee per month if
31 the organization or individual chooses to sponsor an individual's
32 enrollment in the subsidized basic health plan.

33 (5) \$150,000 of the health services account appropriation is
34 provided solely to implement Substitute House Bill No. 1805 (health
35 care savings accounts). If this bill is not enacted by June 30, 1997,
36 the amount provided in this subsection shall lapse.

37 (6) The health care authority shall report to the fiscal committees
38 of the legislature by December 1, 1997, on the number of basic health

1 plan enrollees who are illegal aliens but are not resident citizens,
2 legal aliens, legal refugees, or legal asylees.

3 (7) \$270,000 of the health services account appropriation is
4 provided solely to pay commissions to agents and brokers in accordance
5 with RCW 70.47.015(5) for application assistance provided to persons on
6 the reservation list as of June 30, 1997, who enroll in the subsidized
7 basic health plan on or after July 1, 1997.

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

9	General Fund--State Appropriation (FY 1998)	\$	2,019,000
10	General Fund--State Appropriation (FY 1999)	\$	2,036,000
11	General Fund--Federal Appropriation	\$	1,444,000
12	General Fund--Private/Local Appropriation	\$	259,000
13	TOTAL APPROPRIATION	\$	5,758,000

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

15 **APPEALS**

16	Worker and Community Right-to-Know Account		
17	Appropriation	\$	20,000
18	Accident Account Appropriation	\$	10,785,000
19	Medical Aid Account Appropriation	\$	10,787,000
20	TOTAL APPROPRIATION	\$	21,592,000

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

22 **COMMISSION**

23	General Fund--Federal Appropriation	\$	100,000
24	Death Investigations Account Appropriation	\$	38,000
25	Public Safety and Education Account		
26	Appropriation	\$	13,434,000
27	Violence Reduction and Drug Enforcement Account		
28	Appropriation	\$	346,000
29	TOTAL APPROPRIATION	\$	13,918,000

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

32 (1) \$80,000 of the public safety and education account
33 appropriation is provided solely to continue the study of law
34 enforcement and corrections training begun in 1996. In conducting the
35 study, the criminal justice training commission shall consult with the
36 appropriate policy and fiscal committees of the legislature. Specific

1 elements to be addressed in the study include: (a) The feasibility and
2 the rationale for increasing basic law enforcement training from 440 to
3 600 hours; (b) the feasibility and rationale for creating a
4 certification process for law enforcement officers; (c) the feasibility
5 and rationale for expanding the correctional officers academy; (d) the
6 feasibility and rationale for expanding the juvenile service workers
7 academy and/or the adult services academy; and (e) any other items
8 considered relevant by the commission. Any recommendations made shall
9 include a plan and timeline for how they would be implemented. The
10 board on correctional training standards and education and the board on
11 law enforcement training standards and education shall be actively
12 involved in the study effort. Copies of the study shall be provided to
13 the appropriate policy and fiscal committees of the legislature and the
14 director of financial management by October 1, 1997.

15 (2) \$50,000 of the public safety and education account
16 appropriation is provided solely to prepare a cost and fee study of the
17 current and proposed criminal justice course offerings. The analysis
18 shall identify total costs and major cost components for: (a) Any
19 current training classes which are considered mandatory; and (b) any
20 proposed or modified training courses which are considered mandatory.
21 Mandatory classes include, but are not limited to, the following:
22 Basic law enforcement academy, correctional officers academy,
23 supervisory and management training of law enforcement officers,
24 supervisory and management training of correctional officers, juvenile
25 service workers academy, and the adult service academy. The study
26 shall also recommend a methodology for estimating the future demand for
27 these classes. The study shall also estimate the cost of implementing
28 any recommendations made pursuant to subsection (1) of this section.
29 The study shall be conducted by a private sector consultant selected by
30 the office of financial management in consultation with the executive
31 director of the criminal justice training commission. The final report
32 shall be completed by January 1, 1998.

33 (3) \$92,000 of the public safety and education account
34 appropriation is provided solely for the purpose of training law
35 enforcement managers and supervisors.

36 (4) \$40,000 of the public safety and education account
37 appropriation is provided solely to implement the provisions of
38 Substitute House Bill No. 1423 (criminal justice training commission).

1 If this bill is not enacted by June 30, 1997, the amount provided in
2 this subsection shall lapse.

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

4	General Fund Appropriation (FY 1998)	\$	6,805,000
5	General Fund Appropriation (FY 1999)	\$	6,848,000
6	Public Safety and Education Account--		
7	State Appropriation	\$	16,246,000
8	Public Safety and Education Account--		
9	Federal Appropriation	\$	6,002,000
10	Public Safety and Education Account--		
11	Private/Local Appropriation	\$	2,014,000
12	Electrical License Account Appropriation	\$	22,542,000
13	Farm Labor Revolving Account Appropriation	\$	28,000
14	Worker and Community Right-to-Know Account		
15	Appropriation	\$	2,187,000
16	Public Works Administration Account Appropriation	\$	1,975,000
17	Accident Account--State Appropriation	\$	146,849,000
18	Accident Account--Federal Appropriation	\$	9,112,000
19	Medical Aid Account--State Appropriation	\$	155,220,000
20	Medical Aid Account--Federal Appropriation	\$	1,592,000
21	Plumbing Certificate Account Appropriation	\$	846,000
22	Pressure Systems Safety Account Appropriation	\$	2,106,000
23	TOTAL APPROPRIATION	\$	380,372,000

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

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

31 (2) Pursuant to RCW 7.68.015, the department shall operate the
32 crime victims compensation program within the public safety and
33 education account funds appropriated in this section. In the event
34 that cost containment measures are necessary, the department may (a)
35 institute copayments for services; (b) develop preferred provider and
36 managed care contracts; (c) coordinate with the department of social
37 and health services to use the public safety and education account as

1 matching funds for federal Title XIX reimbursement, to the extent this
2 maximizes total funds available for services to crime victims.

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

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

14 (5) \$43,000 of the general fund--state appropriation for fiscal
15 year 1998, \$35,000 of the general fund--state appropriation for fiscal
16 year 1999, \$20,000 of the electrical license account appropriation, and
17 \$58,000 of the plumbing certificate account appropriation are provided
18 solely for the implementation of Engrossed House Bill No. 3901
19 (implementing welfare reform). If the bill is not enacted by June 30,
20 1997, the amount provided shall lapse.

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

24 NEW SECTION. **Sec. 219. FOR THE INDETERMINATE SENTENCE REVIEW**
25 **BOARD**

26	General Fund Appropriation (FY 1998)	. . . . .	\$	1,141,000
27	General Fund Appropriation (FY 1999)	. . . . .	\$	920,000
28	TOTAL APPROPRIATION	. . . . .	\$	2,061,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: \$920,000 of the general fund appropriation
31 for fiscal year 1999 is provided solely to implement House Bill No.
32 1646 (indeterminate sentence review) or Senate Bill No. 5410
33 (indeterminate sentence review board). If neither of these bills is
34 enacted by June 30, 1997, this amount shall lapse.

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

36 (1) HEADQUARTERS

37	General Fund Appropriation (FY 1998)	\$	1,339,000
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1	General Fund Appropriation (FY 1999)	\$	1,334,000
2	Industrial Insurance Premium Refund Account		
3	Appropriation	\$	80,000
4	Charitable, Educational, Penal, and Reformatory		
5	Institutions Account Appropriation	\$	4,000
6	TOTAL APPROPRIATION	\$	2,757,000
7	(2) FIELD SERVICES		
8	General Fund--State Appropriation (FY 1998)	\$	2,418,000
9	General Fund--State Appropriation (FY 1999)	\$	2,420,000
10	General Fund--Federal Appropriation	\$	26,000
11	General Fund--Private/Local Appropriation	\$	85,000
12	TOTAL APPROPRIATION	\$	4,949,000
13	(3) INSTITUTIONAL SERVICES		
14	General Fund--State Appropriation (FY 1998)	\$	6,101,000
15	General Fund--State Appropriation (FY 1999)	\$	5,369,000
16	General Fund--Federal Appropriation	\$	19,556,000
17	General Fund--Private/Local Appropriation	\$	14,583,000
18	TOTAL APPROPRIATION	\$	45,609,000
19	<u>NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF HEALTH</u>		
20	General Fund--State Appropriation (FY 1998)	\$	53,955,000
21	General Fund--State Appropriation (FY 1999)	\$	57,462,000
22	General Fund--Federal Appropriation	\$	259,139,000
23	General Fund--Private/Local Appropriation	\$	24,351,000
24	Hospital Commission Account Appropriation	\$	3,089,000
25	Health Professions Account Appropriation	\$	36,038,000
26	Emergency Medical and Trauma Care Services Account		
27	Appropriation	\$	21,042,000
28	Safe Drinking Water Account Appropriation	\$	2,494,000
29	Drinking Water Assistance Account--Federal		
30	Appropriation	\$	5,385,000
31	Waterworks Operator Certification Appropriation	\$	588,000
32	Water Quality Account Appropriation	\$	3,065,000
33	Violence Reduction and Drug Education Account		
34	Appropriation	\$	469,000
35	State Toxics Control Account Appropriation	\$	2,854,000
36	Medical Test Site Licensure Account Appropriation	\$	1,624,000
37	Youth Tobacco Prevention Account Appropriation	\$	1,812,000

1 Health Services Account Appropriation \$ 24,224,000
2 TOTAL APPROPRIATION \$ 497,591,000

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

5 (1) \$2,134,000 of the health professions account appropriation is
6 provided solely for the development and implementation of a licensing
7 and disciplinary management system. Expenditures are conditioned upon
8 compliance with section 902 of this act. These funds shall not be
9 expended without appropriate project approval by the department of
10 information systems.

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

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

21 (4) \$1,633,000 of the general fund--state fiscal year 1998
22 appropriation and \$1,634,000 of the general fund--state fiscal year
23 1999 appropriation are provided solely for the implementation of the
24 Puget Sound water work plan and agency action items, DOH-01, DOH-02,
25 DOH-03, DOH-04, DOH-05, DOH-06, DOH-07, DOH-08, DOH-09, DOH-10, DOH-11,
26 and DOH-12.

27 (5) \$10,000,000 of the health services account appropriation is
28 provided solely for distribution to local health departments for
29 distribution on a per capita basis. Prior to distributing these funds,
30 the department shall adopt rules and procedures to ensure that these
31 funds are not used to replace current local support for public health
32 programs.

33 (6) \$500,000 of the general fund--state appropriation for fiscal
34 year 1998 and \$500,000 of the general fund--state appropriation for
35 fiscal year 1999 are provided solely for operation of a youth suicide
36 prevention program at the state level, including a state-wide public
37 educational campaign to increase knowledge of suicide risk and ability
38 to respond and provision of twenty-four hour crisis hotlines, staffed
39 to provide suicidal youth and caregivers a source of instant help.

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

17 (8) \$259,000 of the health professions account appropriation is
18 provided solely to implement Engrossed House Bill No. 3901
19 (implementing welfare reform). If the bill is not enacted by June 30,
20 1997, the amounts provided in this subsection shall lapse.

21 (9) \$150,000 of the general fund--state fiscal year 1998
22 appropriation and \$150,000 of the general fund--state fiscal year 1999
23 appropriation are provided solely for community-based oral health
24 grants that may fund sealant programs, education, prevention, and other
25 oral health interventions. The grants may be awarded to state or
26 federally funded community and migrant health centers, tribal clinics,
27 or public health jurisdictions. Priority shall be given to communities
28 with established oral health coalitions. Grant applications for oral
29 health education and prevention grants shall include (a) an assessment
30 of the community's oral health education and prevention needs; (b)
31 identification of the population to be served; and (c) a description of
32 the grant program's predicted outcomes.

33 (10) \$21,042,000 of the emergency medical and trauma care services
34 account appropriation is provided solely for implementation of
35 Substitute Senate Bill No. 5127 (trauma care services). If the bill is
36 not enacted by June 30, 1997, the amount provided in this subsection
37 shall lapse.

38 (11) \$500,000 of the general fund--state appropriation for fiscal
39 year 1998 and \$500,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely for family support and provider
2 training services for children with special health care needs.

3 (12) \$300,000 of the general fund--federal appropriation is
4 provided solely for an abstinence education program which complies with
5 P.L. 104-193. \$400,000 of the general fund--federal appropriation is
6 provided solely for abstinence education projects at the office of the
7 superintendent of public instruction and shall be transferred to the
8 office of the superintendent of public instruction for the 1998-99
9 school year. The department shall apply for abstinence education funds
10 made available by the federal personal responsibility and work
11 opportunity act of 1996 and implement a program that complies with the
12 requirements of that act.

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

19 (14) \$100,000 of the general fund--state appropriation for fiscal
20 year 1998 and \$100,000 of the general fund--state appropriation for
21 fiscal year 1999 are provided solely for the volunteer retired provider
22 program. Funds shall be used to increase children's access to dental
23 care services in rural and underserved communities by paying
24 malpractice insurance and professional licensing fees for retired
25 dentists participating in the program.

26 (15) \$852,000 of the drinking water assistance account--federal
27 appropriation is provided solely for an interagency agreement with the
28 department of community, trade, and economic development to administer,
29 in cooperation with the public works board, loans to local governments
30 and public water systems for projects and activities to protect and
31 improve the state's drinking water facilities and resources.

32 (16) Amounts provided in this section are sufficient to operate the
33 AIDS prescription drug program. To operate the program within the
34 appropriated amount, the department shall limit new enrollments, manage
35 access to the most expensive drug regimens, establish waiting lists and
36 priority rankings, assist clients in accessing drug assistance programs
37 sponsored by drug manufacturers, or pursue other means of managing
38 expenditures by the program.

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

4 (18) \$4,150,000 of the health services account appropriation is
5 provided solely for the Washington poison center.

6 NEW SECTION. **Sec. 222. FOR THE DEPARTMENT OF CORRECTIONS**

7 (1) ADMINISTRATION AND PROGRAM SUPPORT

8	General Fund Appropriation (FY 1998)	\$	13,926,000
9	General Fund Appropriation (FY 1999)	\$	13,910,000
10	Violence Reduction and Drug Enforcement Account		
11	Appropriation	\$	500,000
12	TOTAL APPROPRIATION	\$	28,336,000

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

15 (a) \$187,000 of the general fund fiscal year 1998 appropriation and
16 \$155,000 of the general fund fiscal year 1999 appropriation are
17 provided solely for implementation of Substitute Senate Bill No. 5759
18 (risk classification). If the bill is not enacted by July 1, 1997, the
19 amounts provided shall lapse.

20 (b) \$500,000 of the violence reduction and drug enforcement account
21 appropriation is provided solely for a feasibility study regarding the
22 replacement of the department's offender based tracking system.

23 (2) INSTITUTIONAL SERVICES

24	General Fund--State Appropriation (FY 1998)	\$	289,204,000
25	General Fund--State Appropriation (FY 1999)	\$	302,933,000
26	General Fund--Federal Appropriation	\$	18,097,000
27	Industrial Insurance Premium Rebate Account		
28	Appropriation	\$	673,000
29	Violence Reduction and Drug Enforcement Account		
30	Appropriation	\$	1,614,000
31	TOTAL APPROPRIATION	\$	612,521,000

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

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

1 (b) \$2,298,000 of the general fund--state fiscal year 1998
2 appropriation and \$5,414,000 of the general fund--state fiscal year
3 1999 appropriation are provided solely for the criminal justice costs
4 associated with the implementation of RCW 13.04.030 as amended by
5 Engrossed Third Substitute House Bill No. 3900 (revising the juvenile
6 code). If RCW 13.04.030 is not amended by Engrossed Third Substitute
7 House Bill No. 3900 by June 30, 1997, the amounts provided shall lapse.

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

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

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

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

31 (3) COMMUNITY CORRECTIONS

32	General Fund Appropriation (FY 1998)	. . . . .	\$	89,364,000
33	General Fund Appropriation (FY 1999)	. . . . .	\$	90,416,000
34	TOTAL APPROPRIATION	. . . . .	\$	179,780,000

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

37 (a) \$14,000 of the general fund fiscal year 1998 appropriation and
38 \$106,000 of the general fund fiscal year 1999 appropriation are

1 provided solely for the criminal justice costs associated with the
2 implementation of RCW 13.04.030 as amended by Engrossed Third
3 Substitute House Bill No. 3900 (revising the juvenile code). If RCW
4 13.04.030 is not amended by Engrossed Third Substitute House Bill No.
5 3900 by June 30, 1997, the amounts provided shall lapse.

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

11 (c) \$467,000 of the general fund appropriation for fiscal year 1998
12 and \$505,000 of the general fund appropriation for fiscal year 1999 are
13 provided solely to increase payment rates for contracted education
14 providers and contracted work release facilities. It is the
15 legislature's intent that these amounts shall be used primarily to
16 increase compensation for persons employed in direct, front-line
17 service delivery.

18 (4) CORRECTIONAL INDUSTRIES

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

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

24 (a) \$100,000 of the general fund fiscal year 1998 appropriation and
25 \$100,000 of the general fund fiscal year 1999 appropriation are
26 provided solely for transfer to the jail industries board. The board
27 shall use the amounts provided only for administrative expenses,
28 equipment purchases, and technical assistance associated with advising
29 cities and counties in developing, promoting, and implementing
30 consistent, safe, and efficient offender work programs.

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

36 (5) INTERAGENCY PAYMENTS

37	General Fund Appropriation (FY 1998)	. . . . .	\$	6,945,000
38	General Fund Appropriation (FY 1999)	. . . . .	\$	6,444,000

1 TOTAL APPROPRIATION \$ 13,389,000

2 NEW SECTION. **Sec. 223. FOR THE DEPARTMENT OF SERVICES FOR THE**
3 **BLIND**

4 General Fund--State Appropriation (FY 1998) \$ 1,368,000

5 General Fund--State Appropriation (FY 1999) \$ 1,411,000

6 General Fund--Federal Appropriation \$ 10,454,000

7 General Fund--Private/Local Appropriation \$ 80,000

8 TOTAL APPROPRIATION \$ 13,313,000

9 NEW SECTION. **Sec. 224. FOR THE SENTENCING GUIDELINES COMMISSION**

10 General Fund Appropriation (FY 1998) \$ 714,000

11 General Fund Appropriation (FY 1999) \$ 713,000

12 TOTAL APPROPRIATION \$ \$1,427,000

13 NEW SECTION. **Sec. 225. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

14 General Fund--Federal Appropriation \$ 173,595,000

15 General Fund--Private/Local Appropriation \$ 24,842,000

16 Unemployment Compensation Administration Account--

17 Federal Appropriation \$ 181,985,000

18 Administrative Contingency Account Appropriation . . \$ 12,579,000

19 Employment Service Administrative Account

20 Appropriation \$ 13,176,000

21 Employment & Training Trust Account Appropriation . . \$ 600,000

22 TOTAL APPROPRIATION \$ 406,777,000

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

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

30 (2) \$600,000 of the employment and training trust account
31 appropriation is provided solely for the account's share of
32 unemployment insurance tax collection costs.

33 (3) \$1,126,000 of the general fund--federal appropriation is
34 provided solely for the continuation of job placement centers colocated
35 on community and technical college campuses.

PART III
NATURAL RESOURCES

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

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

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

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

20	General Fund--State Appropriation (FY 1998)	\$	27,749,000
21	General Fund--State Appropriation (FY 1999)	\$	27,794,000
22	General Fund--Federal Appropriation	\$	45,315,000
23	General Fund--Private/Local Appropriation	\$	643,000
24	Special Grass Seed Burning Research Account		
25	Appropriation	\$	42,000
26	Reclamation Revolving Account Appropriation	\$	2,441,000
27	Flood Control Assistance Account Appropriation	\$	4,850,000
28	State Emergency Water Projects Revolving Account		
29	Appropriation	\$	319,000
30	Waste Reduction/Recycling/Litter Control		
31	Appropriation	\$	10,316,000
32	State and Local Improvements Revolving Account		
33	(Waste Facilities) Appropriation	\$	601,000
34	State and Local Improvements Revolving Account		
35	(Water Supply Facilities) Appropriation	\$	1,366,000

1	Basic Data Account Appropriation	\$	182,000
2	Vehicle Tire Recycling Account Appropriation	\$	1,194,000
3	Water Quality Account Appropriation	\$	2,892,000
4	Wood Stove Education and Enforcement Account		
5	Appropriation	\$	1,055,000
6	Worker and Community Right-to-Know Account		
7	Appropriation	\$	469,000
8	State Toxics Control Account Appropriation	\$	53,160,000
9	Local Toxics Control Account Appropriation	\$	4,342,000
10	Water Quality Permit Account Appropriation	\$	20,378,000
11	Underground Storage Tank Account Appropriation	\$	2,443,000
12	Solid Waste Management Account Appropriation	\$	1,021,000
13	Hazardous Waste Assistance Account Appropriation	\$	3,615,000
14	Air Pollution Control Account Appropriation	\$	16,224,000
15	Oil Spill Administration Account Appropriation	\$	6,958,000
16	Air Operating Permit Account Appropriation	\$	4,033,000
17	Freshwater Aquatic Weeds Account Appropriation	\$	1,829,000
18	Oil Spill Response Account Appropriation	\$	7,078,000
19	Metals Mining Account Appropriation	\$	42,000
20	Water Pollution Control Revolving Account--State		
21	Appropriation	\$	349,000
22	Water Pollution Control Revolving Account--Federal		
23	Appropriation	\$	1,726,000
24	Biosolids Permit Account Appropriation	\$	567,000
25	Environmental Excellence Account Appropriation	\$	247,000
26	TOTAL APPROPRIATION	\$	251,240,000

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

29 (1) \$3,211,000 of the general fund--state appropriation for fiscal
30 year 1998, \$3,211,000 of the general fund--state appropriation for
31 fiscal year 1999, \$394,000 of the general fund--federal appropriation,
32 \$2,017,000 of the oil spill administration account, \$819,000 of the
33 state toxics control account appropriation, and \$3,591,000 of the water
34 quality permit fee account are provided solely for the implementation
35 of the Puget Sound work plan and agency action items DOE-01, DOE-02,
36 DOE-03, DOE-04, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

37 (2) \$2,000,000 of the state toxics control account appropriation is
38 provided solely for the following purposes:

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

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

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

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

13 (3) \$1,500,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$1,900,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided solely for the processing of water right
16 permit applications, continued implementation of water resources data
17 management systems, and providing technical and data support to local
18 watershed planning efforts in accordance with sections 101 through 116
19 of Second Substitute House Bill No. 2054 (water resource management).
20 If any of sections 101 through 116 of Second Substitute House Bill No.
21 2054 is not enacted by June 30, 1997, the amounts provided in this
22 subsection shall lapse.

23 (4) \$2,500,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$2,500,000 of the general fund--state appropriation for
25 fiscal year 1999 are appropriated for grants to local WRIA planning
26 units established in accordance with sections 101 through 116 of Second
27 Substitute House Bill No. 2054 (water resource management). If any of
28 sections 101 through 116 of Second Substitute House Bill No. 2054 is
29 not enacted by June 30, 1997, the amounts provided in this subsection
30 shall lapse.

31 (5) \$200,000 of the general fund--state appropriation for fiscal
32 year 1998 is provided solely for the implementation of Engrossed
33 Substitute House Bill No. 1111 (water rights). If the bill is not
34 enacted by June 30, 1997, the amount provided in this subsection shall
35 lapse.

36 (6) \$200,000 of the general fund--state appropriation for fiscal
37 year 1998 is provided solely for the implementation of Engrossed
38 Substitute House Bill No. 1118 (reopening a water rights claim filing

1 period). If the bill is not enacted by June 30, 1997, the amount
2 provided in this subsection shall lapse.

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

10 (8) \$170,000 of the oil spill administration account appropriation
11 is provided solely for implementation of the Puget Sound work plan
12 action item UW-02 through a contract with the University of
13 Washington's Sea Grant program in order to develop an educational
14 program that targets small spills from commercial fishing vessels,
15 ferries, cruise ships, ports, and marinas.

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

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

30 (11) \$200,000 of the freshwater aquatic weeds account appropriation
31 is provided solely to address saltcedar weed problems.

32 (12) \$4,498,000 of the waste reduction/recycling/litter control
33 account appropriation is provided for fiscal year 1998 to be expended
34 in accordance with Second Substitute Senate Bill No. 5842 (litter
35 control and recycling). From the amount provided for fiscal year 1998,
36 the department shall provide \$352,000 through an interagency agreement
37 to the department of corrections to hire correctional crews to remove
38 litter in areas that are not accessible to youth crews. \$5,818,000 of
39 the waste reduction/recycling/litter control account appropriation is

1 provided for fiscal year 1999. The amount provided for fiscal year
2 1999 is to remain in unallotted status until the recommendations of the
3 task force established in Second Substitute Senate Bill No. 5842 are
4 acted upon by the legislature during the 1998 legislative session. If
5 Substitute Senate Bill No. 5842 is not enacted by June 30, 1997, the
6 amount provided for fiscal year 1999 shall lapse.

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

11 (14) \$29,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$99,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided solely for the implementation of
14 Substitute House Bill No. 1985 (landscape management plans). If the
15 bill is not enacted by June 30, 1997, the amounts provided in this
16 subsection shall lapse.

17 (15) \$60,000 of the freshwater aquatic weeds account appropriation
18 is provided solely for a grant to the department of fish and wildlife
19 to control and eradicate purple loosestrife using the most cost-
20 effective methods available, including chemical control where
21 appropriate.

22 (16) \$250,000 of the flood control assistance account appropriation
23 is provided solely as a reappropriation to complete the Skokomish
24 valley flood reduction plan. The amount provided in this subsection
25 shall be reduced by the amount expended from this account for the
26 Skokomish valley flood reduction plan during the biennium ending June
27 30, 1997.

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

37 (18) \$600,000 of the flood control assistance account appropriation
38 is provided solely to complete flood control projects that were awarded
39 funds during the 1995-97 biennium. These funds shall be spent only to

1 complete projects that could not be completed during the 1995-97
2 biennium due to delays caused by weather or delays in the permitting
3 process.

4 (19) \$113,000 of the general fund--state appropriation for fiscal
5 year 1998 and \$112,000 of the general fund--state appropriation for
6 fiscal year 1999 are provided solely for implementation of Substitute
7 Senate Bill No. 5505 (assistance to water applicants). If the bill is
8 not enacted by June 30, 1997, the amounts provided in this subsection
9 shall lapse.

10 (20) \$70,000 of the general fund--state appropriation for fiscal
11 year 1998 and \$70,000 of the general fund--state appropriation for
12 fiscal year 1999 are provided solely for implementation of Substitute
13 Senate Bill No. 5785 (consolidation of groundwater rights). If the
14 bill is not enacted by June 30, 1997, the amounts provided in this
15 subsection shall lapse.

16 (21) \$20,000 of the general fund--state appropriation for fiscal
17 year 1998 and \$20,000 of the general fund--state appropriation for
18 fiscal year 1999 are provided solely for implementation of Substitute
19 Senate Bill No. 5276 (water right applications). If the bill is not
20 enacted by June 30, 1997, the amounts provided in this subsection shall
21 lapse.

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

28 (23) \$500,000 of the general fund--state appropriation for fiscal
29 year 1998 and \$500,000 of the general fund--state appropriation for
30 fiscal year 1999 are provided solely for the continuation of the
31 southwest Washington coastal erosion study.

32 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
33 **COMMISSION**

34	General Fund--State Appropriation (FY 1998)	\$	21,026,000
35	General Fund--State Appropriation (FY 1999)	\$	20,835,000
36	General Fund--Federal Appropriation	\$	2,428,000
37	General Fund--Private/Local Appropriation	\$	59,000
38	Winter Recreation Program Account Appropriation	\$	759,000

1	Off Road Vehicle Account Appropriation	\$	251,000
2	Snowmobile Account Appropriation	\$	2,290,000
3	Aquatic Lands Enhancement Account Appropriation . . .	\$	321,000
4	Public Safety and Education Account Appropriation . .	\$	48,000
5	Industrial Insurance Premium Refund Appropriation . .	\$	10,000
6	Waste Reduction/Recycling/Litter Control		
7	Appropriation	\$	34,000
8	Water Trail Program Account Appropriation	\$	14,000
9	Parks Renewal and Stewardship Account Appropriation .	\$	25,344,000
10	TOTAL APPROPRIATION	\$	73,419,000

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

13 (1) \$189,000 of the aquatic lands enhancement account appropriation
14 is provided solely for the implementation of the Puget Sound work plan
15 agency action items P&RC-01 and P&RC-03.

16 (2) \$264,000 of the general fund--federal appropriation is provided
17 for boater programs state-wide and for implementation of the Puget
18 Sound work plan.

19 (3) \$45,000 of the general fund--state appropriation for fiscal
20 year 1998 is provided solely for a feasibility study of a
21 public/private effort to establish a reserve for recreation and
22 environmental studies in southwest Kitsap county.

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

35 (5) \$85,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$165,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely for development of underwater park
38 programs and facilities. The department shall work with the underwater

1 parks program task force to develop specific plans for the use of these
2 funds.

3 NEW SECTION. **Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR**
4 **RECREATION**

5	Firearms Range Account Appropriation	\$	46,000
6	Recreation Resources Account Appropriation	\$	2,352,000
7	NOVA Program Account Appropriation	\$	590,000
8	TOTAL APPROPRIATION	\$	2,988,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: Any proceeds from the sale of the PRISM
11 software system shall be deposited into the recreation resources
12 account.

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

14	General Fund Appropriation (FY 1998)	\$	780,000
15	General Fund Appropriation (FY 1999)	\$	773,000
16	TOTAL APPROPRIATION	\$	1,553,000

17 The appropriations in this section are subject to the following
18 conditions and limitations: \$4,000 of the general fund appropriation
19 for fiscal year 1998 and \$4,000 of the general fund appropriation for
20 fiscal year 1999 are provided solely to implement Substitute Senate
21 Bill No. 5119 (forest practices appeals board). If this bill is not
22 enacted by June 30, 1997, \$4,000 of the general fund appropriation for
23 fiscal year 1998 and \$4,000 of the general fund appropriation for
24 fiscal year 1999 shall lapse.

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

26	General Fund Appropriation (FY 1998)	\$	838,000
27	General Fund Appropriation (FY 1999)	\$	840,000
28	Water Quality Account Appropriation	\$	440,000
29	TOTAL APPROPRIATION	\$	2,118,000

30 The appropriations in this section are subject to the following
31 conditions and limitations: \$181,000 of the general fund appropriation
32 for fiscal year 1998, \$181,000 of the general fund appropriation for
33 fiscal year 1999, and \$130,000 of the water quality account
34 appropriation are provided solely for the implementation of the Puget
35 Sound work plan agency action item CC-01.

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

2	General Fund--State Appropriation (FY 1998)	\$	36,049,000
3	General Fund--State Appropriation (FY 1999)	\$	36,571,000
4	General Fund--Federal Appropriation	\$	73,015,000
5	General Fund--Private/Local Appropriation	\$	26,758,000
6	Off Road Vehicle Account Appropriation	\$	488,000
7	Aquatic Lands Enhancement Account Appropriation . . .	\$	5,593,000
8	Public Safety and Education Account Appropriation . .	\$	590,000
9	Industrial Insurance Premium Refund Appropriation . .	\$	120,000
10	Recreational Fisheries Enhancement Appropriation . .	\$	2,387,000
11	Warm Water Game Fish Account Appropriation	\$	2,419,000
12	Wildlife Account Appropriation	\$	52,372,000
13	Game Special Wildlife Account--State Appropriation .	\$	1,911,000
14	Game Special Wildlife Account--Federal Appropriation	\$	10,844,000
15	Game Special Wildlife Account--Private/Local		
16	Appropriation	\$	350,000
17	Oil Spill Administration Account Appropriation . . .	\$	843,000
18	Environmental Excellence Account Appropriation . . .	\$	20,000
19	Eastern Washington Pheasant Enhancement Account		
20	Appropriation	\$	547,000
21	TOTAL APPROPRIATION	\$	250,877,000

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

24 (1) \$1,181,000 of the general fund--state appropriation for fiscal
25 year 1998 and \$1,181,000 of the general fund--state appropriation for
26 fiscal year 1999 are provided solely for the implementation of the
27 Puget Sound work plan agency action items DFW-01, DFW-03, DFW-04, and
28 DFW-8 through DFW-15.

29 (2) \$188,000 of the general fund--state appropriation for fiscal
30 year 1998 and \$155,000 of the general fund--state appropriation for
31 fiscal year 1999 are provided solely for a maintenance and inspection
32 program for department-owned dams. The department shall submit a
33 report to the governor and the appropriate legislative committees by
34 October 1, 1998, on the status of department-owned dams. This report
35 shall provide a recommendation, including a cost estimate, on whether
36 each facility should continue to be maintained or should be
37 decommissioned.

38 (3) \$832,000 of the general fund--state appropriation for fiscal
39 year 1998 and \$825,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely to implement salmon recovery
2 activities and other actions required to respond to federal listings of
3 salmon species under the endangered species act.

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

10 (5) \$140,000 of the wildlife account appropriation is provided
11 solely for a cooperative effort with the department of agriculture for
12 research and eradication of purple loosestrife on state lands.

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

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

29 (8) \$193,000 of the general fund--state appropriation for fiscal
30 year 1998, \$194,000 of the general fund--state appropriation for fiscal
31 year 1999, and \$300,000 of the wildlife account appropriation are
32 provided solely for the design and development of an automated license
33 system.

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

37 (10) \$500,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$500,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely to continue the department's
2 habitat partnerships program during the 1997-99 biennium.

3 (11) \$350,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$350,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely for purchase of monitoring
6 equipment necessary to fully implement mass marking of coho salmon.

7 (12) \$238,000 of the general fund--state appropriation for fiscal
8 year 1998 and \$219,000 of the general fund--state appropriation for
9 fiscal year 1999 are provided solely for the implementation of
10 Substitute House Bill No. 1985 (landscape management plans). If the
11 bill is not enacted by June 30, 1997, the amounts provided in this
12 subsection shall lapse.

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

18 (14) \$97,000 of the general fund--state appropriation for fiscal
19 year 1998 and \$98,000 of the general fund--state appropriation for
20 fiscal year 1999 are provided solely to implement animal damage control
21 programs for Canada geese in the lower Columbia river basin.

22 (15) \$170,000 of the general fund--state appropriation for fiscal
23 year 1998, \$170,000 of the general fund--state appropriation for fiscal
24 year 1999, and \$360,000 of the wildlife account appropriation are
25 provided solely to hire additional enforcement officers to address
26 problem wildlife throughout the state.

27 (16) \$197,000 of the general fund--state appropriation for fiscal
28 year 1998 and \$196,000 of the general fund--state appropriation for
29 fiscal year 1999 are provided solely to implement Substitute Senate
30 Bill No. 5120 (remote site incubators). If the bill is not enacted by
31 June 30, 1997, the amounts provided in this subsection shall lapse.

32 (17) \$133,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$133,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely to implement Substitute Senate
35 Bill No. 5442 (flood control permitting). If the bill is not enacted
36 by June 30, 1997, the amounts provided in this subsection shall lapse.

37 (18) \$105,000 of the recreational fisheries enhancement account
38 appropriation is provided solely for implementation of Substitute
39 Senate Bill No. 5886 (regional enhancement groups). If the bill is not

1 enacted by June 30, 1997, the amounts provided in this subsection shall
2 lapse.

3 (19) \$100,000 of the aquatic lands enhancement account
4 appropriation is provided solely for grants to the regional fisheries
5 enhancement groups.

6 (20) \$547,000 of the eastern Washington pheasant enhancement
7 account appropriation is provided solely for implementation of
8 Substitute Senate Bill No. 5104 (pheasant enhancement program). If the
9 bill is not enacted by June 30, 1997, the amounts provided in this
10 subsection shall lapse.

11 (21) \$150,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$150,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided solely to hire Washington conservation
14 corps crews to maintain department-owned and managed lands.

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

19 (23) \$156,000 of the recreational fisheries enhancement
20 appropriation is provided solely for Substitute Senate Bill No. 5102
21 (fishing license surcharge). If the bill is not enacted by June 30,
22 1997, the amount provided in this subsection shall lapse.

23 (24) \$25,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$25,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely for staffing and operation of the
26 Tenant Lake interpretive center.

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

28	General Fund--State Appropriation (FY 1998)	\$	25,117,000
29	General Fund--State Appropriation (FY 1999)	\$	25,518,000
30	General Fund--Federal Appropriation	\$	1,156,000
31	General Fund--Private/Local Appropriation	\$	422,000
32	Forest Development Account Appropriation	\$	49,923,000
33	Off Road Vehicle Account Appropriation	\$	3,628,000
34	Surveys and Maps Account Appropriation	\$	2,088,000
35	Aquatic Lands Enhancement Account Appropriation . . .	\$	4,869,000
36	Resources Management Cost Account Appropriation . . .	\$	89,613,000
37	Waste Reduction/Recycling/Litter Control		
38	Appropriation	\$	450,000

1	Surface Mining Reclamation Account Appropriation	\$	1,420,000
2	Aquatic Land Dredged Material Disposal Site Account		
3	Appropriation	\$	751,000
4	Natural Resources Conservation Areas Stewardship		
5	Account Appropriation	\$	77,000
6	Air Pollution Control Account Appropriation	\$	890,000
7	Metals Mining Account Appropriation	\$	62,000
8	TOTAL APPROPRIATION	\$	205,984,000

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

11 (1) \$7,017,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$6,900,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided solely for emergency fire suppression.

14 (2) \$18,000 of the general fund--state appropriation for fiscal
15 year 1998, \$18,000 of the general fund--state appropriation for fiscal
16 year 1999, and \$957,000 of the aquatic lands enhancement account
17 appropriation are provided solely for the implementation of the Puget
18 Sound work plan agency action items DNR-01, DNR-02, and DNR-04.

19 (3) \$450,000 of the resource management cost account appropriation
20 is provided solely for the control and eradication of class B designate
21 weeds on state lands. The department shall use the most cost-effective
22 methods available, including chemical control where appropriate, and
23 report to the appropriate committees of the legislature by January 1,
24 1998, on control methods, costs, and acres treated during the previous
25 year.

26 (4) \$2,682,000 of the general fund--state appropriation for fiscal
27 year 1998 and \$3,063,000 of the general fund--state appropriation for
28 fiscal year 1999 are provided solely for fire protection activities.

29 (5) \$541,000 of the general fund--state appropriation for fiscal
30 year 1998 and \$549,000 of the general fund--state appropriation for
31 fiscal year 1999 are provided solely for the stewardship of natural
32 area preserves, natural resource conservation areas, and the operation
33 of the natural heritage program.

34 (6) \$2,300,000 of the aquatic lands enhancement account
35 appropriation is provided for the department's portion of the Eagle
36 Harbor settlement.

37 (7) \$195,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$220,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided solely for the implementation of

1 Substitute House Bill No. 1985 (landscape management plans). If the
2 bill is not enacted by June 30, 1997, the amounts provided in this
3 subsection shall lapse.

4 (8) \$600,000 of the general fund--state appropriation for fiscal
5 year 1998 and \$600,000 of the general fund--state appropriation for
6 fiscal year 1999 are provided solely for the cooperative monitoring,
7 evaluation, and research projects related to implementation of the
8 timber-fish-wildlife agreement.

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

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

17	General Fund--State Appropriation (FY 1998)	\$	7,596,000
18	General Fund--State Appropriation (FY 1999)	\$	7,008,000
19	General Fund--Federal Appropriation	\$	4,716,000
20	General Fund--Private/Local Appropriation	\$	405,000
21	Aquatic Lands Enhancement Account Appropriation	\$	806,000
22	Industrial Insurance Premium Refund Appropriation	\$	184,000
23	State Toxics Control Account Appropriation	\$	1,338,000
24	TOTAL APPROPRIATION	\$	22,053,000

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

27 (1) \$35,000 of the general fund--state appropriation for fiscal
28 year 1998 and \$36,000 of the general fund--state appropriation for
29 fiscal year 1999 are provided solely for technical assistance on
30 pesticide management including the implementation of the Puget Sound
31 work plan agency action item DOA-01.

32 (2) \$461,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$361,000 of the general fund--federal appropriation are
34 provided solely to monitor and eradicate the Asian gypsy moth.

35 (3) \$138,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$138,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely for two additional staff positions
38 in the plant protection program.

1 (4) \$12,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$13,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided solely for the implementation of
4 Substitute Senate Bill No. 5077 (integrated pest management). If the
5 bill is not enacted by June 30, 1997, the amount provided in this
6 subsection shall lapse.

7 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
8 **REINSURANCE PROGRAM**

9 Pollution Liability Insurance Program Trust Account

10 Appropriation \$ 909,000

11 (End of part)

1 account appropriation are provided solely for the implementation of
2 Engrossed House Bill No. 3901 (implementing welfare reform). If the
3 bill is not enacted by June 30, 1997, the amounts provided in this
4 subsection shall lapse.

5 (5) \$17,000 of the professional engineers' account appropriation is
6 provided solely to implement Senate Bill No. 5266 (engineers/land
7 surveyors). If the bill is not enacted by June 30, 1997, the amount
8 provided in this subsection shall lapse.

9 (6) \$110,000 of the general fund fiscal year 1998 appropriation is
10 provided solely to implement Senate Bill No. 5998 (cosmetology advisory
11 board). If the bill is not enacted by June 30, 1997, the amount
12 provided in this subsection shall lapse.

13 (7) \$74,000 of the uniform commercial code account appropriation is
14 provided solely to implement Engrossed Senate Bill No. 5163 (UCC
15 filing). If the bill is not enacted by June 30, 1997, the amount
16 provided in this subsection shall lapse.

17 (8) \$11,000 of the general fund fiscal year 1998 appropriation and
18 \$2,000 of the general fund fiscal year 1999 appropriation are provided
19 solely to implement Substitute House Bill No. 1748 or Substitute Senate
20 Bill No. 5513 (vessel registration). If neither bill is enacted by
21 June 30, 1997, the amount provided in this subsection shall lapse.

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

23	General Fund--State Appropriation (FY 1998)	\$	7,712,000
24	General Fund--State Appropriation (FY 1999)	\$	7,850,000
25	General Fund--Federal Appropriation	\$	3,990,000
26	General Fund--Private/Local Appropriation	\$	341,000
27	Public Safety and Education Account Appropriation . .	\$	4,652,000
28	County Criminal Justice Assistance Account		
29	Appropriation	\$	3,905,000
30	Municipal Criminal Justice Assistance Account		
31	Appropriation	\$	1,573,000
32	Fire Service Trust Account Appropriation	\$	92,000
33	Fire Service Training Account Appropriation	\$	1,762,000
34	State Toxics Control Account Appropriation	\$	439,000
35	Violence Reduction and Drug Enforcement Account		
36	Appropriation	\$	310,000
37	Fingerprint Identification Account Appropriation . .	\$	3,082,000
38	TOTAL APPROPRIATION	\$	35,708,000

1 PART V
2 EDUCATION

3 NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC
4 INSTRUCTION--FOR STATE ADMINISTRATION

5 General Fund--State Appropriation (FY 1998)	\$	24,575,000
6 General Fund--State Appropriation (FY 1999)	\$	46,152,000
7 General Fund--Federal Appropriation	\$	49,439,000
8 Public Safety and Education Account		
9 Appropriation	\$	2,598,000
10 Health Services Account Appropriation	\$	400,000
11 Violence Reduction and Drug Enforcement Account		
12 Appropriation	\$	3,672,000
13 Education Savings Account Appropriation	\$	29,312,000
14 TOTAL APPROPRIATION	\$	156,148,000

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

17 (1) AGENCY OPERATIONS

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

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

1 safeguards of student confidentiality. The superintendent shall report
2 to the office of financial management and the legislative fiscal
3 committees by December 1 of each year of the biennium on the progress
4 and plans for the expenditure of these amounts.

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

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

21 (d) \$50,000 of the general fund--state appropriation for fiscal
22 year 1998 and \$50,000 of the general fund--state appropriation for
23 fiscal year 1999 are provided solely to implement Substitute Senate
24 Bill No. 5394 or Substitute House Bill No. 1776 (school audit
25 resolutions). If neither bill is enacted by June 30, 1997, the amounts
26 provided in this subsection shall lapse.

27 (e) The superintendent of public instruction shall not accept,
28 allocate, or expend any federal funds to implement the federal goals
29 2000 program.

30 (2) STATE-WIDE PROGRAMS

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

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

36 (c) \$2,754,000 of the general fund--state appropriation is provided
37 for educational centers, including state support activities.

38 (d) \$2,500,000 of the general fund--state fiscal year 1998
39 appropriation and \$2,500,000 of the general fund--state fiscal year

1 1999 appropriation are for initiatives to improve reading in early
2 grades as identified in legislation enacted by the 1997 legislature,
3 including Second Substitute Senate Bill No. 5508 and Engrossed Second
4 Substitute House Bill No. 2042, including section 4 of the bill.
5 Amounts appropriated in this subsection 2(d) shall lapse unless both
6 bills are enacted as passed by the legislature.

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

21 (f) \$200,000 of the general fund--state appropriation for fiscal
22 year 1998, \$200,000 of the general fund--state appropriation for fiscal
23 year 1999, and \$400,000 of the general fund--federal appropriation
24 transferred from the department of health are provided solely for a
25 program that provides grants to school districts for media campaigns
26 promoting sexual abstinence and addressing the importance of delaying
27 sexual activity, pregnancy, and childbearing until individuals are
28 ready to nurture and support their children. Grants to the school
29 districts shall be for projects that are substantially designed and
30 produced by students. The grants shall require a local private sector
31 match equal to one-half of the state grant, which may include in-kind
32 contribution of technical or other assistance from consultants or firms
33 involved in public relations, advertising broadcasting, and graphics or
34 video production or other related fields.

35 (g) \$1,500,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$1,500,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely for school district petitions to
38 juvenile court for truant students as provided in RCW 28A.225.030 and

1 28A.225.035. Allocation of this money to school districts shall be
2 based on the number of petitions filed.

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

5 (i)(i) \$5,000,000 of the general fund--state appropriation and
6 \$14,656,000 of the education savings account appropriation for fiscal
7 year 1998 and \$5,000,000 of the general fund--state appropriation and
8 \$14,656,000 of the education savings account appropriation for fiscal
9 year 1999 are provided solely for matching grants and related state
10 activities to provide school district consortia with programs utilizing
11 technology to improve learning. A maximum of \$100,000 each fiscal year
12 of this amount is provided for administrative support and oversight of
13 the K-20 network by the superintendent of public instruction. The
14 superintendent of public instruction shall convene a technology grants
15 committee representing private sector technology, school districts, and
16 educational service districts to recommend to the superintendent grant
17 proposals that have the best plans for improving student learning
18 through innovative curriculum using technology as a learning tool and
19 evaluating the effectiveness of the curriculum innovations. After
20 considering the technology grants committee recommendations, the
21 superintendent shall make matching grant awards, including granting at
22 least fifteen percent of funds on the basis of criteria in (ii)(A)
23 through (C) of this subsection (2)(h).

24 (ii) Priority for award of funds will be to (A) school districts
25 most in need of assistance due to financial limits, (B) school
26 districts least prepared to take advantage of technology as a means of
27 improving student learning, and (C) school districts in economically
28 distressed areas. The superintendent of public instruction, in
29 consultation with the technology grants committee, shall propose
30 options to the committee for identifying and prioritizing districts
31 according to criteria in (i) and (ii) of this subsection (2)(i).

32 (iii) Options for review criteria to be considered by the
33 superintendent of public instruction include, but are not limited to,
34 free and reduced lunches, levy revenues, ending fund balances,
35 equipment inventories, and surveys of technology preparedness. An
36 "economically distressed area" is (A) a county with an unemployment
37 rate that is at least twenty percent above the state-wide average for
38 the previous three years; (B) a county that has experienced sudden and
39 severe or long-term and severe loss of employment, or erosion of its

1 economic base resulting in decline of its dominant industries; or (C)
2 a district within a county which (I) has at least seventy percent of
3 its families and unrelated individuals with incomes below eighty
4 percent of the county's median income for families and unrelated
5 individuals; and (II) has an unemployment rate which is at least forty
6 percent higher than the county's unemployment rate.

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

14 (k) \$1,816,000 of the general fund--state fiscal year 1998
15 appropriation and \$3,378,000 of the general fund--state fiscal year
16 1999 appropriation are provided solely to implement Engrossed Second
17 Substitute House Bill No. 2019, Substitute Senate Bill No. 5764, or
18 Senate Bill No. 7901 (charter schools). If none of the bills is
19 enacted by June 30, 1997, the amounts provided in this subsection shall
20 lapse.

21 (i) The fiscal year 1998 amount appropriated in this subsection is
22 provided for expenditure as follows:

23 (A) A maximum of \$300,000 for the appeals process;

24 (B) A maximum of \$75,000 for the study of charter schools;

25 (C) A maximum of \$530,000 for startup loans; and

26 (D) \$911,000 for apportionment to charter schools based on
27 enrollment and other workload factors.

28 (ii) The fiscal year 1999 amount appropriated in this subsection is
29 provided for expenditure as follows:

30 (A) A maximum of \$300,000 for the appeals process;

31 (B) A maximum of \$75,000 for the study of charter schools;

32 (C) A maximum of \$532,000 for startup loans; and

33 (D) \$2,471,000 for apportionment to charter schools based on
34 enrollment and other workload factors.

35 (l) \$19,977,000 of the general fund--state appropriation for fiscal
36 year 1999 is provided solely for the purchase of classroom
37 instructional materials and supplies. The superintendent shall
38 allocate the funds at a maximum rate of \$20.82 per full-time equivalent
39 student, beginning September 1, 1998, and ending June 30, 1999. The

1 expenditure of the funds shall be determined at each school site by the
2 school building staff, parents, and the community. School districts
3 shall distribute all funds received to school buildings without
4 deduction.

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

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

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

18 (p) \$1,000,000 of the general fund--state appropriation is provided
19 for state administrative costs and start-up grants for alternative
20 programs and services that improve instruction and learning for at-risk
21 students consistent with the objectives of Engrossed Substitute House
22 Bill No. 1378 (educational opportunities). Each grant application
23 shall contain proposed performance indicators and an evaluation plan to
24 measure the success of the program and its impact on improved student
25 learning. Applications shall contain the applicant's plan for
26 maintaining the program and/or services after the grant period, shall
27 address the needs of students who cannot be accommodated within the
28 framework of existing school programs or services and shall address how
29 the applicant will serve any student within the proposed program's
30 target age range regardless of the reason for truancy, suspension,
31 expulsion, or other disciplinary action. Up to \$50,000 per year may be
32 used by the superintendent of public instruction for grant
33 administration. The superintendent shall submit an evaluation of the
34 alternative program start-up grants provided under this section, and
35 section 501(2)(q), chapter 283, Laws of 1996, to the fiscal and
36 education committees of the legislature by November 15, 1998. Grants
37 shall be awarded to applicants showing the greatest potential for
38 improved student learning for at-risk students including:

- 1 (i) Students who have been suspended, expelled, or are subject to
- 2 other disciplinary actions;
- 3 (ii) Students with unexcused absences who need intervention from
- 4 community truancy boards or family support programs;
- 5 (iii) Students who have left school; and
- 6 (iv) Students involved with the court system.

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

14 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
 15 **INSTRUCTION--FOR GENERAL APPORTIONMENT (BASIC EDUCATION)**

16	General Fund Appropriation (FY 1998)	. . . . .	\$3,429,727,000
17	General Fund Appropriation (FY 1999)	. . . . .	\$3,511,157,000
18	TOTAL APPROPRIATION	. . . . .	\$6,940,884,000

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

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

23 (2) Allocations for certificated staff salaries for the 1997-98 and
 24 1998-99 school years shall be determined using formula-generated staff
 25 units calculated pursuant to this subsection. Staff allocations for
 26 small school enrollments in (d) through (f) of this subsection shall be
 27 reduced for vocational full-time equivalent enrollments. Staff
 28 allocations for small school enrollments in grades K-6 shall be the
 29 greater of that generated under (a) of this subsection, or under (d)
 30 and (e) of this subsection. Certificated staffing allocations shall be
 31 as follows:

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

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

1 (ii) 49 certificated instructional staff units per thousand full-
2 time equivalent students in grades K-3;

3 (iii) An additional 5.3 certificated instructional staff units for
4 grades K-3. Any funds allocated for these additional certificated
5 units shall not be considered as basic education funding;

6 (A) Funds provided under this subsection (2)(a)(iii) in excess of
7 the amount required to maintain the statutory minimum ratio established
8 under RCW 28A.150.260(2)(b) shall be allocated only if the district
9 documents an actual ratio equal to or greater than 54.3 certificated
10 instructional staff per thousand full-time equivalent students in
11 grades K-3. For any school district documenting a lower certificated
12 instructional staff ratio, the allocation shall be based on the
13 district's actual grades K-3 certificated instructional staff ratio
14 achieved in that school year, or the statutory minimum ratio
15 established under RCW 28A.150.260(2)(b), if greater;

16 (B) Districts at or above 51.0 certificated instructional staff per
17 one thousand full-time equivalent students in grades K-3 may dedicate
18 up to 1.3 of the 54.3 funding ratio to employ additional classified
19 instructional assistants assigned to basic education classrooms in
20 grades K-3. For purposes of documenting a district's staff ratio under
21 this section, funds used by the district to employ additional
22 classified instructional assistants shall be converted to a
23 certificated staff equivalent and added to the district's actual
24 certificated instructional staff ratio. Additional classified
25 instructional assistants, for the purposes of this subsection, shall be
26 determined using the 1989-90 school year as the base year;

27 (C) Any district maintaining a ratio equal to or greater than 54.3
28 certificated instructional staff per thousand full-time equivalent
29 students in grades K-3 may use allocations generated under this
30 subsection (2)(a)(iii) in excess of that required to maintain the
31 minimum ratio established under RCW 28A.150.260(2)(b) to employ
32 additional basic education certificated instructional staff or
33 classified instructional assistants in grades 4-6. Funds allocated
34 under this subsection (2)(a)(iii) shall only be expended to reduce
35 class size in grades K-6. No more than 1.3 of the certificated
36 instructional funding ratio amount may be expended for provision of
37 classified instructional assistants; and

38 (iv) Forty-six certificated instructional staff units per thousand
39 full-time equivalent students in grades 4-12;

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

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

9 (i) Vocational education programs approved by the superintendent of
10 public instruction, a maximum of 0.92 certificated instructional staff
11 units and 0.08 certificated administrative staff units for each 18.3
12 full-time equivalent vocational students. Beginning with the 1998-99
13 school year, districts documenting staffing ratios of less than 1
14 certificated staff per 18.3 students shall be allocated the greater of
15 the total ratio in subsections (2)(a)(i) and (iv) of this section or
16 the actual documented ratio;

17 (ii) Skills center programs approved by the superintendent of
18 public instruction, 0.92 certificated instructional staff units and
19 0.08 certificated administrative units for each 16.67 full-time
20 equivalent vocational students;

21 (iii) Indirect cost charges, as defined by the superintendent of
22 public instruction, to vocational-secondary programs shall not exceed
23 10 percent; and

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

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

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

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

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

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

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

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

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

27 (ii) For all other small high schools under this subsection, nine
28 certificated instructional staff units and one-half of a certificated
29 administrative staff unit for the first sixty average annual full time
30 equivalent students, and additional staff units based on a ratio of
31 0.8732 certificated instructional staff units and 0.1268 certificated
32 administrative staff units per each additional forty-three and one-half
33 average annual full time equivalent students.

34 Units calculated under (f)(ii) of this subsection shall be reduced
35 by certificated staff units at the rate of forty-six certificated
36 instructional staff units and four certificated administrative staff
37 units per thousand vocational full-time equivalent students.

38 (g) For each nonhigh school district having an enrollment of more
39 than seventy annual average full-time equivalent students and less than

1 one hundred eighty students, operating a grades K-8 program or a grades
2 1-8 program, an additional one-half of a certificated instructional
3 staff unit; and

4 (h) For each nonhigh school district having an enrollment of more
5 than fifty annual average full-time equivalent students and less than
6 one hundred eighty students, operating a grades K-6 program or a grades
7 1-6 program, an additional one-half of a certificated instructional
8 staff unit.

9 (3) Allocations for classified salaries for the 1997-98 and 1998-99
10 school years shall be calculated using formula-generated classified
11 staff units determined as follows:

12 (a) For enrollments generating certificated staff unit allocations
13 under subsection (2) (d) through (h) of this section, one classified
14 staff unit for each three certificated staff units allocated under such
15 subsections;

16 (b) For all other enrollment in grades K-12, including vocational
17 full-time equivalent enrollments, one classified staff unit for each
18 sixty average annual full-time equivalent students; and

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

23 (4) Fringe benefit allocations shall be calculated at a rate of
24 20.22 percent in the 1997-98 and 1998-99 school years for certificated
25 salary allocations provided under subsection (2) of this section, and
26 a rate of 18.65 percent in the 1997-98 and 1998-99 school years for
27 classified salary allocations provided under subsection (3) of this
28 section.

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

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

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

1 (6)(a) For nonemployee-related costs associated with each
2 certificated staff unit allocated under subsection (2) (a), (b), and
3 (d) through (h) of this section, there shall be provided a maximum of
4 \$7,950 per certificated staff unit in the 1997-98 school year and a
5 maximum of \$8,165 per certificated staff unit in the 1998-99 school
6 year.

7 (b) For nonemployee-related costs associated with each vocational
8 certificated staff unit allocated under subsection (2)(c) of this
9 section, there shall be provided a maximum of \$15,147 per certificated
10 staff unit in the 1997-98 school year and a maximum of \$15,556 per
11 certificated staff unit in the 1998-99 school year.

12 (7) Allocations for substitute costs for classroom teachers shall
13 be distributed at a maintenance rate of \$354.64 per allocated classroom
14 teachers exclusive of salary increase amounts provided in section 504
15 of this act. Solely for the purposes of this subsection, allocated
16 classroom teachers shall be equal to the number of certificated
17 instructional staff units allocated under subsection (2) of this
18 section, multiplied by the ratio between the number of actual basic
19 education certificated teachers and the number of actual basic
20 education certificated instructional staff reported state-wide for the
21 1996-97 school year.

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

31 (9) The superintendent may distribute a maximum of \$6,124,000
32 outside the basic education formula during fiscal years 1998 and 1999
33 as follows:

34 (a) For fire protection for school districts located in a fire
35 protection district as now or hereafter established pursuant to chapter
36 52.04 RCW, a maximum of \$447,000 may be expended in fiscal year 1998
37 and a maximum of \$459,000 may be expended in fiscal year 1999;

38 (b) For summer vocational programs at skills centers, a maximum of
39 \$1,948,000 may be expended each fiscal year;

1 (c) A maximum of \$321,000 may be expended for school district
2 emergencies; and

3 (d) A maximum of \$500,000 per fiscal year may be expended for
4 programs providing skills training for secondary students who are
5 enrolled in extended day school-to-work programs, as approved by the
6 superintendent of public instruction. The funds shall be allocated at
7 a rate not to exceed \$500 per full-time equivalent student enrolled in
8 those programs.

9 (10) For the purposes of RCW 84.52.0531, the increase per full-time
10 equivalent student in state basic education appropriations provided
11 under this act, including appropriations for salary and benefits
12 increases, is 2.5 percent from the 1996-97 school year to the 1997-98
13 school year, and 1.1 percent from the 1997-98 school year to the
14 1998-99 school year.

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

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

23 (b) For the fourth through eighth school years following
24 consolidation, the difference between the basic education formula staff
25 units received by the districts for the school year prior to
26 consolidation and the basic education formula staff units after
27 consolidation pursuant to subsection (2) (a) through (h) of this
28 section shall be reduced in increments of twenty percent per year.

29 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
30 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

31 (1) The following calculations determine the salaries used in the
32 general fund allocations for certificated instructional, certificated
33 administrative, and classified staff units under section 502 of this
34 act:

35 (a) Salary allocations for certificated instructional staff units
36 shall be determined for each district by multiplying the district's
37 certificated instructional derived base salary shown on LEAP Document
38 12D, by the district's average staff mix factor for basic education and

1 special education certificated instructional staff in that school year,
2 computed using LEAP Document 1A; and

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

7 (2) For the purposes of this section:

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

13 (b) "LEAP Document 1A" means the computerized tabulation
14 establishing staff mix factors for certificated instructional staff
15 according to education and years of experience, as developed by the
16 legislative evaluation and accountability program committee on April 8,
17 1991, at 13:35 hours; and

18 (c) "LEAP Document 12D" means the computerized tabulation of 1997-
19 98 and 1998-99 school year salary allocations for basic education
20 certificated administrative staff and basic education classified staff
21 and derived base salaries for basic education certificated
22 instructional staff as developed by the legislative evaluation and
23 accountability program committee on March 21, 1997 at 16:37 hours.

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

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

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

32 Years of					
33 Service	BA	BA+15	BA+30	BA+45	BA+90
34 0	22,950	23,570	24,212	24,855	26,920
35 1	23,702	24,342	25,005	25,690	27,816
36 2	24,469	25,129	25,812	26,563	28,725
37 3	25,275	25,955	26,657	27,450	29,650
38 4	26,095	26,818	27,540	28,375	30,632

1	5	26,953	27,695	28,437	29,336	31,629
2	6	27,847	28,586	29,370	30,333	32,661
3	7	28,756	29,513	30,316	31,341	33,727
4	8	29,678	30,477	31,299	32,408	34,827
5	9		31,475	32,337	33,487	35,962
6	10			33,388	34,621	37,129
7	11				35,788	38,351
8	12				36,918	39,605
9	13					40,890
10	14					42,182
11	15 or more					43,279

12	Years of				MA+90
13	Service	BA+135	MA	MA+45	or PHD
14	0	28,251	27,516	29,581	30,912
15	1	29,165	28,351	30,477	31,825
16	2	30,115	29,224	31,386	32,774
17	3	31,100	30,111	32,311	33,761
18	4	32,123	31,036	33,293	34,783
19	5	33,180	31,996	34,290	35,840
20	6	34,250	32,994	35,322	36,911
21	7	35,377	34,002	36,388	38,038
22	8	36,537	35,069	37,488	39,198
23	9	37,730	36,147	38,623	40,391
24	10	38,956	37,282	39,790	41,617
25	11	40,214	38,449	41,012	42,875
26	12	41,525	39,662	42,266	44,186
27	13	42,867	40,917	43,551	45,528
28	14	44,260	42,210	44,927	46,921
29	15 or more	45,411	43,307	46,095	48,141

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

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

37 (i) Credits earned since receiving the masters degree; and

1 (ii) Any credits in excess of forty-five credits that were earned
2 after the baccalaureate degree but before the masters degree.

3 (5) For the purposes of this section:

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

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

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

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

9 (e) "Credits" means college quarter hour credits and equivalent in-
10 service credits computed in accordance with RCW 28A.415.020.

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

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

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

19 (7)(a) Credits earned by certificated instructional staff after
20 September 1, 1995, shall be counted only if the content of the course:

21 (i) Is consistent with the school district's strategic plan for
22 improving student learning; (ii) is consistent with a school-based plan
23 for improving student learning as required by the annual school
24 performance report, under RCW 28A.320.205, for the school in which the
25 individual is assigned; (iii) pertains to the individual's current
26 assignment or expected assignment for the following school year; (iv)
27 is necessary for obtaining an endorsement as prescribed by the state
28 board of education; (v) is specifically required for obtaining advanced
29 levels of certification; or (vi) is included in a college or university
30 degree program that pertains to the individual's current assignment, or
31 potential future assignment, as a certificated instructional staff.

32 (b) Once credits earned by certificated instructional staff have
33 been determined to meet one or more of the criteria in (a) of this
34 subsection, the credits shall be counted even if the individual
35 transfers to other school districts.

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

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

3	General Fund Appropriation (FY 1998)	. . . . .	\$	79,975,000
4	General Fund Appropriation (FY 1999)	. . . . .	\$	116,311,000
5	TOTAL APPROPRIATION	. . . . .	\$	196,286,000

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

8 (1) \$176,535,000 is provided for a cost of living adjustment of 3.0
9 percent effective September 1, 1997, for state formula staff units.
10 The appropriations include associated incremental fringe benefit
11 allocations at rates of 19.58 percent for certificated staff and 15.15
12 percent for classified staff.

13 (a) The appropriations in this section include the increased
14 portion of salaries and incremental fringe benefits for all relevant
15 state-funded school programs in part V of this act. Salary adjustments
16 for state employees in the office of superintendent of public
17 instruction and the education reform program are provided in part VII
18 of this act. Increases for general apportionment (basic education) are
19 based on the salary allocation schedules and methodology in section 503
20 of this act. Increases for special education result from increases in
21 each district's basic education allocation per student. Increases for
22 educational service districts and institutional education programs are
23 determined by the superintendent of public instruction using the
24 methodology for general apportionment salaries and benefits in section
25 503 of this act.

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

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

32 (ii) For education of highly capable students, an increase of \$6.81
33 per formula student for the 1997-98 school year and maintained for the
34 1998-99 school year; and

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

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

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

8 (2) \$19,751,000 is provided for adjustments to insurance benefit
9 allocations. The maintenance rate for insurance benefit allocations is
10 \$314.51 per month for the 1997-98 and 1998-99 school years. The
11 appropriations in this section provide increases of \$2.83 per month for
12 the 1997-98 school year and \$18.41 per month for the 1998-99 school
13 year at the following rates:

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

17 (b) For education of highly capable students, an increase of \$0.20
18 per formula student for the 1997-98 school year and \$1.35 for the 1998-
19 99 school year;

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

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

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

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

34 (b) For the 1998-99 school year, the superintendent shall reduce
35 the percent of salary increase funds provided in section 504 of this
36 act by the percentage by which a district exceeds the allowable derived
37 base salary for certificated instructional staff as shown on LEAP
38 Document 12D.

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

4 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
5 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

6	General Fund Appropriation (FY 1998)	\$ 174,344,000
7	General Fund Appropriation (FY 1999)	\$ 179,560,000
8	TOTAL APPROPRIATION	\$ 353,904,000

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

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

13 (2) A maximum of \$1,451,000 may be expended for regional
14 transportation coordinators and related activities. The transportation
15 coordinators shall ensure that data submitted by school districts for
16 state transportation funding shall, to the greatest extent practical,
17 reflect the actual transportation activity of each district.

18 (3) \$30,000 of the fiscal year 1998 appropriation and \$40,000 of
19 the fiscal year 1999 appropriation are provided solely for the
20 transportation of students enrolled in "choice" programs.
21 Transportation shall be limited to low-income students who are
22 transferring to "choice" programs solely for educational reasons.

23 (4) Allocations for transportation of students shall be based on
24 reimbursement rates of \$34.47 per weighted mile in the 1997-98 school
25 year and \$34.76 per weighted mile in the 1998-99 school year exclusive
26 of salary and benefit adjustments provided in section 504 of this act.
27 Allocations for transportation of students transported more than one
28 radius mile shall be based on weighted miles as determined by
29 superintendent of public instruction times the per mile reimbursement
30 rates for the school year pursuant to the formulas adopted by the
31 superintendent of public instruction. Allocations for transportation
32 of students living within one radius mile shall be based on the number
33 of enrolled students in grades kindergarten through five living within
34 one radius mile of their assigned school times the per mile
35 reimbursement rate for the school year times 1.29.

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

1	General Fund--State Appropriation (FY 1998)	\$	3,075,000
2	General Fund--State Appropriation (FY 1999)	\$	3,075,000
3	General Fund--Federal Appropriation	\$	194,483,000
4	TOTAL APPROPRIATION	\$	200,633,000

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

7 (1) \$6,000,000 of the general fund--state appropriations are
8 provided for state matching money for federal child nutrition programs.

9 (2) \$150,000 of the general fund--state appropriations are provided
10 for summer food programs for children in low-income areas.

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

13	General Fund--State Appropriation (FY 1998)	\$	370,486,000
14	General Fund--State Appropriation (FY 1999)	\$	374,327,000
15	General Fund--Federal Appropriation	\$	135,106,000
16	TOTAL APPROPRIATION	\$	879,919,000

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

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

21 (2) The superintendent of public instruction shall distribute state
22 funds to school districts based on two categories, the optional birth
23 through age two program for special education eligible developmentally
24 delayed infants and toddlers, and the mandatory special education
25 program for special education eligible students ages three to twenty-
26 one. A "special education eligible student" means a student receiving
27 specially designed instruction in accordance with a properly formulated
28 individualized education program.

29 (3) For the 1997-98 and 1998-99 school years, the superintendent
30 shall distribute state funds to each district based on the sum of:

31 (a) A district's annual average headcount enrollment of
32 developmentally delayed infants and toddlers ages birth through two,
33 times the district's average basic education allocation per full-time
34 equivalent student, times 1.15; and

35 (b) A district's annual average full-time equivalent basic
36 education enrollment times the funded enrollment percent determined
37 pursuant to subsection (4)(c) of this section, times the district's

1 average basic education allocation per full-time equivalent student
2 times 0.9309.

3 (4) The definitions in this subsection apply throughout this
4 section.

5 (a) "Average basic education allocation per full-time equivalent
6 student" for a district shall be based on the staffing ratios required
7 by RCW 28A.150.260 (i.e., 49/1000 certificated instructional staff in
8 grades K-3, and 46/1000 in grades 4-12) and shall not include
9 enhancements for K-3, secondary vocational education, or small schools.

10 (b) "Annual average full-time equivalent basic education
11 enrollment" means the resident enrollment including students enrolled
12 through choice (RCW 28A.225.225) and students from nonhigh districts
13 (RCW 28A.225.210) and excluding students residing in another district
14 enrolled as part of an interdistrict cooperative program (RCW
15 28A.225.250).

16 (c) "Enrollment percent" means the district's resident special
17 education annual average enrollment including those students counted
18 under the special education demonstration projects, excluding the birth
19 through age two enrollment, as a percent of the district's annual
20 average full-time equivalent basic education enrollment. For the 1997-
21 98 and the 1998-99 school years, each district's funded enrollment
22 percent shall be:

23 (i) For districts whose enrollment percent for 1994-95 was at or
24 below 12.7 percent, the lesser of the district's actual enrollment
25 percent for the school year for which the allocation is being
26 determined or 12.7 percent.

27 (ii) For districts whose enrollment percent for 1994-95 was above
28 12.7 percent, the lesser of:

29 (A) The district's actual enrollment percent for the school year
30 for which the special education allocation is being determined; or

31 (B) The district's actual enrollment percent for the school year
32 immediately prior to the school year for which the special education
33 allocation is being determined if greater than 12.7 percent; or

34 (C) For 1997-98, the 1994-95 enrollment percent reduced by 75
35 percent of the difference between the district's 1994-95 enrollment
36 percent and 12.7 percent and for 1998-99, 12.7 percent.

37 (5) At the request of any interdistrict cooperative of at least 15
38 districts in which all excess cost services for special education
39 students of the districts are provided by the cooperative, the maximum

1 enrollment percent shall be 12.7, and shall be calculated in the
2 aggregate rather than individual district units. For purposes of this
3 subsection (4) of this section, the average basic education allocation
4 per full-time equivalent student shall be calculated in the aggregate
5 rather than individual district units.

6 (6) A maximum of \$12,000,000 of the general fund--state
7 appropriation for fiscal year 1998 and a maximum of \$12,000,000 of the
8 general fund--state appropriation for fiscal year 1999 are provided as
9 safety net funding for districts with demonstrated needs for state
10 special education funding beyond the amounts provided in subsection (3)
11 of this section. Safety net funding shall be awarded by the state
12 safety net oversight committee.

13 (a) The safety net oversight committee shall first consider the
14 needs of districts adversely affected by the 1995 change in the special
15 education funding formula. Awards shall be based on the amount
16 required to maintain the 1994-95 state special education excess cost
17 allocation to the school district in aggregate or on a dollar per
18 funded student basis.

19 (b) The committee shall then consider unusual needs of districts
20 due to a special education population which differs significantly from
21 the assumptions of the state funding formula. Awards shall be made to
22 districts that convincingly demonstrate need due to the concentration
23 and/or severity of disabilities in the district. Differences in
24 program costs attributable to district philosophy or service delivery
25 style are not a basis for safety net awards.

26 (7) Prior to June 1st of each year, the superintendent shall make
27 available to each school district from available data the district's
28 maximum funded enrollment percent for the coming school year.

29 (8) The superintendent of public instruction may adopt such rules
30 and procedures as are necessary to administer the special education
31 funding and safety net award process. Prior to revising any standards,
32 procedures, or rules in place for the 1996-97 school year, the
33 superintendent shall consult with the office of financial management
34 and the fiscal committees of the legislature.

35 (9) The safety net oversight committee appointed by the
36 superintendent of public instruction shall consist of:

- 37 (a) Staff of the office of superintendent of public instruction;
- 38 (b) Staff of the office of the state auditor;
- 39 (c) Staff from the office of the financial management; and

1 (d) One or more representatives from school districts or
2 educational service districts knowledgeable of special education
3 programs and funding.

4 (10) A maximum of \$4,500,000 of the general fund--federal
5 appropriation shall be expended for safety net funding to meet the
6 extraordinary needs of one or more individual special education
7 students.

8 (11) A maximum of \$678,000 may be expended from the general fund--
9 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
10 full-time equivalent aides at children's orthopedic hospital and
11 medical center. This amount is in lieu of money provided through the
12 home and hospital allocation and the special education program.

13 (12) A maximum of \$1,000,000 of the general fund--federal
14 appropriation is provided for projects to provide special education
15 students with appropriate job and independent living skills, including
16 work experience where possible, to facilitate their successful
17 transition out of the public school system. The funds provided by this
18 subsection shall be from federal discretionary grants.

19 (13) A school district may carry over up to 10 percent of general
20 fund--state funds allocated under this program; however, carry over
21 funds shall be expended in the special education program.

22 (14) Beginning in the 1997-98 school year, the superintendent shall
23 increase the percentage of federal flow-through to school districts to
24 at least 84 percent. In addition to other purposes, school districts
25 may use increased federal funds for high cost students, for purchasing
26 regional special education services from educational service districts,
27 and for staff development activities particularly relating to inclusion
28 issues.

29 (15) Up to one percent of the general fund--federal appropriation
30 shall be expended by the superintendent for projects related to use of
31 inclusion strategies by school districts for provision of special
32 education services. The superintendent shall prepare an information
33 database on laws, best practices, examples of programs, and recommended
34 resources. The information may be disseminated in a variety of ways,
35 including workshops and other staff development activities.

36 (16) Amounts appropriated within this section are sufficient to
37 fund section 5 of Second Substitute House Bill No. 1709 (mandate on
38 school districts).

1 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--FOR TRAFFIC SAFETY EDUCATION PROGRAMS**

3 Public Safety and Education Account

4 Appropriation \$ 17,179,000

5 The appropriation in this section is subject to the following
6 conditions and limitations:

7 (1) The appropriation includes such funds as are necessary for the
8 remaining months of the 1996-97 school year.

9 (2) A maximum of \$507,000 shall be expended for regional traffic
10 safety education coordinators.

11 (3) The maximum basic state allocation per student completing the
12 program shall be \$137.16 in the 1997-98 and 1998-99 school years.

13 (4) Additional allocations to provide tuition assistance for
14 students from low-income families who complete the program shall be a
15 maximum of \$66.81 per eligible student in the 1997-98 and 1998-99
16 school years.

17 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
18 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

19 General Fund Appropriation (FY 1998) \$ 4,511,000

20 General Fund Appropriation (FY 1999) \$ 4,510,000

21 TOTAL APPROPRIATION \$ 9,021,000

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

24 (1) The educational service districts shall continue to furnish
25 financial services required by the superintendent of public instruction
26 and RCW 28A.310.190 (3) and (4).

27 (2) \$250,000 of the general fund appropriation for fiscal year 1998
28 and \$250,000 of the general fund appropriation for fiscal year 1999 are
29 provided solely for student teaching centers as provided in RCW
30 28A.415.100.

31 (3) A maximum of \$500,000 is provided for centers for the
32 improvement of teaching pursuant to RCW 28A.415.010.

33 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
34 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

35 General Fund Appropriation (FY 1998) \$ 84,598,000

36 General Fund Appropriation (FY 1999) \$ 89,354,000

1 TOTAL APPROPRIATION \$ 173,952,000

2 NEW SECTION. **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
3 **INSTRUCTION--FOR THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT**

4 General Fund--Federal Appropriation \$ 255,987,000

5 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
6 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

7 General Fund--State Appropriation (FY 1998) \$ 18,327,000

8 General Fund--State Appropriation (FY 1999) \$ 19,131,000

9 General Fund--Federal Appropriation \$ 8,548,000

10 TOTAL APPROPRIATION \$ 46,006,000

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

13 (1) The general fund--state appropriation for fiscal year 1998
14 includes such funds as are necessary for the remaining months of the
15 1996-97 school year.

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

21 (3) State funding for each institutional education program shall be
22 based on the institution's annual average full-time equivalent student
23 enrollment. Staffing ratios for each category of institution shall
24 remain the same as those funded in the 1995-97 biennium.

25 (4) \$758,000 of the general fund--state fiscal year 1998
26 appropriation and \$704,000 of the general fund--state fiscal year 1999
27 appropriation are provided solely for the implementation of Engrossed
28 Third Substitute House Bill No. 3900 (revising the juvenile code). If
29 the bill is not enacted by June 30, 1997, the amounts provided in this
30 subsection shall lapse.

31 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
32 **INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

33 General Fund Appropriation (FY 1998) \$ 5,752,000

34 General Fund Appropriation (FY 1999) \$ 6,176,000

35 TOTAL APPROPRIATION \$ 11,928,000

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

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

5 (2) Allocations for school district programs for highly capable
6 students shall be distributed at a maximum rate of \$311.12 per funded
7 student for the 1997-98 school year and \$311.58 per funded student for
8 the 1998-99 school year, exclusive of salary and benefit adjustments
9 pursuant to section 504 of this act. The number of funded students
10 shall be a maximum of two percent of each district's full-time
11 equivalent basic education enrollment.

12 (3) \$350,000 of the appropriation is for the centrum program at
13 Fort Worden state park.

14 (4) \$186,000 of the appropriation is for the odyssey of the mind
15 and future problem-solving programs.

16 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
17 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

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

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

23 (1) \$18,103,000 is provided for the operation of the commission on
24 student learning and the development and implementation of student
25 assessments. The commission shall cooperate with the superintendent of
26 public instruction in defining measures of student achievement to be
27 included in the student record system developed by the superintendent
28 pursuant to section 501(1)(b) of this act. The timelines for
29 development of assessments are funded in accordance with the timelines
30 proposed in Engrossed Second Substitute House Bill No. 1777.

31 (2) \$2,190,000 is provided solely for training of paraprofessional
32 classroom assistants and certificated staff who work with classroom
33 assistants as provided in RCW 28A.415.310.

34 (3) \$2,970,000 is provided for mentor teacher assistance, including
35 state support activities, under RCW 28A.415.250 and 28A.415.260. Funds
36 for the teacher assistance program shall be allocated to school
37 districts based on the number of beginning teachers.

1 (4) \$4,050,000 is provided for improving technology infrastructure,
2 monitoring and reporting on school district technology development,
3 promoting standards for school district technology, promoting statewide
4 coordination and planning for technology development, and providing
5 regional educational technology support centers, including state
6 support activities, under chapter 28A.650 RCW.

7 (5) \$7,200,000 is provided for grants to school districts to
8 provide a continuum of care for children and families to help children
9 become ready to learn. Grant proposals from school districts shall
10 contain local plans designed collaboratively with community service
11 providers. If a continuum of care program exists in the area in which
12 the school district is located, the local plan shall provide for
13 coordination with existing programs to the greatest extent possible.
14 Grant funds shall be allocated pursuant to RCW 70.190.040.

15 (6) \$5,000,000 is provided solely for the meals for kids program
16 under RCW 28A.235.145 through 28A.235.155.

17 (7) \$1,260,000 is provided for technical assistance related to
18 education reform through the office of the superintendent of public
19 instruction, in consultation with the commission on student learning,
20 as specified in RCW 28A.300.130 (center for the improvement of student
21 learning).

22 (8) The superintendent of public instruction shall not accept,
23 allocate, or expend any federal funds to implement the federal goals
24 2000 program.

25 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
26 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

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

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

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

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

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

4 (4) The superintendent shall distribute a maximum of \$643.78 per
5 eligible weighted bilingual student in the 1998-99 school year
6 exclusive of salary and benefit adjustments provided in section 504 of
7 this act.

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

- 10 (a) Grades Level
 - 11 (i) K-535
 - 12 (ii) 6-850
 - 13 (iii) 9-1272
- 14 (b) Time in Program
 - 15 (i) Up to 1 year82
 - 16 (ii) 1 to 2 years62
 - 17 (iii) 2 to 3 years41
 - 18 (iv) more than 3 years21

19 (c) The grade level weight and time in program weight shall be
20 summed for each eligible student and the result shall be multiplied by
21 the rate per weighted student specified in subsection (3) of this
22 section.

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

25 **NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
26 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

27	General Fund Appropriation (FY 1998)	. . . . .	\$	60,309,000
28	General Fund Appropriation (FY 1999)	. . . . .	\$	60,862,000
29	TOTAL APPROPRIATION	. . . . .	\$	121,171,000

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

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

34 (2) For making the calculation of the percentage of students
35 scoring in the lowest quartile as compared with national norms,

1 beginning with the 1991-92 school year, the superintendent shall
2 multiply each school district's 4th and 8th grade test results by 0.86.

3 (3) Funding for school district learning assistance programs shall
4 be allocated at maximum rates of \$378.33 per funded unit for the 1997-
5 98 school year and \$379.47 per funded unit for the 1998-99 school year
6 exclusive of salary and benefit adjustments provided in section 504 of
7 this act. School districts may carryover up to 10 percent of funds
8 allocated under this program; however, carryover funds shall be
9 expended for the learning assistance program.

10 (a) A school district's funded units for the 1997-98 and 1998-99
11 school years shall be the sum of the following:

12 (i) The district's full-time equivalent enrollment in kindergarten
13 through 6th grade, times the 5-year average 4th grade test result as
14 adjusted pursuant to subsection (2) of this section, times 0.92; and

15 (ii) The district's full-time equivalent enrollment in grades 7
16 through 9, times the 5-year average 8th grade test result as adjusted
17 pursuant to subsection (2) of this section, times 0.92; and

18 (iii) If in the prior school year the district's percentage of
19 October headcount enrollment in grades K-12 eligible for free and
20 reduced price lunch exceeded the state average, subtract the state
21 average percentage of students eligible for free and reduced price
22 lunch from the district's percentage and multiply the result by the
23 district's K-12 annual average full-time equivalent enrollment for the
24 current school year times 22.30 percent.

25 NEW SECTION. **Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC**
26 **INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

27	General Fund Appropriation (FY 1998)	. . . . .	\$	45,404,000
28	General Fund Appropriation (FY 1999)	. . . . .	\$	51,375,000
29	TOTAL APPROPRIATION	. . . . .	\$	96,779,000

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

32 (1) A maximum of \$40,841,000 is provided for learning improvement
33 allocations to school districts to enhance the ability of instructional
34 staff to teach and assess the essential academic learning requirements
35 for reading, writing, communication, and math in accordance with the
36 timelines and requirements established under RCW 28A.630.885. However,
37 special emphasis shall be given to the successful teaching of reading.

1 Allocations under this section shall be subject to the following
2 conditions and limitations:

3 (a) In accordance with the timetable for the implementation of the
4 assessment system by the commission on student learning, the
5 allocations for the 1997-98 and 1998-99 school years shall be at a
6 maximum annual rate per full-time equivalent student of \$30 for
7 students enrolled in grades K-4, \$24 for students enrolled in grades 5-
8 7, and \$18 for students enrolled in grades 8-12. Allocations shall be
9 made on the monthly apportionment schedule provided in RCW 28A.510.250.

10 (b) A district receiving learning improvement allocations shall:

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

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

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

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

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

36 (2) \$55,937,000 is provided for local education program
37 enhancements to meet educational needs as identified by the school
38 district, including alternative education programs. This amount
39 includes such amounts as are necessary for the remainder of the 1996-97

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

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

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

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

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

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

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

28 (a) The district is enrolled as a medicaid service provider and is
29 actively pursuing federal matching funds for medical services provided
30 through special education programs, pursuant to RCW 74.09.5241 through
31 74.09.5256 (Title XIX funding); and

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

34 (End of part)

1 (c) Each institution of higher education receiving appropriations
2 under sections 604 through 609 of this act may provide to instructional
3 and research faculty, exempt professional staff, academic
4 administrators, academic librarians, counselors, teaching and research
5 assistants, as classified by the office of financial management, and
6 all other nonclassified staff, but not including employees under RCW
7 28B.16.015, an additional average salary increase of 1.0 percent on
8 July 1, 1997, and an average salary increase of 2.0 percent on July 1,
9 1998. Any salary increases authorized under this subsection (2)(c)
10 shall not be included in an institution's salary base. It is the
11 intent of the legislature that general fund--state support for an
12 institution shall not increase during the current or any future
13 biennium as a result of any salary increases authorized under this
14 subsection (2)(c).

15 (d) Specific salary increases authorized in sections 603 through
16 609 of this act are in addition to any salary increase provided in this
17 subsection.

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

	Goal
(i) Undergraduate graduation efficiency index:	
For students beginning as freshmen	95
For transfer students	90
(ii) Undergraduate student retention, defined as the percentage of all undergraduate students who return for the next year at the same institution, measured from fall to fall:	
Research universities	95%
Comprehensive universities and college	90%
(iii) Graduation rates, defined as the percentage of an entering freshmen class at each institution that graduates within five years:	
Research universities	65%
Comprehensive universities and college	55%

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

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

9 (b) Academic year 1995-96 shall be the baseline year against which
10 performance in academic year 1997-98 shall be measured. Academic year
11 1997-98 shall be the baseline year against which performance in
12 academic year 1998-99 shall be measured. The difference between each
13 institution's baseline year and the state-wide performance goals shall
14 be calculated and shall be the performance gap for each institution for
15 each measure for each year. The plan for each institution shall set as
16 a performance target the closing of its performance gap for each
17 measure by ten percent in each year. Each institution shall report to
18 the higher education coordinating board on its actual performance
19 achievement for each measure for academic year 1997-98 by October 15,
20 1998.

21 (4) The state board for community and technical colleges shall
22 develop an implementation plan for measurable and specific improvements
23 in productivity, efficiency, and student retention in academic years
24 1997-98 and 1998-99 consistent with the performance management system
25 developed by the work force training and education coordinating board
26 and for the following long-term performance goals:

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

32 (5) The state's public institutions of higher education
33 increasingly are being called upon to become more efficient in
34 conducting the business operations necessary to support the carrying
35 out of their academic missions. The legislature recognizes that state
36 laws and regulations may have the unintended effect of acting as
37

1 barriers to efficient operation in some instances, and desires to
 2 encourage the institutions of higher education to think beyond the
 3 constraints of current law in identifying opportunities for improved
 4 efficiency. Accordingly, the legislature requests that the
 5 institutions of higher education, working together through the council
 6 of presidents' office and the state board for community and technical
 7 colleges, identify opportunities for changes in state law that would
 8 form the basis for a new efficiency compact with the state, for
 9 consideration no later than the 1999 legislative session.

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

	1997-98	1998-99
	Annual	Annual
	Average	Average
19 University of Washington		
20 Main campus	31,297	31,527
21 Tacoma branch	775	895
22 Bothell branch	847	992
23 Washington State University		
24 Main campus	17,403	17,723
25 Spokane branch	352	442
26 Tri-Cities branch	754	814
27 Vancouver branch	851	971
28 Central Washington University	7,346	7,446
29 Eastern Washington University	7,739	7,739
30 The Evergreen State College	3,496	3,576
31 Western Washington University	10,188	10,338
32 State Board for Community and		
33 Technical Colleges	116,426	118,526
34 Higher Education Coordinating		
35 Board	50	50

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

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

12	General Fund--State Appropriation (FY 1998)	\$	380,591,000
13	General Fund--State Appropriation (FY 1999)	\$	418,661,000
14	General Fund--Federal Appropriation	\$	11,404,000
15	Employment and Training Trust Account		
16	Appropriation	\$	26,346,000
17	TOTAL APPROPRIATION	\$	837,002,000

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

20 (1) \$2,718,000 of the general fund--state appropriation for fiscal
21 year 1998 and \$4,079,000 of the general fund--state appropriation for
22 fiscal year 1999 shall be held in reserve by the board. These funds
23 are provided for improvements in productivity, efficiency, and student
24 retention. The board may approve the fiscal year 1998 allocation of
25 funds under this subsection upon completion of an implementation plan.
26 The implementation plan shall be submitted by the board to the
27 appropriate legislative committees and the office of financial
28 management in accordance with section 601(4) of this act by September
29 1, 1997. The board may approve the fiscal year 1999 allocation of
30 funds under this subsection based on the board's evaluation of:

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

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

37 (2) \$1,253,000 of the general fund--state appropriation for fiscal
38 year 1998, \$27,461,000 of the general fund--state appropriation for

1 fiscal year 1999, and the entire employment and training trust account
2 appropriation are provided solely as special funds for training and
3 related support services, including financial aid, child care, and
4 transportation, as specified in chapter 226, Laws of 1993 (employment
5 and training for unemployed workers) and Substitute House Bill No.
6 2214.

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

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

13 (3) \$1,441,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$1,441,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided solely for 500 FTE enrollment slots to
16 implement RCW 28B.50.259 (timber-dependent communities).

17 (4) \$1,862,500 of the general fund--state appropriation for fiscal
18 year 1998 and \$1,862,500 of the general fund--state appropriation for
19 fiscal year 1999 are provided solely for assessment of student outcomes
20 at community and technical colleges.

21 (5) \$706,000 of the general fund--state appropriation for fiscal
22 year 1998 and \$706,000 of general fund--state appropriation for fiscal
23 year 1999 are provided solely to recruit and retain minority students
24 and faculty.

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

32 (7) To address part-time faculty salary disparities and to increase
33 the ratio of full-time to part-time faculty instructors, the board
34 shall provide salary increases to part-time instructors or hire
35 additional full-time instructional staff under the following conditions
36 and limitations: (a) The amount used for such purposes shall not
37 exceed an amount equivalent to an additional salary increase of 1.0
38 percent on July 1, 1997, and an additional salary increase of 2.0
39 percent on July 1, 1998, for instructional faculty as classified by the

1 office of financial management; and (b) at least \$2,934,000 shall be
2 spent for the purposes of this subsection.

3 (8) \$83,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$1,567,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided for personnel and expenses to develop
6 curricula, library resources, and operations of Cascadia Community
7 College. It is the legislature's intent to use the opportunity
8 provided by the establishment of the new institution to conduct a pilot
9 project of budgeting based on instructional standards and outcomes.
10 The college shall use a portion of the available funds to develop a set
11 of measurable standards and outcomes as the basis for budget
12 development in the 1999-01 biennium.

13 (9) The technical colleges may increase tuition and fees to conform
14 with the percentage increase in community college operating fees
15 enacted by the 1997 legislature. The community colleges may charge up
16 to the maximum level authorized for services and activities fees in RCW
17 28B.15.069.

18 (10) Community and technical colleges with below-average faculty
19 salaries may use funds identified by the state board in the 1997-98 and
20 1998-99 operating allocations to increase faculty salaries no higher
21 than the system-wide average.

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

23	General Fund Appropriation (FY 1998)	\$	283,923,000
24	General Fund Appropriation (FY 1999)	\$	289,807,000
25	Death Investigations Account Appropriation	\$	1,810,000
26	Industrial Insurance Premium Refund Account		
27	Appropriation	\$	514,000
28	Accident Account Appropriation	\$	4,969,000
29	Medical Aid Account Appropriation	\$	4,989,000
30	TOTAL APPROPRIATION	\$	586,012,000

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

33 (1) \$2,019,000 of the general fund appropriation for fiscal year
34 1998 and \$3,029,000 of the general fund appropriation for fiscal year
35 1999 shall be placed in reserve. The office of financial management
36 shall approve the allotment of amounts under this subsection upon
37 notification by the higher education coordinating board. These amounts
38 are provided for the preparation of plans and for the achievement of

1 measurable and specific improvements towards performance and
2 accountability goals as outlined in section 601(3) of this act.

3 (2) \$800,000 of the general fund appropriation for fiscal year 1998
4 and \$1,896,000 of the general fund appropriation for fiscal year 1999
5 are provided solely to support additional upper-division and graduate
6 level enrollments at the Tacoma branch campus above the 1996-97
7 budgeted FTE level.

8 (3) \$593,000 of the general fund appropriation for fiscal year 1998
9 and \$1,547,000 of the general fund appropriation for fiscal year 1999
10 are provided solely to support additional upper-division and graduate
11 level enrollments at the Bothell branch campus above the 1996-97
12 budgeted FTE level.

13 (4) \$186,000 of the general fund appropriation for fiscal year 1998
14 and \$186,000 of the general fund appropriation for fiscal year 1999 are
15 provided solely for assessment of student outcomes.

16 (5) \$324,000 of the general fund appropriation for fiscal year 1998
17 and \$324,000 of the general fund appropriation for fiscal year 1999 are
18 provided solely to recruit and retain minority students and faculty.

19 (6) \$130,000 of the general fund appropriation for fiscal year 1998
20 and \$130,000 of the general fund appropriation for fiscal year 1999 are
21 provided solely for the implementation of the Puget Sound work plan
22 agency action item UW-01.

23 (7) \$1,200,000 of the general fund appropriation for fiscal year
24 1998 and \$1,200,000 of the general fund appropriation for fiscal year
25 1999 are provided solely for competitively offered faculty recruitment
26 and retention salary adjustments. The university shall provide a
27 report in their 1999-01 biennial operating budget request submittal on
28 the effective expenditure of funds for the purposes of this subsection.

29 (8) \$47,000 of the fiscal year 1998 general fund appropriation and
30 \$47,000 of the fiscal year 1999 general fund appropriation are provided
31 solely to employ a fossil preparator/educator in the Burke Museum. The
32 entire amounts provided in this subsection shall be provided directly
33 to the Burke Museum.

34 (9) \$75,000 of the general fund appropriation for fiscal year 1998
35 and \$75,000 of the general fund appropriation for fiscal year 1999 are
36 provided solely for enhancements to research capabilities at the
37 Olympic natural resources center.

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

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

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

7 (1) \$1,204,000 of the general fund appropriation for fiscal year
8 1998 and \$1,807,000 of the general fund appropriation for fiscal year
9 1999 shall be placed in reserve. The office of financial management
10 shall approve the allotment of amounts under this subsection upon
11 notification by the higher education coordinating board. These amounts
12 are provided for the preparation of plans and for the achievement of
13 measurable and specific improvements towards performance and
14 accountability goals as outlined in section 601(3) of this act.

15 (2) \$1,059,000 of the general fund appropriation for fiscal year
16 1999 is provided solely to support additional upper-division and
17 graduate level enrollments at the Vancouver branch campus above the
18 1996-97 budgeted FTE level.

19 (3) \$263,000 of the general fund appropriation for fiscal year 1998
20 and \$789,000 of the general fund appropriation for fiscal year 1999 are
21 provided solely to support additional upper-division and graduate level
22 enrollments at the Tri-Cities branch campus above the 1996-97 budgeted
23 FTE level.

24 (4) \$971,000 of the general fund appropriation for fiscal year 1999
25 is provided solely to support additional upper-division and graduate
26 level enrollments at the Spokane branch campus above the 1996-97
27 budgeted FTE level.

28 (5) \$186,000 of the general fund appropriation for fiscal year 1998
29 and \$186,000 of the general fund appropriation for fiscal year 1999 are
30 provided solely for assessment of student outcomes.

31 (6) \$140,000 of the general fund appropriation for fiscal year 1998
32 and \$140,000 of the general fund appropriation for fiscal year 1999 are
33 provided solely to recruit and retain minority students and faculty.

34 (7) \$157,000 of the general fund appropriation for fiscal year 1998
35 and \$157,000 of the general fund appropriation for fiscal year 1999 are
36 provided solely for the implementation of the Puget Sound work plan
37 agency action item WSU-01.

38 (8) \$600,000 of the general fund appropriation for fiscal year 1998
39 and \$600,000 of the general fund appropriation for fiscal year 1999 are

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

5 (9) \$50,000 of the general fund appropriation for fiscal year 1998
6 and \$50,000 of the general fund appropriation for fiscal year 1999 are
7 provided solely for yellow star thistle research.

8 (10) \$55,000 of the general fund appropriation for fiscal year 1998
9 and \$55,000 of the general fund appropriation for fiscal year 1999 are
10 provided solely for the Goldendale distance learning center.

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

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

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

17 (1) \$285,000 of the general fund appropriation for fiscal year 1998
18 and \$428,000 of the general fund appropriation for fiscal year 1999
19 shall be placed in reserve. The office of financial management shall
20 approve the allotment of amounts under this subsection upon
21 notification by the higher education coordinating board. These amounts
22 are provided for the preparation of plans and for the achievement of
23 measurable and specific improvements towards performance and
24 accountability goals as outlined in section 601(3) of this act.

25 (2) \$186,000 of the general fund appropriation for fiscal year 1998
26 and \$186,000 of the general fund appropriation for fiscal year 1999 are
27 provided solely for assessment of student outcomes.

28 (3) \$93,000 of the general fund appropriation for fiscal year 1998
29 and \$93,000 of the general fund appropriation for fiscal year 1999 are
30 provided solely to recruit and retain minority students and faculty.

31 (4) \$53,000 of the general fund--state appropriation for fiscal
32 year 1998 and \$54,000 of the general fund--state appropriation for
33 fiscal year 1999 are provided solely for competitively offered faculty
34 recruitment and retention salary adjustments. The university shall
35 provide a report in their 1999-01 biennial operating budget request
36 submittal on the effective expenditure of funds for the purposes of
37 this subsection.

1 (5) \$3,188,000 of the general fund appropriation for fiscal year
2 1998 and \$3,188,000 of the general fund appropriation for fiscal year
3 1999 shall be placed in reserve pending attainment of budgeted
4 enrollments of 6,942 FTEs. The office of financial management shall
5 approve the allotment of funds under this subsection at the annual rate
6 of \$4,000 for annual student FTEs in excess of 6,942 based on tenth day
7 quarterly enrollment and the office of financial management's quarterly
8 budget driver report. In addition, allotments of reserve funds in this
9 section shall be approved by the office of financial management upon
10 approval by the higher education coordinating board for (a) actions
11 that will result in additional enrollment growth, and (b) contractual
12 obligations in fiscal year 1998 to the extent such funds are required.

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

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

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

19 (1) \$269,000 of the general fund appropriation for fiscal year 1998
20 and \$403,000 of the general fund appropriation for fiscal year 1999
21 shall be placed in reserve. The office of financial management shall
22 approve the allotment of amounts under this subsection upon
23 notification by the higher education coordinating board. These amounts
24 are provided for the preparation of plans and for the achievement of
25 measurable and specific improvements towards performance and
26 accountability goals as outlined in section 601(3) of this act.

27 (2) \$186,000 of the general fund appropriation for fiscal year 1998
28 and \$186,000 of the general fund appropriation for fiscal year 1999 are
29 provided solely for assessment of student outcomes.

30 (3) \$70,000 of the general fund appropriation for fiscal year 1998
31 and \$70,000 of the general fund appropriation for fiscal year 1999 are
32 provided solely to recruit and retain minority students and faculty.

33 (4) \$51,000 of the general fund appropriation for fiscal year 1998
34 and \$51,000 of the general fund appropriation for fiscal year 1999 are
35 provided solely for competitively offered faculty recruitment and
36 retention salary adjustments. The college shall provide a report in
37 their 1999-01 biennial operating budget request submittal on the
38 effective expenditure of funds for the purposes of this subsection.

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

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

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

7 (1) \$144,000 of the general fund appropriation for fiscal year 1998
8 and \$217,000 of the general fund appropriation for fiscal year 1999
9 shall be placed in reserve. The office of financial management shall
10 approve the allotment of amounts under this subsection upon
11 notification by the higher education coordinating board. These amounts
12 are provided for the preparation of plans and for the achievement of
13 measurable and specific improvements towards performance and
14 accountability goals as outlined in section 601(3) of this act.

15 (2) \$186,000 of the general fund appropriation for fiscal year 1998
16 and \$186,000 of the general fund appropriation for fiscal year 1999 are
17 provided solely for assessment of student outcomes.

18 (3) \$47,000 of the general fund appropriation for fiscal year 1998
19 and \$47,000 of the general fund appropriation for fiscal year 1999 are
20 provided solely to recruit and retain minority students and faculty.

21 (4) \$29,000 of the general fund appropriation for fiscal year 1998
22 and \$29,000 of the general fund appropriation for fiscal year 1999 are
23 provided solely for competitively offered faculty recruitment and
24 retention salary adjustments. The college shall provide a report in
25 their 1999-01 biennial operating budget request submittal on the
26 effective expenditure of funds for the purposes of this subsection.

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

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

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

33 (1) \$342,000 of the general fund appropriation for fiscal year 1998
34 and \$514,000 of the general fund appropriation for fiscal year 1999
35 shall be placed in reserve. The office of financial management shall
36 approve the allotment of amounts under this subsection upon
37 notification by the higher education coordinating board. These amounts

1 are provided for the preparation of plans and for the achievement of
2 measurable and specific improvements towards performance and
3 accountability goals as outlined in section 601(3) of this act.

4 (2) \$186,000 of the general fund appropriation for fiscal year 1998
5 and \$186,000 of the general fund appropriation for fiscal year 1999 are
6 provided solely for assessment of student outcomes.

7 (3) \$93,000 of the general fund appropriation for fiscal year 1998
8 and \$93,000 of the general fund appropriation for fiscal year 1999 are
9 provided solely to recruit and retain minority students and faculty.

10 (4) \$66,000 of the general fund appropriation for fiscal year 1998
11 and \$67,000 of the general fund appropriation for fiscal year 1999 are
12 provided solely for competitively offered faculty recruitment and
13 retention salary adjustments. The university shall provide a report
14 in their 1999-01 biennial operating budget request submittal on the
15 effective expenditure of funds for the purposes of this subsection.

16 NEW SECTION. **Sec. 610. FOR THE HIGHER EDUCATION COORDINATING**
17 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

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

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

26 (1) The board shall review, recommend changes if necessary, and
27 approve plans defined in section 601(3)(a) of this act for achieving
28 measurable and specific improvements in academic years 1997-98 and
29 1998-99. The plans shall be reported to the office of financial
30 management and the appropriate legislative committees by October of
31 each year. By October 1, 1997, the board shall notify the office of
32 financial management to allot institutions' fiscal year 1998
33 performance funds held in reserve, based upon the adequacy of plans
34 prepared by the institutions.

35 (2) The board shall develop criteria to assess institutions'
36 performance and shall use those criteria in determining the allotment
37 of performance and accountability funds. The board shall evaluate each
38 institution's achievement of performance targets for the 1997-98

1 academic year and, by December 1, 1998, the board shall notify the
2 office of financial management to allot institutions' fiscal year 1999
3 performance funds held in reserve, based upon each institution's
4 performance.

5 (3) By January, 1999, the board shall recommend to the office of
6 financial management and appropriate legislative committees any
7 recommended additions, deletions, or revisions to the performance and
8 accountability measures in sections 601(3) of this act as part of the
9 next master plan for higher education. The recommendations shall be
10 developed in consultation with the institutions of higher education and
11 may include additional performance indicators to measure successful
12 student learning and other student outcomes for possible inclusion in
13 the 1999-01 operating budget.

14 (4) \$280,000 of the general fund--state appropriation for fiscal
15 year 1998 and \$280,000 of the general fund--state appropriation for
16 fiscal year 1999 are provided solely for enrollment to implement RCW
17 28B.80.570 through 28B.80.585 (rural natural resources impact areas).
18 The number of students served shall be 50 full-time equivalent students
19 per fiscal year. The board shall ensure that enrollments reported
20 under this subsection meet the criteria outlined in RCW 28B.80.570
21 through 28B.80.585.

22 (5) \$70,000 of the general fund--state appropriation for fiscal
23 year 1998 and \$70,000 of the general fund--state appropriation for
24 fiscal year 1999 are provided to develop a competency based admissions
25 system for higher education institutions. The board shall complete the
26 competency based admissions system and issue a report outlining the
27 competency based admissions system by January 1999.

28 (6) \$500,000 of the general fund--state appropriation for fiscal
29 year 1998 and \$500,000 of the general fund--state appropriation for
30 fiscal year 1999 are provided solely for activities related to higher
31 education facilities planning, project monitoring, and access issues
32 related to capital facilities. Of this amount, \$50,000 is provided for
33 a study of higher education needs of Okanogan county and surrounding
34 communities with consideration given to alternative approaches to
35 educational service delivery, facility expansion, relocation or
36 partnership, and long-term growth and future educational demands of the
37 region.

38 (7) \$150,000 of the general fund--state appropriation for fiscal
39 year 1998 is provided solely as one-time funding for computer upgrades.

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

3	General Fund--State Appropriation (FY 1998)	\$	86,369,000
4	General Fund--State Appropriation (FY 1999)	\$	93,209,000
5	General Fund--Federal Appropriation	\$	8,255,000
6	TOTAL APPROPRIATION	\$	187,833,000

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

9 (1) \$527,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$526,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely for the displaced homemakers
12 program.

13 (2) \$216,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$220,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided solely for the western interstate
16 commission for higher education.

17 (3) \$118,000 of the general fund--state appropriation for fiscal
18 year 1998 and \$118,000 of the general fund--state appropriation for
19 fiscal year 1999 are provided solely for the health personnel resources
20 plan.

21 (4) \$1,000,000 of the general fund--state appropriation for fiscal
22 year 1998 and \$1,000,000 of the general fund--state appropriation for
23 fiscal year 1999 are provided solely for the scholarships and loans
24 program under chapter 28B.115 RCW, the health professional conditional
25 scholarship program. This amount shall be deposited to the health
26 professional loan repayment and scholarship trust fund to carry out the
27 purposes of the program.

28 (5) \$83,783,000 of the general fund--state appropriation for fiscal
29 year 1998 and \$90,728,000 of the general fund--state appropriation for
30 fiscal year 1999 are provided solely for student financial aid,
31 including all administrative costs. The amounts in (a), (b), and (c)
32 of this subsection are sufficient to implement Second Substitute House
33 Bill No. 1851 (higher education financial aid). Of these amounts:

34 (a) \$64,262,000 of the general fund--state appropriation for fiscal
35 year 1998 and \$70,964,000 of the general fund--state appropriation for
36 fiscal year 1999 are provided solely for the state need grant program.

37 (i) Unless an alternative method for distribution of the state need
38 grant is enacted which distributes grants based on tuition costs, for
39 the purposes of determination of eligibility for state need grants for

1 the 1998-99 academic year, the higher education coordinating board
2 shall establish family income equivalencies for independent students
3 having financial responsibility for children and independent students
4 with no financial responsibility for children, respectively, based on
5 the United States bureau of labor statistics' low budget standard for
6 persons in the 20-35 year age group, in accordance with the
7 recommendations of the 1996 student financial aid policy advisory
8 committee.

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

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

18 (c) \$2,422,000 of the general fund--state appropriation for fiscal
19 year 1998 and \$2,422,000 of the general fund--state appropriation for
20 fiscal year 1999 are provided solely for educational opportunity
21 grants. For the purpose of establishing eligibility for the equal
22 opportunity grant program for placebound students under RCW
23 28B.101.020, Thurston county lies within the branch campus service area
24 of the Tacoma branch campus of the University of Washington;

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

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

38 (f) \$1,012,000 of the general fund--state appropriation for fiscal
39 year 1998 and \$1,266,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely to implement the Washington
2 scholars program. Any Washington scholars program moneys not awarded
3 by April 1st of each year may be transferred by the board to either the
4 educator's excellence awards or, in consultation with the workforce
5 training and education coordinating board, to the Washington award for
6 vocational excellence;

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

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

23 (6) \$175,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$175,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely to implement Engrossed Second
26 Substitute House Bill No. 1372 or Second Substitute Senate Bill No.
27 5106 (Washington advanced college tuition payment program). If neither
28 Engrossed Second Substitute House Bill No. 1372 nor Second Substitute
29 Senate Bill No. 5106 is enacted by June 30, 1997, the amounts provided
30 in this subsection shall lapse.

31 (7) \$187,000 of the general fund--state appropriation for fiscal
32 year 1998 and \$188,000 of the general fund--state appropriation for
33 fiscal year 1999 are provided solely for a demonstration project in the
34 1997-99 biennium to provide undergraduate fellowships based upon the
35 graduate fellowship program.

36 (8) Funding is provided in this section for the development of
37 three models for tuition charges for distance learning programs.
38 Institutions involved in distance education or extended learning shall

1 provide information to the board on the usage, cost, and revenue
2 generated by such programs.

3 NEW SECTION. **Sec. 612. FOR THE JOINT CENTER FOR HIGHER EDUCATION**

4	General Fund Appropriation (FY 1998)	\$	1,469,000
5	General Fund Appropriation (FY 1999)	\$	1,470,000
6	TOTAL APPROPRIATION	\$	2,939,000

7 NEW SECTION. **Sec. 613. FOR THE WORK FORCE TRAINING AND EDUCATION**
8 **COORDINATING BOARD**

9	General Fund--State Appropriation (FY 1998)	\$	1,636,000
10	General Fund--State Appropriation (FY 1999)	\$	1,642,000
11	General Fund--Federal Appropriation	\$	34,378,000
12	TOTAL APPROPRIATION	\$	37,656,000

13 NEW SECTION. **Sec. 614. FOR WASHINGTON STATE LIBRARY**

14	General Fund--State Appropriation (FY 1998)	\$	7,483,000
15	General Fund--State Appropriation (FY 1999)	\$	7,281,000
16	General Fund--Federal Appropriation	\$	4,847,000
17	TOTAL APPROPRIATION	\$	19,611,000

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

20 (1) At least \$2,524,000 shall be expended for a contract with the
21 Seattle public library for library services for the Washington book and
22 braille library.

23 (2) \$198,000 of the general fund--state appropriation for fiscal
24 year 1998 is provided solely for the state library to continue the
25 government information locator service in accordance with chapter 171,
26 Laws of 1996. The state library, in consultation with interested
27 parties, shall prepare an evaluation of the government information
28 locator service by October 1, 1997. The evaluation shall include a
29 cost-benefit analysis, a determination of fiscal impacts to the state,
30 and programmatic information. The evaluation report shall be provided
31 to the appropriate legislative fiscal committees.

32 NEW SECTION. **Sec. 615. FOR THE WASHINGTON STATE ARTS COMMISSION**

33	General Fund--State Appropriation (FY 1998)	\$	2,015,000
34	General Fund--State Appropriation (FY 1999)	\$	2,013,000
35	General Fund--Federal Appropriation	\$	690,000

1 TOTAL APPROPRIATION \$ 4,718,000

2 NEW SECTION. **Sec. 616. FOR THE WASHINGTON STATE HISTORICAL**
3 **SOCIETY**

4 General Fund Appropriation (FY 1998) \$ 2,502,000

5 General Fund Appropriation (FY 1999) \$ 2,531,000

6 TOTAL APPROPRIATION \$ 5,033,000

7 The appropriations in this section are subject to the following
8 conditions and limitations: \$216,200 of the general fund appropriation
9 for fiscal year 1998 and \$216,200 of the general fund appropriation for
10 fiscal year 1999 are provided solely for exhibit and educational
11 programming.

12 NEW SECTION. **Sec. 617. FOR THE EASTERN WASHINGTON STATE**
13 **HISTORICAL SOCIETY**

14 General Fund Appropriation (FY 1998) \$ 741,000

15 General Fund Appropriation (FY 1999) \$ 1,022,000

16 TOTAL APPROPRIATION \$ 1,763,000

17 The appropriations in this section are subject to the following
18 conditions and limitations: \$275,000 of the general fund appropriation
19 for fiscal year 1999 is provided solely for exhibit design and
20 planning.

21 NEW SECTION. **Sec. 618. FOR THE STATE SCHOOL FOR THE BLIND**

22 General Fund--State Appropriation (FY 1998) \$ 3,714,000

23 General Fund--State Appropriation (FY 1999) \$ 3,738,000

24 General Fund--Private/Local Appropriation \$ 192,000

25 TOTAL APPROPRIATION \$ 7,644,000

26 NEW SECTION. **Sec. 619. FOR THE STATE SCHOOL FOR THE DEAF**

27 General Fund Appropriation (FY 1998) \$ 6,458,000

28 General Fund Appropriation (FY 1999) \$ 6,459,000

29 TOTAL APPROPRIATION \$ 12,917,000

30 (End of part)

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PART VII
SPECIAL APPROPRIATIONS

NEW SECTION. Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL FUND BOND DEBT

General Fund Appropriation (FY 1998)	\$ 447,283,000
General Fund Appropriation (FY 1999)	\$ 485,077,000
General Fund Bonds Subject to the Limit Bond	
Retirement Account Appropriation	\$ 932,360,000
TOTAL APPROPRIATION	\$1,864,720,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the general fund bonds subject to the limit bond retirement account.

NEW SECTION. Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES

State Convention & Trade Center Account	
Appropriation	\$ 34,081,000
Accident Account Appropriation	\$ 5,108,000
Medical Aid Account Appropriation	\$ 5,108,000
TOTAL APPROPRIATION	\$ 44,297,000

NEW SECTION. Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund Appropriation (FY 1998)	\$ 23,096,000
General Fund Appropriation (FY 1999)	\$ 25,603,000
General Fund Bonds Excluded from the Limit	
Bond Retirement Account Appropriation	\$ 48,699,000
Reimbursable Bonds Excluded from the Limit Bond	
Retirement Account Appropriation	\$ 104,933,000
Reimbursable Bonds Subject to the Limit Bond	
Retirement Account Appropriation	\$ 402,000
TOTAL APPROPRIATION	\$ 202,733,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The general fund appropriation is for
3 deposit into the general fund bonds excluded from the limit bond
4 retirement account.

5 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
6 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
7 **DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE**

8 Revenue Bonds Excluded from the Limit Bond
9 Retirement Account Appropriation \$ 2,451,000

10 NEW SECTION. **Sec. 705. FOR THE STATE TREASURER--BOND RETIREMENT**
11 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
12 **BOND SALE EXPENSES**

13 General Fund Appropriation (FY 1998) \$ 475,000
14 General Fund Appropriation (FY 1999) \$ 475,000
15 Higher Education Construction Account Appropriation . \$ 215,000
16 State Building Construction Account Appropriation . . \$ 6,374,000
17 Public Safety Reimbursable Bond Account Appropriation \$ 8,000
18 TOTAL APPROPRIATION \$ 7,547,000

19 Total Bond Retirement and Interest Appropriations
20 contained in sections 701 through 705 of this
21 act \$2,121,748,000

22 NEW SECTION. **Sec. 706. FOR THE GOVERNOR--FOR TRANSFER TO THE TORT**
23 **CLAIMS REVOLVING FUND**

24 General Fund Appropriation (FY 1998) \$ 1,250,000
25 General Fund Appropriation (FY 1999) \$ 1,250,000
26 TOTAL APPROPRIATION \$ 2,500,000

27 NEW SECTION. **Sec. 707. FOR THE GOVERNOR--AMERICANS WITH**
28 **DISABILITIES ACT**

29 Americans with Disabilities Special Revolving Fund
30 Appropriation \$ 426,000

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

33 (1) The appropriation shall be used solely to fund requests from
34 state agencies complying with the program requirements of the federal

1 Americans with disabilities act. This appropriation will be
2 administered by the office of financial management and will be
3 apportioned to agencies meeting distribution criteria.

4 (2) To facilitate payment from special funds dedicated to agency
5 programs receiving allocations under this section, the state treasurer
6 is directed to transfer sufficient moneys from the special funds to the
7 Americans with disabilities special revolving fund, hereby created in
8 the state treasury, in accordance with schedules provided by the office
9 of financial management.

10 **NEW SECTION. Sec. 708. FOR THE GOVERNOR--TORT DEFENSE SERVICES**

11 General Fund Appropriation (FY 1998)	\$	1,257,000
12 General Fund Appropriation (FY 1999)	\$	1,257,000
13 Special Fund Agency Tort Defense Services		
14 Revolving Fund Appropriation	\$	2,513,000
15 TOTAL APPROPRIATION	\$	5,027,000

16 The appropriations in this section are subject to the following
17 conditions and limitations: To facilitate payment of tort defense
18 services from special funds, the state treasurer is directed to
19 transfer sufficient moneys from each special fund to the special fund
20 agency tort defense services revolving fund, in accordance with
21 schedules provided by the office of financial management. The governor
22 shall distribute the moneys appropriated in this section to agencies to
23 pay for tort defense services.

24 **NEW SECTION. Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
25 **EMERGENCY FUND**

26 General Fund Appropriation (FY 1998)	\$	500,000
27 General Fund Appropriation (FY 1999)	\$	500,000
28 TOTAL APPROPRIATION	\$	1,000,000

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

31 **NEW SECTION. Sec. 710. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
32 **YEAR 2000 ALLOCATIONS**

33 General Fund--State Appropriation (FY 1998)	\$	3,380,000
34 General Fund--State Appropriation (FY 1999)	\$	1,960,000
35 General Fund--Federal Appropriation	\$	2,883,000

1	Liquor Revolving Account Appropriation	\$	131,000
2	Health Care Authority Administrative Account		
3	Appropriation	\$	631,000
4	Accident Account Appropriation	\$	1,102,000
5	Medical Aid Account Appropriation	\$	1,102,000
6	Unemployment Compensation Administration Account--		
7	Federal Appropriation	\$	1,313,000
8	Administrative Contingency Account Appropriation . .	\$	948,000
9	Employment Services Administrative Account		
10	Appropriation	\$	500,000
11	Forest Development Account Appropriation	\$	156,000
12	Off Road Vehicle Account Appropriation	\$	7,000
13	Surveys and Maps Account Appropriation	\$	1,000
14	Aquatic Lands Enhancement Account Appropriation . . .	\$	8,000
15	Resource Management Cost Account Appropriation . . .	\$	348,000
16	TOTAL APPROPRIATION	\$	14,470,000

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

19 (1) The appropriations will be allocated by the office of financial
20 management to agencies to complete Year 2000 date conversion
21 maintenance on their computer systems. Agencies shall submit their
22 estimated costs of conversion to the office of financial management by
23 July 1, 1997.

24 (2) Up to \$10,000,000 of the cash balance of the data processing
25 revolving account may be expended on agency Year 2000 date conversion
26 costs. The \$10,000,000 will be taken from the cash balances of the
27 data processing revolving account's two major users, as follows:
28 \$7,000,000 from the department of information services and \$3,000,000
29 from the office of financial management. The office of financial
30 management in consultation with the department of information services
31 shall allocate these funds as needed to complete the date conversion
32 projects.

33 (3) Agencies receiving these allocations shall report at a minimum
34 to the information services board and to the governor every six months
35 on the progress of Year 2000 maintenance efforts.

36 NEW SECTION. **Sec. 711. BELATED CLAIMS.** The agencies and
37 institutions of the state may expend moneys appropriated in this act,
38 upon approval of the office of financial management, for the payment of

1 supplies and services furnished to the agency or institution in prior
2 fiscal biennia.

3 NEW SECTION. **Sec. 712. FOR THE GOVERNOR--COMPENSATION--INSURANCE**
4 **BENEFITS**

5	General Fund--State Appropriation (FY 1998)	\$	823,000
6	General Fund--State Appropriation (FY 1999)	\$	6,257,000
7	General Fund--Federal Appropriation	\$	2,431,000
8	General Fund--Private/Local Appropriation	\$	146,000
9	Salary and Insurance Increase Revolving Account		
10	Appropriation	\$	5,465,000
11	TOTAL APPROPRIATION	\$	15,122,000

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

14 (1)(a) The monthly contribution for insurance benefit premiums
15 shall not exceed \$312.35 per eligible employee for fiscal year 1998,
16 and \$331.31 for fiscal year 1999.

17 (b) The monthly contribution for the operating costs of the health
18 care authority shall not exceed \$4.99 per eligible employee for fiscal
19 year 1998, and \$4.44 for fiscal year 1999.

20 (c) Surplus moneys accruing to the public employees' and retirees'
21 insurance account due to lower-than-projected insurance costs may not
22 be reallocated by the health care authority to increase the actuarial
23 value of public employee insurance plans. Such funds shall be held in
24 reserve in the public employees' and retirees' insurance account and
25 may not be expended without prior legislative authorization.

26 (d) In order to achieve the level of funding provided for health
27 benefits, the public employees' benefits board may require employee
28 premium co-payments, increase point-of-service cost sharing, and/or
29 implement managed competition.

30 (2) To facilitate the transfer of moneys from dedicated funds and
31 accounts, the state treasurer is directed to transfer sufficient moneys
32 from each dedicated fund or account to the special fund salary and
33 insurance contribution increase revolving fund in accordance with
34 schedules provided by the office of financial management.

35 (3) The health care authority, subject to the approval of the
36 public employees' benefits board, shall provide subsidies for health
37 benefit premiums to eligible retired or disabled public employees and
38 school district employees who are eligible for parts A and B of

1 medicare, pursuant to RCW 41.05.085. From January 1, 1998, through
2 December 31, 1998, the subsidy shall be \$41.26 per month. Starting
3 January 1, 1999, the subsidy shall be \$43.16 per month.

4 (4) Technical colleges, school districts, and educational service
5 districts shall remit to the health care authority for deposit in the
6 public employees' and retirees' insurance account established in RCW
7 41.05.120:

8 (a) For each full-time employee, \$14.80 per month beginning
9 September 1, 1997;

10 (b) For each part-time employee who, at the time of the remittance,
11 is employed in an eligible position as defined in RCW 41.32.010 or
12 41.40.010 and is eligible for employer fringe benefit contributions for
13 basic benefits, \$14.80 each month beginning September 1, 1997, prorated
14 by the proportion of employer fringe benefit contributions for a full-
15 time employee that the part-time employee receives.

16 The remittance requirements specified in this subsection shall not
17 apply to employees of a technical college, school district, or
18 educational service district who purchase insurance benefits through
19 contracts with the health care authority.

20 (5) The salary and insurance increase revolving account
21 appropriation includes amounts sufficient to fund health benefits for
22 ferry workers at the premium levels specified in subsection (1) of this
23 section, consistent with the 1997-99 transportation appropriations act.

24 **NEW SECTION. Sec. 713. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**
25 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

26 The appropriations in this section are subject to the following
27 conditions and limitations: The appropriations shall be made on a
28 monthly basis consistent with chapter 41.45 RCW.

29 (1) There is appropriated for state contributions to the law
30 enforcement officers' and fire fighters' retirement system:

31 General Fund Appropriation (FY 1998)	. . . . .	\$ 68,350,000
32 General Fund Appropriation (FY 1999)	. . . . .	\$ 72,750,000

33 Of the appropriations in this subsection, \$50,000 of the general
34 fund fiscal year 1998 appropriation and \$50,000 of the general fund
35 fiscal year 1999 appropriation are provided solely for House Bill No.
36 1099 (LEOFF retirement plan I). If the bill is not enacted by June 30,
37 1997, these amounts shall lapse.

1 (2) There is appropriated for contributions to the judicial
2 retirement system:

3	General Fund Appropriation (FY 1998)	. . . . .	\$	8,500,000
4	General Fund Appropriation (FY 1999)	. . . . .	\$	8,500,000

5 (3) There is appropriated for contributions to the judges
6 retirement system:

7	General Fund Appropriation (FY 1998)	. . . . .	\$	750,000
8	General Fund Appropriation (FY 1999)	. . . . .	\$	750,000
9	TOTAL APPROPRIATION	. . . . .	\$	159,600,000

10 NEW SECTION. **Sec. 714. SALARY COST OF LIVING ADJUSTMENT**

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

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

20 (1) In addition to the purposes set forth in subsections (2) and
21 (3) of this section, appropriations in this section are provided solely
22 for a 3.0 percent salary increase effective July 1, 1997, for all
23 classified employees, including those employees in the Washington
24 management service, and exempt employees under the jurisdiction of the
25 personnel resources board.

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

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

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

1 NEW SECTION. **Sec. 715. FOR THE ATTORNEY GENERAL--SALARY**

2 **ADJUSTMENTS**

3	General Fund Appropriation (FY 1998)	. . . . .	\$	250,000
4	General Fund Appropriation (FY 1999)	. . . . .	\$	250,000
5	Attorney General Salary Increase Revolving			
6	Account Appropriation	. . . . .	\$	500,000
7	TOTAL APPROPRIATION	. . . . .	\$	1,000,000

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

10 (1) The appropriations are provided solely for increases in
11 salaries and related benefits of assistant attorneys general. The
12 attorney general shall distribute these funds in a manner that will
13 maintain or increase the quality and experience of the attorney
14 general's staff. Market value, specialization, retention, and
15 performance (including billable hours) shall be the factors in
16 determining the distribution of these funds.

17 (2) To facilitate the transfer of moneys from dedicated funds and
18 accounts, state agencies are directed to transfer sufficient moneys
19 from each dedicated fund or account to the attorney general salary
20 increase revolving account, hereby created in the state treasury, in
21 accordance with schedules provided by the office of financial
22 management.

23 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

24 **COMPENSATION ACTIONS OF PERSONNEL RESOURCES BOARD**

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

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

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

36 (2) Implementation of the salary adjustments for the various
37 clerical classes, physicians, dental classifications, pharmacists,

1 maintenance custodians, medical records technicians, fish/wildlife
2 biologists, fish/wildlife enforcement, habitat technicians, and fiscal
3 technician classifications will be effective July 1, 1997.
4 Implementation of the salary adjustments for safety classifications,
5 park rangers, park aides, correctional officers/sergeants, community
6 corrections specialists, tax information specialists, industrial
7 relations specialists, electrical classifications at the department of
8 labor and industries, fingerprint technicians, some labor relations
9 classifications, health benefits specialists, foresters/land managers,
10 and liquor enforcement officers will be effective July 1, 1998.

11 NEW SECTION. **Sec. 717. INCENTIVE SAVINGS--FY 1998.** The sum of
12 seventy-five million dollars or so much thereof as may be available on
13 June 30, 1998, from the total amount of unspent fiscal year 1998 state
14 general fund appropriations is appropriated for the purposes of House
15 Bill No. 2240 or Substitute Senate Bill No. 6045 in the manner provided
16 in this section.

17 (1) Of the total appropriated amount, one-half of that portion that
18 is attributable to incentive savings, not to exceed twenty-five million
19 dollars, is appropriated to the savings incentive account for the
20 purpose of improving the quality, efficiency, and effectiveness of
21 agency services, and credited to the agency that generated the savings.

22 (2) The remainder of the total amount, not to exceed seventy
23 million dollars, is appropriated to the education savings account for
24 the purpose of common school construction projects and education
25 technology.

26 (3) For purposes of this section, the total amount of unspent state
27 general fund appropriations does not include the appropriations made in
28 this section or any amounts included in across-the-board allotment
29 reductions under RCW 43.88.110.

30 NEW SECTION. **Sec. 718. INCENTIVE SAVINGS--FY 1999.** The sum of
31 seventy-five million dollars or so much thereof as may be available on
32 June 30, 1999, from the total amount of unspent fiscal year 1999 state
33 general fund appropriations is appropriated for the purposes of House
34 Bill No. 2240 or Substitute Senate Bill No. 6045 in the manner provided
35 in this section.

36 (1) Of the total appropriated amount, one-half of that portion that
37 is attributable to incentive savings, not to exceed twenty-five million

1 dollars, is appropriated to the savings incentive account for the
2 purpose of improving the quality, efficiency, and effectiveness of
3 agency services, and credited to the agency that generated the savings.

4 (2) The remainder of the total amount, not to exceed seventy
5 million dollars, is appropriated to the education savings account for
6 the purpose of common school construction projects and education
7 technology.

8 (3) For purposes of this section, the total amount of unspent state
9 general fund appropriations does not include the appropriations made in
10 this section or any amounts included in across-the-board allotment
11 reductions under RCW 43.88.110.

12 NEW SECTION. **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
13 **REGULATORY REFORM**

14	General Fund--State Appropriation (FY 1998)	\$	1,821,000
15	General Fund--State Appropriation (FY 1999)	\$	1,549,000
16	General Fund--Federal Appropriation	\$	475,000
17	General Fund--Private/Local Appropriation	\$	136,000
18	Insurance Commissioner's Regulatory Account		
19	Appropriation	\$	375,000
20	Accident Account Appropriation	\$	482,000
21	Medical Aid Account Appropriation	\$	520,000
22	Electrical License Account Appropriation	\$	123,000
23	Health Professions Account Appropriation	\$	581,000
24	Unemployment Compensation Administration Account--		
25	Federal Appropriation	\$	220,000
26	State Toxics Control Account Appropriation	\$	164,000
27	Water Quality Permit Account Appropriation	\$	64,000
28	Air Pollution Control Account Appropriation	\$	54,000
29	Flood Control Assistance Account Appropriation	\$	33,000
30	Waste Reduction/Recycling/Litter Control		
31	Appropriation	\$	18,000
32	Oil Spill Administration Account Appropriation	\$	18,000
33	Water Quality Account Appropriation	\$	15,000
34	Air Operating Permit Account Appropriation	\$	15,000
35	Architects' License Account Appropriation	\$	46,000
36	Cemetery Account Appropriation	\$	31,000
37	Professional Engineers' Account Appropriation	\$	41,000
38	Real Estate Commission Account Appropriation	\$	71,000

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES

FOR DISTRIBUTION

General Fund Appropriation for fire insurance		
premiums distribution	\$	6,617,250
General Fund Appropriation for public utility		
district excise tax distribution	\$	35,183,803
General Fund Appropriation for prosecuting attorneys		
salaries	\$	2,960,000
General Fund Appropriation for motor vehicle excise		
tax distribution	\$	84,721,573
General Fund Appropriation for local mass transit		
assistance	\$	383,208,166
General Fund Appropriation for camper and travel		
trailer excise tax distribution	\$	3,904,937
General Fund Appropriation for boating		
safety/education and law enforcement		
distribution	\$	3,616,000
Aquatic Lands Enhancement Account Appropriation		
for harbor improvement revenue distribution . . .	\$	142,000
Liquor Excise Tax Account Appropriation for liquor		
excise tax distribution	\$	22,287,746
Liquor Revolving Fund Appropriation for liquor		
profits distribution	\$	36,989,000
Timber Tax Distribution Account Appropriation		
for distribution to "Timber" counties	\$	107,146,000
Municipal Sales and Use Tax Equalization Account		
Appropriation	\$	66,860,014
County Sales and Use Tax Equalization Account		
Appropriation	\$	11,843,224
Death Investigations Account Appropriation for		
distribution to counties for publicly funded		
autopsies	\$	1,266,000
County Criminal Justice Account Appropriation	\$	80,552,471
Municipal Criminal Justice Account Appropriation . .	\$	32,042,450

1 County Public Health Account Appropriation \$ 43,773,588
 2 TOTAL APPROPRIATION \$ 923,114,222

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

6 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FEDERAL REVENUES**
 7 **FOR DISTRIBUTION**

8 Forest Reserve Fund Appropriation for federal forest
 9 reserve fund distribution \$ 58,801,910
 10 General Fund Appropriation for federal flood control
 11 funds distribution \$ 4,000
 12 General Fund Appropriation for federal grazing fees
 13 distribution \$ 52,000
 14 General Fund Appropriation for distribution of
 15 federal funds to counties in conformance with
 16 P.L. 97-99 Federal Aid to Counties \$ 885,916
 17 TOTAL APPROPRIATION \$ 59,743,826

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

21 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--TRANSFERS**

22 General Fund: For transfer to the Water Quality
 23 Account \$ 26,607,000
 24 General Fund: For transfer to the Flood Control
 25 Assistance Account \$ 4,000,000
 26 State Convention and Trade Center Account: For
 27 transfer to the State Convention and Trade
 28 Center Operations Account \$ 3,877,000
 29 Water Quality Account: For transfer to the Water
 30 Pollution Control Account. Transfers shall be
 31 made at intervals coinciding with deposits of
 32 federal capitalization grant money into the
 33 account. The amounts transferred shall not
 34 exceed the match required for each federal
 35 deposit \$ 21,688,000
 36 State Treasurer's Service Account: For transfer to

1 the general fund on or before June 30, 1999 an
 2 amount up to \$3,600,000 in excess of the cash
 3 requirements of the State Treasurer's Service
 4 Account \$ 3,600,000
 5 Health Services Account: For transfer to the
 6 County Public Health Account \$ 2,250,000
 7 Public Works Assistance Account: For transfer to
 8 the Drinking Water Assistance Account \$ 9,949,000

9 NEW SECTION. **Sec. 804. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**

10 **TRANSFERS**

11 General Fund Appropriation: For transfer to the
 12 department of retirement systems expense fund
 13 for the administrative expenses of the judicial
 14 retirement system \$ 16,000

15 (End of part)

1 (3) A copy of each feasibility study and project management plan
2 shall be provided to the department of information services, the office
3 of financial management, and legislative fiscal committees. Authority
4 to expend any funds for individual information systems projects is
5 conditioned on approval of the relevant feasibility study and project
6 management plan by the department of information services and the
7 office of financial management.

8 (4) A project status report shall be submitted to the department of
9 information services, the office of financial management, and
10 legislative fiscal committees for each project prior to reaching key
11 decision points identified in the project management plan. Project
12 status reports shall examine and evaluate project management,
13 accomplishments, budget, action to address variances, risk management,
14 costs and benefits analysis, and other aspects critical to completion
15 of a project.

16 Work shall not commence on any task in a subsequent phase of a
17 project until the status report for the preceding key decision point
18 has been approved by the department of information services and the
19 office of financial management.

20 (5) If a project review is requested in accordance with department
21 of information services policies, the reviews shall examine and
22 evaluate: System requirements specifications; scope; system
23 architecture; change controls; documentation; user involvement;
24 training; availability and capability of resources; programming
25 languages and techniques; system inputs and outputs; plans for testing,
26 conversion, implementation, and postimplementation; and other aspects
27 critical to successful construction, integration, and implementation of
28 automated systems. Copies of project review written reports shall be
29 forwarded to the office of financial management and appropriate
30 legislative committees by the agency.

31 (6) A written postimplementation review report shall be prepared by
32 the agency for each information systems project in accordance with
33 published department of information services instructions. In addition
34 to the information requested pursuant to the department of information
35 services instructions, the postimplementation report shall evaluate the
36 degree to which a project accomplished its major objectives including,
37 but not limited to, a comparison of original cost and benefit estimates
38 to actual costs and benefits achieved. Copies of the
39 postimplementation review report shall be provided to the department of

1 information services, the office of financial management, and
2 appropriate legislative committees.

3 NEW SECTION. **Sec. 903. VIDEO TELECOMMUNICATIONS.** The department
4 of information services shall act as lead agency in coordinating video
5 telecommunications services for state agencies. As lead agency, the
6 department shall develop standards and common specifications for leased
7 and purchased telecommunications equipment and assist state agencies in
8 developing a video telecommunications expenditure plan. No agency may
9 spend any portion of any appropriation in this act for new video
10 telecommunication equipment, new video telecommunication transmission,
11 or new video telecommunication programming, or for expanding current
12 video telecommunication systems without first complying with chapter
13 43.105 RCW, including but not limited to, RCW 43.105.041(2), and
14 without first submitting a video telecommunications expenditure plan,
15 in accordance with the policies of the department of information
16 services, for review and assessment by the department of information
17 services under RCW 43.105.052. Prior to any such expenditure by a
18 public school, a video telecommunications expenditure plan shall be
19 approved by the superintendent of public instruction. The office of
20 the superintendent of public instruction shall submit the plans to the
21 department of information services in a form prescribed by the
22 department. The office of the superintendent of public instruction
23 shall coordinate the use of video telecommunications in public schools
24 by providing educational information to local school districts and
25 shall assist local school districts and educational service districts
26 in telecommunications planning and curriculum development. Prior to
27 any such expenditure by a public institution of postsecondary
28 education, a telecommunications expenditure plan shall be approved by
29 the higher education coordinating board. The higher education
30 coordinating board shall coordinate the use of video telecommunications
31 for instruction and instructional support in postsecondary education,
32 including the review and approval of instructional telecommunications
33 course offerings.

34 NEW SECTION. **Sec. 904. EMERGENCY FUND ALLOCATIONS.** Whenever
35 allocations are made from the governor's emergency fund appropriation
36 to an agency that is financed in whole or in part by other than general
37 fund moneys, the director of financial management may direct the

1 repayment of such allocated amount to the general fund from any balance
2 in the fund or funds which finance the agency. No appropriation shall
3 be necessary to effect such repayment.

4 NEW SECTION. **Sec. 905. STATUTORY APPROPRIATIONS.** In addition to
5 the amounts appropriated in this act for revenues for distribution,
6 state contributions to the law enforcement officers' and fire fighters'
7 retirement system, and bond retirement and interest including ongoing
8 bond registration and transfer charges, transfers, interest on
9 registered warrants, and certificates of indebtedness, there is also
10 appropriated such further amounts as may be required or available for
11 these purposes under any statutory formula or under chapter 39.96 RCW
12 or any proper bond covenant made under law.

13 NEW SECTION. **Sec. 906. BOND EXPENSES.** In addition to such other
14 appropriations as are made by this act, there is hereby appropriated to
15 the state finance committee from legally available bond proceeds in the
16 applicable construction or building funds and accounts such amounts as
17 are necessary to pay the expenses incurred in the issuance and sale of
18 the subject bonds.

19 NEW SECTION. **Sec. 907. LEGISLATIVE FACILITIES.** Notwithstanding
20 RCW 43.01.090, the house of representatives, the senate, and the
21 permanent statutory committees shall pay expenses quarterly to the
22 department of general administration facilities and services revolving
23 fund for services rendered by the department for operations,
24 maintenance, and supplies relating to buildings, structures, and
25 facilities used by the legislature for the biennium beginning July 1,
26 1997.

27 NEW SECTION. **Sec. 908. AGENCY RECOVERIES.** Except as otherwise
28 provided by law, recoveries of amounts expended pursuant to an
29 appropriation, including but not limited to, payments for material
30 supplied or services rendered under chapter 39.34 RCW, may be expended
31 as part of the original appropriation of the fund to which such
32 recoveries belong, without further or additional appropriation. Such
33 expenditures shall be subject to conditions and procedures prescribed
34 by the director of financial management. The director may authorize
35 expenditure with respect to recoveries accrued but not received, in

1 accordance with generally accepted accounting principles, except that
2 such recoveries shall not be included in revenues or expended against
3 an appropriation for a subsequent fiscal period. This section does not
4 apply to the repayment of loans, except for loans between state
5 agencies.

6 NEW SECTION. **Sec. 909. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.**

7 The appropriations of moneys and the designation of funds and accounts
8 by this and other acts of the 1997 legislature shall be construed in a
9 manner consistent with legislation enacted by the 1985, 1987, 1989,
10 1991, 1993, and 1995 legislatures to conform state funds and accounts
11 with generally accepted accounting principles.

12 **Sec. 910.** RCW 43.08.250 and 1996 c 283 s 901 are each amended to
13 read as follows:

14 The money received by the state treasurer from fees, fines,
15 forfeitures, penalties, reimbursements or assessments by any court
16 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be
17 deposited in the public safety and education account which is hereby
18 created in the state treasury. The legislature shall appropriate the
19 funds in the account to promote traffic safety education, highway
20 safety, criminal justice training, crime victims' compensation,
21 judicial education, the judicial information system, civil
22 representation of indigent persons, winter recreation parking, and
23 state game programs. During the fiscal biennium ending June 30,
24 ~~((1997))~~ 1999, the legislature may appropriate moneys from the public
25 safety and education account for purposes of appellate indigent
26 defense, the criminal litigation unit of the attorney general's office,
27 the treatment alternatives to street crimes program, crime victims
28 advocacy programs, justice information network telecommunication
29 planning, sexual assault treatment, operations of the office of
30 administrator for the courts, security in the common schools,
31 ~~((programs for alternative dispute resolution of farmworker employment
32 claims,))~~ criminal justice data collection, and Washington state patrol
33 criminal justice activities.

34 **Sec. 911.** RCW 82.44.110 and 1995 1st sp.s. c 15 s 2 and 1995 c 398
35 s 14 are each reenacted and amended to read as follows:

1 The county auditor shall regularly, when remitting license fee
2 receipts, pay over and account to the director of licensing for the
3 excise taxes collected under the provisions of this chapter. The
4 director shall forthwith transmit the excise taxes to the state
5 treasurer.

6 (1) The state treasurer shall deposit the excise taxes collected
7 under RCW 82.44.020(1) as follows:

8 (a) 1.60 percent into the motor vehicle fund to defray
9 administrative and other expenses incurred by the department in the
10 collection of the excise tax.

11 (b) 8.15 percent into the Puget Sound capital construction account
12 in the motor vehicle fund.

13 (c) 4.07 percent into the Puget Sound ferry operations account in
14 the motor vehicle fund.

15 (d) 5.88 percent into the general fund to be distributed under RCW
16 82.44.155.

17 (e) 4.75 percent into the municipal sales and use tax equalization
18 account in the general fund created in RCW 82.14.210.

19 (f) 1.60 percent into the county sales and use tax equalization
20 account in the general fund created in RCW 82.14.200.

21 (g) 62.6440 percent into the general fund through June 30, 1995,
22 and 57.6440 percent into the general fund beginning July 1, 1995.

23 (h) 5 percent into the transportation fund created in RCW 82.44.180
24 beginning July 1, 1995.

25 (i) 5.9686 percent into the county criminal justice assistance
26 account created in RCW 82.14.310.

27 (j) 1.1937 percent into the municipal criminal justice assistance
28 account for distribution under RCW 82.14.320.

29 (k) 1.1937 percent into the municipal criminal justice assistance
30 account for distribution under RCW 82.14.330.

31 (l) 2.95 percent into the county public health account created in
32 RCW 70.05.125.

33 Notwithstanding (i) through (k) of this subsection, no more than
34 sixty million dollars shall be deposited into the accounts specified in
35 (i) through (k) of this subsection for the period January 1, 1994,
36 through June 30, 1995. Not more than five percent of the funds
37 deposited to these accounts shall be available for appropriations for
38 enhancements to the state patrol crime laboratory system and the
39 continuing costs related to these enhancements. Motor vehicle excise

1 tax funds appropriated for such enhancements shall not supplant
2 existing funds from the state general fund. For the fiscal year ending
3 June 30, 1998, and for each fiscal year thereafter, the amounts
4 deposited into the accounts specified in (i) through (k) of this
5 subsection shall not increase by more than the amounts deposited into
6 those accounts in the previous fiscal year increased by the implicit
7 price deflator for the previous fiscal year. Any revenues in excess of
8 this amount shall be deposited into the ~~((general fund))~~ violence
9 reduction and drug enforcement account during the 1997-99 fiscal
10 biennium.

11 (2) The state treasurer shall deposit the excise taxes collected
12 under RCW 82.44.020(2) into the transportation fund.

13 (3) The state treasurer shall deposit the excise tax imposed by RCW
14 82.44.020(3) into the air pollution control account created by RCW
15 70.94.015.

16 **Sec. 912.** RCW 69.50.520 and 1995 2nd sp.s. c 18 s 919 are each
17 amended to read as follows:

18 The violence reduction and drug enforcement account is created in
19 the state treasury. All designated receipts from RCW 9.41.110(7),
20 66.24.210(4), 66.24.290(3), 69.50.505(h)(1), 82.08.150(5),
21 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989
22 shall be deposited into the account. Expenditures from the account may
23 be used only for funding services and programs under chapter 271, Laws
24 of 1989 and chapter 7, Laws of 1994 sp. sess., including state
25 incarceration costs. During the 1997-1999 biennium, funds from the
26 account may also be used to implement Engrossed Third Substitute House
27 Bill No. 3900 (juvenile code revisions), including local government
28 costs, and costs associated with conducting a feasibility study of the
29 department of corrections' offender-based tracking system. After July
30 1, ~~((1997))~~ 1999, at least seven and one-half percent of expenditures
31 from the account shall be used for providing grants to community
32 networks under chapter 70.190 RCW by the family policy council.

33 **Sec. 913.** RCW 79.24.580 and 1995 2nd sp.s. c 18 s 923 are each
34 amended to read as follows:

35 After deduction for management costs as provided in RCW 79.64.040
36 and payments to towns under RCW 79.92.110(2), all moneys received by
37 the state from the sale or lease of state-owned aquatic lands and from

1 the sale of valuable material from state-owned aquatic lands shall be
2 deposited in the aquatic lands enhancement account which is hereby
3 created in the state treasury. After appropriation, these funds shall
4 be used solely for aquatic lands enhancement projects; for the
5 purchase, improvement, or protection of aquatic lands for public
6 purposes; for providing and improving access to such lands; and for
7 volunteer cooperative fish and game projects. (~~During the fiscal~~
8 ~~biennium ending June 30, 1995, the funds may be appropriated for~~
9 ~~shellfish management, enforcement, and enhancement and for developing~~
10 ~~and implementing plans for population monitoring and restoration of~~
11 ~~native wild salmon stock.)) During the fiscal biennium ending June 30,~~
12 ~~((1997))~~ 1999, the funds may be appropriated for boating safety,
13 shellfish management, enforcement, and enhancement and for developing
14 and implementing plans for population monitoring and restoration of
15 native wild salmon stock.

16 **Sec. 914.** RCW 86.26.007 and 1996 c 283 s 903 are each amended to
17 read as follows:

18 The flood control assistance account is hereby established in the
19 state treasury. At the beginning of the 1997-99 fiscal biennium and
20 each biennium thereafter the state treasurer shall transfer four
21 million dollars from the general fund to the flood control assistance
22 account (~~(an amount of money which, when combined with money remaining~~
23 ~~in the account from the previous biennium, will equal four million~~
24 ~~dollars)).~~ Moneys in the flood control assistance account may be spent
25 only after appropriation for purposes specified under this chapter or,
26 during the (~~1995-97 biennium, for state and local response and~~
27 ~~recovery costs associated with federal emergency management agency~~
28 ~~(FEMA) disaster number 1079 (November/December 1995 storms), FEMA~~
29 ~~disaster number 1100 (February 1996 floods), and for prior biennia~~
30 ~~disaster recovery costs. To the extent that moneys in the flood~~
31 ~~control assistance account are not appropriated during the 1995-97~~
32 ~~fiscal biennium for flood control assistance, the legislature may~~
33 ~~direct their transfer to the state general fund)) 1997-99 fiscal
34 biennium, for transfer to the disaster response account.~~

35 NEW SECTION. **Sec. 915.** Within amounts appropriated in this act,
36 the following state agencies or institutions shall implement sections

1 3, 4, and 5 of Substitute Senate Bill No. 5077 (integrated pest
2 management):

3 (1) The department of agriculture;

4 (2) The state noxious weed control board;

5 (3) The department of ecology;

6 (4) The department of fish and wildlife;

7 (5) The parks and recreation commission;

8 (6) The department of natural resources;

9 (7) The department of corrections;

10 (8) The department of general administration; and

11 (9) Each state institution of higher education, for the
12 institution's own building and grounds maintenance.

13 NEW SECTION. **Sec. 916.** No funding appropriated in this act shall
14 be expended to support the governor's council on environmental
15 education.

16 NEW SECTION. **Sec. 917.** If any provision of this act or its
17 application to any person or circumstance is held invalid, the
18 remainder of the act or the application of the provision to other
19 persons or circumstances is not affected.

20 NEW SECTION. **Sec. 918.** This act is necessary for the immediate
21 preservation of the public peace, health, or safety, or support of the
22 state government and its existing public institutions, and takes effect
23 July 1, 1997.

24 (End of part)

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