

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE SENATE BILL 6108**

55th Legislature  
1998 Regular Session

Passed by the Senate March 11, 1998  
YEAS 26 NAYS 23

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**President of the Senate**

Passed by the House March 11, 1998  
YEAS 57 NAYS 41

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**Speaker of the  
House of Representatives**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Mike O Connell, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6108** as passed by the Senate and the House of Representatives on the dates hereon set forth.

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**Secretary**

FILED

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE SENATE BILL 6108**

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AS RECOMMENDED BY CONFERENCE COMMITTEE

Passed Legislature - 1998 Regular Session

**State of Washington                      55th Legislature                      1998 Regular Session**

**By** Senate Committee on Ways & Means (originally sponsored by Senator West)

Read first time 02/25/98.

1            AN ACT Relating to fiscal matters; amending RCW 50.24.014,  
2 28B.15.910, 70.105D.070, and 67.70.240; amending 1997 c 149 ss 101,  
3 102, 104, 110, 111, 112, 113, 114, 116, 117, 120, 121, 122, 123, 124,  
4 129, 130, 134, 136, 141, 142, 145, 146, 147, 152, 201, 204, 205, 206,  
5 209, 210, 215, 217, 224, 304, 306, 309, 310, 401, 402, 502, 505, 506,  
6 507, 508, 513, 516, 612, 614, 616, 618, 619, 701, 703, 705, 710, 712,  
7 717, 718, 902, and 905 (uncodified); amending 1997 c 454 ss 101, 103,  
8 104, 105, 202, 203, 204, 205, 206, 207, 208, 210, 211, 209, 212, 213,  
9 214, 301, 302, 303, 304, 305, 501, 503, 504, 505, 506, 507, 508, 601,  
10 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 704, 801, and 802  
11 (uncodified); amending 1997 c 235 ss 676 and 108 (uncodified);  
12 reenacting and amending RCW 69.50.520 and 43.88.030; adding new  
13 sections to 1997 c 149 (uncodified); creating new sections; repealing  
14 1998 c . . . (Second Substitute Senate Bill No. 6214) ss 27, 50, and  
15 57; making appropriations; and declaring an emergency.

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

17            NEW SECTION.    **Sec. 1.** (1) A budget is hereby adopted and, subject  
18 to the provisions set forth in the following sections, the several  
19 amounts specified in parts I through VIII of this act, or so much

1 thereof as shall be sufficient to accomplish the purposes designated,  
2 are hereby appropriated and authorized to be incurred for salaries,  
3 wages, and other expenses of the agencies and offices of the state and  
4 for other specified purposes for the fiscal biennium beginning July 1,  
5 1997, and ending June 30, 1999, except as otherwise provided, out of  
6 the several funds of the state hereinafter named.

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

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

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

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

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

16 (e) "Provided solely" means the specified amount may be spent only  
17 for the specified purpose. Unless otherwise specifically authorized in  
18 this act, any portion of an amount provided solely for a specified  
19 purpose which is unnecessary to fulfill the specified purpose shall  
20 lapse.

21 **PART I**  
22 **GENERAL GOVERNMENT**

23 **Sec. 101.** 1997 c 149 s 101 (uncodified) is amended to read as  
24 follows:

25 **FOR THE HOUSE OF REPRESENTATIVES**

26	General Fund Appropriation (FY 1998)	. . . . . \$	(( <del>24,241,000</del> ))
27			<u>24,221,000</u>
28	General Fund Appropriation (FY 1999)	. . . . . \$	(( <del>25,637,000</del> ))
29			<u>25,907,000</u>
30	<u>Department of Retirement Systems Expense</u>		
31	Account Appropriation	. . . . . \$	<u>25,000</u>
32	TOTAL APPROPRIATION	. . . . . \$	(( <del>49,878,000</del> ))
33			<u>50,153,000</u>

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

36 (1) \$75,000 of the general fund fiscal year 1998 appropriation and  
37 \$75,000 of the general fund fiscal year 1999 appropriation are provided

1 solely for the independent operations of the legislative ethics board.  
2 Expenditure decisions of the board, including employment of staff,  
3 shall be independent of the senate and house of representatives.

4 (2) (~~(\$25,000 of the general fund fiscal year 1998 appropriation is~~  
5 ~~provided solely to implement Substitute Senate Concurrent Resolution~~  
6 ~~No. 8408 (water policy report). If the concurrent resolution is not~~  
7 ~~enacted by June 30, 1997, the amount provided in this subsection shall~~  
8 ~~lapse~~)) The department of retirement systems expense account  
9 appropriation is provided solely to implement the provisions relating  
10 to the actuarial audit of the pension contribution rates in Substitute  
11 House Bill No. 2544 (funding state retirement systems). If the bill is  
12 not enacted by June 30, 1998, the appropriation shall lapse.

13 (3) \$125,000 of the general fund--state appropriation for fiscal  
14 year 1999 is provided solely for a review of the memorandum of  
15 agreement signed between the United States environmental protection  
16 agency and the department of ecology. The agreement requires the  
17 department to conduct total maximum daily loads on polluted water  
18 bodies as defined by the federal clean water act. The review may  
19 include but is not limited to the department's program for implementing  
20 the settlement, an examination of the decisions that affect how water  
21 quality problems are defined, the causes of those problems, and the  
22 means by which solutions to these problems are to be developed and  
23 implemented.

24 **Sec. 102.** 1997 c 149 s 102 (uncodified) is amended to read as  
25 follows:

26 **FOR THE SENATE**

27	General Fund Appropriation (FY 1998)	. . . . . \$	19,357,000
28	General Fund Appropriation (FY 1999)	. . . . . \$	((20,663,000))
29			<u>20,838,000</u>
30	<u>Department of Retirement Systems Expense Account</u>		
31	<u>Appropriation</u>	. . . . . \$	<u>25,000</u>
32	TOTAL APPROPRIATION	. . . . . \$	((40,020,000))
33			<u>40,220,000</u>

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

36 (1) \$75,000 of the general fund fiscal year 1998 appropriation and  
37 \$75,000 of the general fund fiscal year 1999 appropriation are provided  
38 solely for the independent operations of the legislative ethics board.

1 Expenditure decisions of the board, including employment of staff,  
2 shall be independent of the senate and house of representatives.

3 ~~(2) ((\$25,000 of the general fund fiscal year 1998 appropriation is~~  
4 ~~provided solely to implement Substitute Senate Concurrent Resolution~~  
5 ~~No. 8408 (water policy report). If the concurrent resolution is not~~  
6 ~~enacted by June 30, 1997, the amount provided in this subsection shall~~  
7 ~~lapse.~~

8 (3)) \$100,000 of the general fund appropriation for fiscal year  
9 1998 is provided solely for a study of financial aid and tuition by the  
10 senate committee on ways and means and the house of representatives  
11 committee on appropriations.

12 (a) The study shall report on the current usage and distribution of  
13 financial aid, investigate other resources available to financial aid  
14 recipients, and shall compare alternative methods of financial aid  
15 distribution and their impacts on the sectors of higher education and  
16 students served within each sector.

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

20 (3) The department of retirement systems expense account  
21 appropriation is provided solely to implement the provisions relating  
22 to the actuarial audit of the pension contribution rates in Substitute  
23 House Bill No. 2544 (funding state retirement systems). If the bill is  
24 not enacted by June 30, 1998, the appropriation shall lapse.

25 (4) \$25,000 of the general fund--state appropriation for fiscal  
26 year 1998 and \$50,000 of the general fund--state appropriation for  
27 fiscal year 1999 are provided solely for the legislature and the office  
28 of financial management to contract jointly for a performance review of  
29 the state long-term care system. The review shall result in  
30 recommendations by October 1, 1998, on strategies for increasing the  
31 long-term affordability and cost-effectiveness of the system, and shall  
32 include a review of topics such as methods for matching service levels  
33 to recipient needs, options for managing growth in entitlement  
34 caseloads, and techniques for projecting the number of persons in need  
35 of publicly funded services.

36 (5) \$125,000 of the general fund--state appropriation for fiscal  
37 year 1999 is provided solely for a review of the memorandum of  
38 agreement signed between the United States environmental protection  
39 agency and the department of ecology. The agreement requires the

1 department to conduct total maximum daily loads on polluted water  
2 bodies as defined by the federal clean water act. The review may  
3 include but is not limited to the department's program for implementing  
4 the settlement, an examination of the decisions that affect how water  
5 quality problems are defined, the causes of those problems, and the  
6 means by which solutions to these problems are to be developed and  
7 implemented.

8 **Sec. 103.** 1997 c 454 s 101 (uncodified) is amended to read as  
9 follows:

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

11	General Fund Appropriation (FY 1998)	. . . . .	\$((1,421,000))
12			<u>1,371,000</u>
13	General Fund Appropriation (FY 1999)	. . . . .	\$((1,425,000))
14			<u>1,890,000</u>
15	TOTAL APPROPRIATION	. . . . .	\$((2,846,000))
16			<u>3,261,000</u>

17 The appropriations in this section are subject to the following  
18 conditions and limitations: ~~(( \$50,000 of the general fund~~  
19 ~~appropriation for fiscal year 1998 is provided solely to implement~~  
20 ~~Substitute Senate Bill No. 5071 (school district territory). If the~~  
21 ~~bill is not enacted by June 30, 1997, the amount provided in this~~  
22 ~~subsection shall lapse.))~~

23 (1) \$340,000 of the general fund appropriation for fiscal year 1999  
24 is provided solely for a study of the system of finance of the  
25 Washington common schools as required by section 501 of this act.

26 (2) \$75,000 of the general fund appropriation for fiscal year 1999  
27 is provided solely for completion of a management audit of the division  
28 of developmental disabilities within the department of social and  
29 health services. The objectives of the review shall include, but are  
30 not limited to: (a) An analysis and evaluation of the current  
31 organizational structures, management practices, and performance  
32 measures that are in place to fulfill statutory responsibilities; (b)  
33 an assessment of the impact of overlapping statutory or administrative  
34 code responsibilities with other department of social and health  
35 services divisions and other state agencies; and (c) development of  
36 recommendations, as appropriate, that would result in significant  
37 management improvements in the division's operations. The audit report  
38 shall be provided to the senate committee on ways and means and the

1 house of representatives committee on appropriations by January 8,  
2 1999.

3 (3) \$50,000 of the general fund appropriation for fiscal year 1999  
4 is provided solely for a study of: (a) The effect of the state  
5 certificate of need program under chapter 70.38 RCW on the cost,  
6 quality, and availability of hospital, ambulatory surgery, home health,  
7 hospice, and kidney disease treatment services; and (b) the effect the  
8 repeal of the program would have on the cost, quality, and availability  
9 of any of these services, and on the availability of charity care and  
10 of health facilities and services in rural areas, including the  
11 experience in other states where such programs have been fully or  
12 partially repealed. The study shall be submitted to the legislature by  
13 January 1, 1999.

14 **Sec. 104.** 1997 c 149 s 104 (uncodified) is amended to read as  
15 follows:

16 **FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

17 General Fund Appropriation (FY 1998) . . . . .	\$ 1,263,000
18 General Fund Appropriation (FY 1999) . . . . .	<del>\$(1,332,000)</del>
	<u>1,482,000</u>
20 TOTAL APPROPRIATION . . . . .	<del>\$(2,595,000)</del>
	<u>2,745,000</u>

21

22 The appropriations in this section are subject to the following  
23 conditions and limitations: The committee shall conduct an inventory  
24 and examination of state data processing projects funded in this act  
25 and make recommendations to improve the accountability and legislative  
26 evaluation and oversight of these projects.

27 **Sec. 105.** 1997 c 149 s 110 (uncodified) is amended to read as  
28 follows:

29 **FOR THE COURT OF APPEALS**

30 General Fund Appropriation (FY 1998) . . . . .	<del>\$(10,225,000)</del>
	<u>10,340,000</u>
32 General Fund Appropriation (FY 1999) . . . . .	<del>\$(10,133,000)</del>
	<u>10,307,000</u>
34 TOTAL APPROPRIATION . . . . .	<del>\$(20,358,000)</del>
	<u>20,647,000</u>

35

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

3 (1) \$271,000 of the general fund fiscal year 1999 appropriation is  
4 provided solely for an additional judge position and related support  
5 staff in division I in King county, effective July 1, 1998.

6 (2) \$490,000 of the general fund fiscal year 1998 appropriation is  
7 provided solely for remodeling existing space in division I court  
8 facilities to house additional staff.

9 **Sec. 106.** 1997 c 149 s 111 (uncodified) is amended to read as  
10 follows:

11 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

12	General Fund Appropriation (FY 1998)	. . . . .	\$	((652,000))
13				<u>692,000</u>
14	General Fund Appropriation (FY 1999)	. . . . .	\$	((653,000))
15				<u>714,000</u>
16	TOTAL APPROPRIATION	. . . . .	\$	((1,305,000))
17				<u>1,406,000</u>

18 **Sec. 107.** 1997 c 149 s 112 (uncodified) is amended to read as  
19 follows:

20 **FOR THE ADMINISTRATOR FOR THE COURTS**

21	General Fund Appropriation (FY 1998)	. . . . .	\$	12,723,000
22	General Fund Appropriation (FY 1999)	. . . . .	\$	((12,595,000))
23				<u>12,770,000</u>
24	Public Safety and Education Account			
25	Appropriation . . . . .	. . . . .	\$	((31,134,000))
26				<u>27,709,000</u>
27	Judicial Information Systems Account			
28	Appropriation . . . . .	. . . . .	\$	((16,305,000))
29				<u>17,489,000</u>
30	TOTAL APPROPRIATION	. . . . .	\$	((72,757,000))
31				<u>70,691,000</u>

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

34 (1) Funding provided in the judicial information systems account  
35 appropriation shall be used for the operations and maintenance of  
36 technology systems that improve services provided by the supreme court,  
37 the court of appeals, the office of public defense, and the office of



1 the administrator for the courts. \$400,000 of the judicial information  
2 systems account appropriation is provided solely for the year 2000 date  
3 conversion.

4 (2) No moneys appropriated in this section may be expended by the  
5 administrator for the courts for payments in excess of fifty percent of  
6 the employer contribution on behalf of superior courts judges for  
7 insurance and health care plans and federal social security and  
8 medicare and medical aid benefits. Consistent with Article IV, section  
9 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,  
10 it is the intent of the legislature that the cost of these employer  
11 contributions shall be shared equally between the state and county or  
12 counties in which the judges serve. The administrator for the courts  
13 shall continue to implement procedures for the collection and  
14 disbursement of these employer contributions.

15 (3) (~~(\$6,510,000)~~) \$3,255,000 of the public safety and education  
16 account appropriation is provided solely for the continuation of  
17 treatment alternatives to street crimes (TASC) programs in Pierce,  
18 Snohomish, Clark, King, Spokane, and Yakima counties.

19 (4) \$125,000 of the public safety and education account  
20 appropriation is provided solely for the workload associated with the  
21 increase in state cases filed in Thurston county superior court.

22 (5) \$223,000 of the public safety and education account  
23 appropriation is provided solely for the gender and justice commission.

24 (6) \$308,000 of the public safety and education account  
25 appropriation is provided solely for the minority and justice  
26 commission.

27 (7) \$100,000 of the general fund fiscal year 1998 appropriation and  
28 \$100,000 of the general fund fiscal year 1999 appropriation are  
29 provided solely for judicial program enhancements. Within the funding  
30 provided in this subsection, the office of administrator of courts in  
31 consultation with the supreme court shall determine the program or  
32 programs to receive an enhancement.

33 (8) \$35,000 of the general fund fiscal year 1998 appropriation is  
34 provided solely for the implementation of Engrossed Substitute House  
35 Bill No. 1771 (guardian certification). If the bill is not enacted by  
36 June 30, 1997, the amount provided in this subsection shall lapse.

37 (9) \$100,000 of the general fund fiscal year 1998 appropriation is  
38 provided solely for the Snohomish county preprosecution diversion  
39 program.



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

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

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

14 (3) \$21,000 of the general fund--state appropriation for fiscal  
15 year 1998 and \$57,000 of the general fund--state appropriation for  
16 fiscal year 1999 are provided solely for the office of the family and  
17 children's ombudsman for the Wenatchee investigation, support staff,  
18 and increased travel costs.

19 (4) \$500,000 of the general fund--state appropriation for fiscal  
20 year 1999 is provided solely for implementation of the salmon recovery  
21 office in accordance with sections 3 through 5 of Engrossed Substitute  
22 House Bill No. 2496 (salmon recovery planning). If any of sections 3  
23 through 5 of the bill are not enacted by June 30, 1998, the amount  
24 provided in this subsection shall lapse.

25 **Sec. 110.** 1997 c 149 s 116 (uncodified) is amended to read as  
26 follows:

27 **FOR THE PUBLIC DISCLOSURE COMMISSION**

28	General Fund Appropriation (FY 1998)	.. . . . .	\$((1,457,000))
29			<u>1,568,000</u>
30	General Fund Appropriation (FY 1999)	.. . . . .	\$((1,206,000))
31			<u>1,262,000</u>
32	TOTAL APPROPRIATION	.. . . . .	\$((2,663,000))
33			<u>2,830,000</u>

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

36 (1) \$306,000 of the general fund fiscal year 1998 appropriation and  
37 \$72,000 of the general fund fiscal year 1999 appropriation are provided  
38 solely for technology for customer service improvements.

1        (2) \$111,000 of the fiscal year 1998 general fund appropriation is  
2 provided for attorney general services for the public disclosure  
3 commission's investigations of the Washington education association and  
4 the building industry association of Washington, and other cases.

5        **Sec. 111.** 1997 c 149 s 117 (uncodified) is amended to read as  
6 follows:

7 **FOR THE SECRETARY OF STATE**

8	General Fund Appropriation (FY 1998) . . . . .	\$	((8,055,000))
9			<u>7,970,000</u>
10	General Fund Appropriation (FY 1999) . . . . .	\$	((5,901,000))
11			<u>7,899,000</u>
12	Archives & Records Management Account--State		
13	Appropriation . . . . .	\$	4,032,000
14	Archives & Records Management Account--Private/Local		
15	Appropriation . . . . .	\$	((2,553,000))
16			<u>2,833,000</u>
17	Department of Personnel Service Account		
18	Appropriation . . . . .	\$	663,000
19	TOTAL APPROPRIATION . . . . .	\$	((21,204,000))
20			<u>23,397,000</u>

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

23        (1) ((~~\$2,355,000~~)) \$2,255,000 of the general fund appropriation for  
24 fiscal year 1998 is provided solely to reimburse counties for the  
25 state's share of primary and general election costs and the costs of  
26 conducting mandatory recounts on state measures.

27        (2) \$2,011,000 of the general fund appropriation for fiscal year  
28 1998 and \$2,536,000 of the general fund appropriation for fiscal year  
29 1999 are provided solely for the verification of initiative and  
30 referendum petitions, maintenance of related voter registration  
31 records, and the publication and distribution of the voters and  
32 candidates pamphlet.

33        (3) \$99,000 of the general fund appropriation is provided solely  
34 for the state's participation in the United States census block  
35 boundary suggestion program.

36        (4) \$125,000 of the fiscal year 1998 general fund appropriation is  
37 provided solely for legal advertising of state measures under RCW  
38 29.27.072.

1 (5) \$45,000 of the general fund fiscal year 1998 appropriation is  
2 provided solely for an economic feasibility study of a state horse  
3 park.

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

7 (7)(a) \$1,850,000 of the general fund appropriation for fiscal year  
8 1999 is provided solely for contracting with a nonprofit organization  
9 to produce gavel-to-gavel television coverage of state government  
10 deliberations and other events of state-wide significance during fiscal  
11 year 1999. An eligible nonprofit organization must be formed solely  
12 for the purpose of, and be experienced in, providing gavel-to-gavel  
13 television coverage of state government deliberations and other events  
14 of state-wide significance and must have received a determination of  
15 tax-exempt status under section 501(c)(3) of the federal internal  
16 revenue code.

17 (b) The legislature finds that the commitment of on-going funding  
18 is necessary to ensure continuous, autonomous, and independent coverage  
19 of public affairs. For that purpose, the secretary of state shall  
20 enter into a four-year contract with the nonprofit organization to  
21 provide public affairs coverage through June 30, 2002. The funding  
22 level for each year of the contract shall be based on the amount  
23 provided in this subsection and adjusted to reflect the implicit price  
24 deflator for the previous year. The nonprofit organization shall be  
25 required to raise contributions or commitments to make contributions,  
26 in cash or in kind, in an amount equal to forty percent of the state  
27 contribution.

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

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

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



1 determine if there are common errors. The auditor shall consult with  
2 the superintendent of public instruction regarding training and other  
3 staffing assistance needed to provide expertise to the audit staff.

4 (3) \$250,000 of the general fund fiscal year 1998 appropriation and  
5 \$250,000 of the general fund fiscal year 1999 appropriation are  
6 provided solely for the budget and reporting system (BARS) to improve  
7 the reporting of local government fiscal data. Audits of counties and  
8 cities by the division of municipal corporations shall include findings  
9 regarding the completeness, accuracy, and timeliness of BARS data  
10 reported to the state auditor's office.

11 (4) The state auditor shall develop recommendations and curricula  
12 for preventing instances of improper governmental actions as defined in  
13 chapter 42.20 RCW, the state whistleblower act. In developing these  
14 recommendations and curricula, the state auditor shall involve the  
15 office of financial management, office of the attorney general,  
16 executive ethics board, department of personnel, employee  
17 organizations, and other interested parties. These recommendations  
18 shall be submitted to the governor and the legislature by June 30,  
19 1998.

20 (5) \$120,000 of the auditing services revolving fund appropriation  
21 is provided solely to implement Engrossed Second Substitute House Bill  
22 No. 2881 (auditing state contractors). If the bill is not enacted by  
23 June 30, 1998, the amount provided in this subsection shall lapse.

24 (6) \$25,000 of the general fund fiscal year 1999 appropriation is  
25 provided solely to implement Engrossed Second Substitute House Bill No.  
26 2831 (a joint report to the legislature on the results of cost studies  
27 and service quality and reliability reports from electric utilities).  
28 If the bill is not enacted by June 30, 1998, the amount provided in  
29 this subsection shall lapse. No fee may be collected from the electric  
30 utilities for this joint report.

31 (7) \$10,000 of the general fund fiscal year 1998 appropriation and  
32 \$490,000 of the general fund fiscal year 1999 appropriation are  
33 provided solely for staff and related costs to: Verify the accuracy of  
34 reported school district data submitted for state funding purposes or  
35 program audits of state funded public school programs; and establish  
36 the specific amount of funds to be recovered whenever the amount is not  
37 firmly established in the course of any public school audits conducted  
38 by the state auditor's office. The results of the audits shall be

1 submitted to the superintendent of public instruction for corrections  
2 of data and adjustments of funds.

3 **Sec. 114.** 1997 c 149 s 122 (uncodified) is amended to read as  
4 follows:

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

6	General Fund Appropriation (FY 1998) . . . . .	\$	((4,000))
7			<u>11,000</u>
8	General Fund Appropriation (FY 1999) . . . . .	\$	63,000
9	TOTAL APPROPRIATION . . . . .	\$	((67,000))
10			<u>74,000</u>

11 **Sec. 115.** 1997 c 149 s 123 (uncodified) is amended to read as  
12 follows:

13 **FOR THE ATTORNEY GENERAL**

14	General Fund--State Appropriation (FY 1998) . . .	\$	((4,361,000))
15			<u>4,161,000</u>
16	General Fund--State Appropriation (FY 1999) . . .	\$	((3,631,000))
17			<u>3,831,000</u>
18	General Fund--Federal Appropriation . . . . .	\$	2,248,000
19	Public Safety and Education Account		
20	Appropriation . . . . .	\$	((1,300,000))
21			<u>1,291,000</u>
22	New Motor Vehicle Arbitration Account		
23	Appropriation . . . . .	\$	1,094,000
24	Legal Services Revolving Account		
25	Appropriation . . . . .	\$	((125,008,000))
26			<u>125,758,000</u>
27	TOTAL APPROPRIATION . . . . .	\$	((137,642,000))
28			<u>138,383,000</u>

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

31 (1) The attorney general shall report each fiscal year on actual  
32 legal services expenditures and actual attorney staffing levels for  
33 each agency receiving legal services. The report shall be submitted to  
34 the office of financial management and the fiscal committees of the  
35 senate and house of representatives no later than ninety days after the  
36 end of each fiscal year.



1 (2) The attorney general shall include, at a minimum, the following  
2 information with each bill sent to agencies receiving legal services:  
3 (a) The number of hours and cost of attorney services provided during  
4 the billing period; (b) cost of support staff services provided during  
5 the billing period; (c) attorney general overhead and central support  
6 costs charged to the agency for the billing period; (d) direct legal  
7 costs, such as filing and docket fees, charged to the agency for the  
8 billing period; and (e) other costs charged to the agency for the  
9 billing period. The attorney general may, with approval of the office  
10 of financial management change its billing system to meet the needs of  
11 its user agencies.

12 (3) \$300,000 of the fiscal year 1998 general fund--state  
13 appropriation is provided for a comprehensive assessment of  
14 environmental and public health impacts and for other costs related to  
15 pursuing remedies for pollution in the Spokane river basin.

16 (4) (~~(\$640,000)~~) \$440,000 of the fiscal year 1998 general fund--  
17 state appropriation and (~~(\$210,000)~~) \$410,000 of the fiscal year 1999  
18 general fund--state appropriation are provided solely to implement the  
19 supervision management and recidivist tracking program to allow the  
20 department of corrections and local law enforcement agencies to share  
21 information concerning the activities of offenders on community  
22 supervision. (~~(No information on any person may be entered into or~~  
23 ~~retained in the program unless the person is under the jurisdiction of~~  
24 ~~the department of corrections.)~~)

25 (5) Within the amounts provided in this section, the attorney  
26 general shall implement Second Substitute House Bill No. 2027  
27 (regulating travel sales). If the bill is not enacted by June 30,  
28 1998, this subsection is null and void.

29 **Sec. 116.** 1997 c 149 s 124 (uncodified) is amended to read as  
30 follows:

31 **FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS**

32 Securities Regulation Account Appropriation . . . . \$((~~5,445,000~~))  
33 5,482,000

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

1       **Sec. 117.** 1997 c 454 s 103 (uncodified) is amended to read as  
2 follows:

3 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

4	General Fund--State Appropriation (FY 1998) . . . \$	((57,361,000))
5		<u>57,078,000</u>
6	General Fund--State Appropriation (FY 1999) . . . \$	((56,351,000))
7		<u>61,451,000</u>
8	General Fund--Federal Appropriation . . . . . \$	((155,278,000))
9		<u>164,000,000</u>
10	General Fund--Private/Local Appropriation . . . . \$	6,903,000
11	Public Safety and Education Account	
12	Appropriation . . . . . \$	((8,781,000))
13		<u>8,720,000</u>
14	Public Works Assistance Account	
15	Appropriation . . . . . \$	2,223,000
16	Building Code Council Account Appropriation . . . \$	((1,318,000))
17		<u>1,366,000</u>
18	Administrative Contingency Account	
19	Appropriation . . . . . \$	1,776,000
20	Low-Income Weatherization Assistance Account	
21	Appropriation . . . . . \$	923,000
22	Violence Reduction and Drug Enforcement Account	
23	Appropriation . . . . . \$	6,042,000
24	Manufactured Home Installation Training Account	
25	Appropriation . . . . . \$	250,000
26	Washington Housing Trust Account	
27	Appropriation . . . . . \$	7,999,000
28	Public Facility Construction Loan Revolving Account	
29	Appropriation . . . . . \$	515,000
30	<u>Clean Washington Account Appropriation (FY 1998)</u> \$	<u>11,000</u>
31	TOTAL APPROPRIATION . . . . . \$	((305,720,000))
32		<u>319,257,000</u>

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

35       (1) ((~~\$3,282,500~~)) \$2,962,500 of the general fund--state  
36 appropriation for fiscal year 1998 and ((~~\$3,282,500~~)) \$3,602,500 of the  
37 general fund--state appropriation for fiscal year 1999 are provided  
38 solely for a contract with the Washington technology center. For work  
39 essential to the mission of the Washington technology center and

1 conducted in partnership with universities, the center shall not pay  
2 any increased indirect rate nor increases in other indirect charges  
3 above the absolute amount paid during the 1995-97 biennium.

4 (2) \$155,000 of the general fund--state appropriation for fiscal  
5 year 1998 and (~~(\$155,000)~~) \$445,000 of the general fund--state  
6 appropriation for fiscal year 1999 are provided solely for a contract  
7 with the Washington manufacturing extension partnership.

8 (3) \$9,964,000 of the general fund--federal appropriation is  
9 provided solely for the drug control and system improvement formula  
10 grant program, to be distributed in state fiscal year 1998 as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13        (4) \$11,715,000 of the general fund--federal appropriation is  
14 provided solely for the drug control and system improvement formula  
15 grant program, to be distributed in state fiscal year 1999 as follows:

16        (a) \$3,878,250 to local units of government to continue  
17 multijurisdictional narcotics task forces;

18        (b) \$531,000 to the department to continue the drug prosecution  
19 assistance program in support of multijurisdictional narcotics task  
20 forces;

21        (c) \$1,363,075 to the Washington state patrol for coordination,  
22 investigative, and supervisory support to the multijurisdictional  
23 narcotics task forces and for methamphetamine education and response;

24        (d) \$256,000 to the department for grants to support tribal law  
25 enforcement needs;

26        (e) \$1,093,000 to drug courts in eastern and western Washington;

27        (f) \$312,000 to the department for grants assisting in the  
28 development, conduct, and training on sentencing alternatives;

29        (g) \$261,000 to the department to continue a substance-abuse  
30 treatment in jails program, to test the effect of treatment on future  
31 criminal behavior;

32        (h) \$581,075 to the department to continue domestic violence legal  
33 advocacy;

34        (i) \$949,000 to the department to continue youth violence  
35 prevention and intervention projects;

36        (j) \$91,000 to the department to continue the governor's council on  
37 substance abuse;

38        (k) \$99,000 to the department to continue evaluation of Byrne  
39 formula grant programs;

1 (l) \$1,496,200 to the office of financial management for the  
2 criminal history records improvement program; and

3 (m) \$804,400 to the department for required grant administration,  
4 monitoring and reporting on Byrne formula grant programs.

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

17 ~~((+4))~~ (5) \$1,000,000 of the general fund fiscal year 1998  
18 appropriation and \$1,000,000 of the general fund fiscal year 1999  
19 appropriation are provided solely to implement Engrossed Substitute  
20 House Bill No. 1576 (buildable lands) or Senate Bill No. 6094 (growth  
21 management). If neither bill is enacted by June 30, 1997, the amounts  
22 provided in this subsection shall lapse.

23 ~~((+5) \$4,800,000))~~ (6) \$4,766,000 of the public safety and  
24 education account appropriation, \$1,000,000 of the fiscal year 1998  
25 general fund--state appropriation, and ~~((+1,000,000))~~ \$1,034,000 of the  
26 fiscal year 1999 general fund--state appropriation are provided solely  
27 for indigent civil legal representation services contracts and  
28 contracts administration. The amounts provided in this subsection are  
29 contingent upon enactment of section 2 of Engrossed Substitute House  
30 Bill No. 2276 (civil legal services for indigent persons). If section  
31 2 of the bill is not enacted by June 30, 1997, the amount provided in  
32 this subsection shall lapse.

33 ~~((+6))~~ (7) \$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)~~) (8) \$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)~~) (9) \$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)~~) (10) \$75,000 of the general fund--state appropriation for  
20 fiscal year 1999 is provided solely for state sponsorship of the "BIO  
21 99" international biotechnology conference and exhibition in the  
22 Seattle area in 1999.

23       (~~(10)~~) (11) \$698,000 of the general fund--state appropriation for  
24 fiscal year 1998, \$697,000 of the general fund--state appropriation for  
25 fiscal year 1999, and \$1,101,000 of the administrative contingency  
26 account appropriation are provided solely for contracting with  
27 associate development organizations.

28       (~~(11)~~) (12) \$50,000 of the general fund--state appropriation for  
29 fiscal year 1998 and \$50,000 of the general fund--state appropriation  
30 for fiscal year 1999 are provided solely to expand the long-term care  
31 ombudsman program.

32       (~~(12)~~) (13) \$60,000 of the general fund--state appropriation for  
33 fiscal year 1998 and \$60,000 of the general fund--state appropriation  
34 for fiscal year 1999 are provided solely for implementation of the  
35 Puget Sound work plan action item DCTED-01.

36       (~~(13)~~) (14) \$20,000 of the general fund--state appropriation for  
37 fiscal year 1998 is provided solely for a task force on tourism  
38 promotion and development. The task force shall report to the  
39 legislature on its findings and recommendations by January 31, 1998.

1       (~~(14)~~) (15) \$61,000 of the general fund--state appropriation for  
2 fiscal year 1998 and \$60,000 of the general fund--state appropriation  
3 for fiscal year 1999 are provided solely for the pacific northwest  
4 economic region (PNWER).

5       (~~(15)~~) (16) \$123,000 of the general fund--state appropriation for  
6 fiscal year 1998 and \$124,000 of the general fund--state appropriation  
7 for fiscal year 1999 are provided solely for the community development  
8 finance program.

9       (~~(16)~~) (17) Within the appropriations provided in this section,  
10 the department shall conduct a study of possible financial incentives  
11 to assist in revitalization of commercial areas and report its findings  
12 and recommendations to the appropriate committees of the legislature by  
13 November 15, 1997.

14       (18) \$49,000 of the general fund--state appropriation for fiscal  
15 year 1999 is provided solely to implement section 11 of Engrossed  
16 Second Substitute House Bill No. 2345 (revising administrative law).  
17 If section 11 of the bill is not enacted by June 30, 1998, the amount  
18 provided in this subsection shall lapse.

19       (19) \$1,000,000 of the general fund--state appropriation for fiscal  
20 year 1999 is provided solely for the development of housing for low-  
21 income temporary or migrant farm workers through grants awarded after  
22 the effective date of this act. The legislature finds that providing  
23 housing for low-income temporary or migrant workers is a public  
24 purpose. The department shall prioritize grants and shall award grants  
25 on a competitive basis to local governments, nonprofit corporations, or  
26 other nonprofit entities. Grant moneys awarded by the department under  
27 this subsection may be matched by nonstate sources on a dollar-for-  
28 dollar basis, in cash or in-kind. Of the amount provided in this  
29 subsection, \$100,000 is provided solely for restroom and shower  
30 facilities at the Horn Rapids Park in Benton county; no match need be  
31 provided for this project. The amount provided in this subsection is  
32 contingent upon enactment of sections 1 through 8 of Second Substitute  
33 Senate Bill No. 6168. If any of these sections of the bill are not  
34 enacted by June 30, 1998, this subsection is null and void, and the  
35 amounts provided in this subsection shall lapse. Any amounts provided  
36 in this subsection not committed to grants by June 30, 1999, shall  
37 lapse.

1       (20) \$275,000 of the general fund--state appropriation for fiscal  
2 year 1999 is provided solely for coastal erosion project grants to the  
3 city of Ocean Shores.

4       (21) \$191,000 of the general fund--state appropriation for fiscal  
5 year 1999 is provided solely for the implementation of Substitute House  
6 Bill No. 2556 (child abuse prevention and treatment). If the bill is  
7 not enacted by June 30, 1998, the amount provided in this subsection  
8 shall lapse.

9       (22) \$965,000 of the general fund--state appropriation for fiscal  
10 year 1999 is provided solely for the implementation of Substitute  
11 Senate Bill No 6655 (Spokane intercollegiate research and technology  
12 institute).

13       (23) \$92,000 of the general fund--state appropriation for fiscal  
14 year 1999 is provided solely for the implementation of Engrossed  
15 Substitute Senate Bill No. 6560 (electric power customer rights). For  
16 any portion of the appropriation that is expended for contracted  
17 services, the department shall: (a) Form an advisory committee  
18 consisting of representatives from public utility districts and  
19 residential, commercial, and industrial customers; and (b) submit for  
20 review and approval by the advisory committee the request for proposal  
21 and selection of the successful bidder or bidders. If the bill is not  
22 enacted by June 30, 1998, the amount provided in this subsection shall  
23 lapse.

24       (24) \$383,000 of the general fund--state appropriation for fiscal  
25 year 1999 is provided solely for the emergency food assistance program.

26       (25) \$120,000 of the general fund--state appropriation for fiscal  
27 year 1999 is provided solely for grants to licensed overnight youth  
28 shelters for the purpose of assisting the shelters in meeting the  
29 minimum requirements for receiving a license under chapter 74.15 RCW.  
30 The department may provide grants of up to twenty thousand dollars per  
31 year for each shelter. Only shelters that are currently licensed are  
32 eligible to receive the grants. Funds may be used for the following  
33 purposes, including but not limited to: Additional staff, food,  
34 facility maintenance, or beds, provided that these costs are necessary  
35 to meet the licensing and facility standards adopted by the department  
36 of social and health services. For purposes of this subsection,  
37 "overnight youth shelter" means a licensed facility operated by a  
38 nonprofit agency that provides overnight shelter to homeless or runaway  
39 youth because of family problems or dysfunctions.



1        (26) \$27,000 of the general fund--state appropriation for fiscal  
2 year 1999 is provided solely for the sexual assault program within the  
3 office of crime victims advocacy.

4        (27) \$37,000 of the general fund--state appropriation for fiscal  
5 year 1998 and \$128,000 of the general fund--state appropriation for  
6 fiscal year 1999 are provided solely for deposit in the state trade  
7 fair fund. If Engrossed Second Substitute Senate Bill No. 6562 is not  
8 enacted by June 30, 1998, the amounts provided in this subsection shall  
9 lapse.

10        (28) \$1,100,000 of the general fund--state appropriation for fiscal  
11 year 1999 is provided solely for the early childhood education and  
12 assistance program.

13        **Sec. 118.** 1997 c 454 s 104 (uncodified) is amended to read as  
14 follows:

15 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

16	General Fund--State Appropriation (FY 1998) . . . \$	((10,530,000))
17		<u>10,626,000</u>
18	General Fund--State Appropriation (FY 1999) . . . \$	((10,253,000))
19		<u>11,160,000</u>
20	General Fund--Federal Appropriation . . . . . \$	23,331,000
21	<u>General Fund--Local Appropriation . . . . . \$</u>	<u>190,000</u>
22	TOTAL APPROPRIATION . . . . . \$	((44,114,000))
23		<u>45,307,000</u>

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

26        (1) The office of financial management, in cooperation with the  
27 higher education coordinating board and the state board for community  
28 and technical colleges, shall develop long-term higher education  
29 enrollment forecasting models for consideration by the legislature. To  
30 the extent possible, the pilot models shall incorporate trends in  
31 demography, higher education applications, K-12 graduation rates, labor  
32 market needs, and state and national higher education policy and  
33 economic considerations. The public institutions of education shall  
34 cooperate in the development of models by providing any necessary data  
35 in a timely and organized manner. The private education institutions  
36 of the state are encouraged to participate in this effort. A  
37 preliminary report shall be provided to the appropriate committees of

1 the legislature by November 1, 1998, and a final report shall be  
2 provided by January 15, 1999.

3 (2) \$139,000 of the general fund--state appropriation for fiscal  
4 year 1999 is provided solely to implement Engrossed Second Substitute  
5 House Bill No. 2880 (task force on vendor contracting practices). If  
6 the bill is not enacted by June 30, 1998, the amount provided in this  
7 subsection shall lapse.

8 (3) \$250,000 of the general fund--state appropriation for fiscal  
9 year 1999 is provided solely to contract with an outside management  
10 consultant to review the department of fish and wildlife's financial  
11 operations and management practices.

12 (4) \$25,000 of the general fund--state appropriation for fiscal  
13 year 1998 and \$50,000 of the general fund--state appropriation for  
14 fiscal year 1999 are provided solely for the legislature and the office  
15 of financial management to contract jointly for a performance review of  
16 the state long-term care system. The review shall result in  
17 recommendations by October 1, 1998, on strategies for increasing the  
18 long-term affordability and cost-effectiveness of the system, and shall  
19 include a review of topics such as methods for matching service levels  
20 to recipient needs, options for managing growth in entitlement  
21 caseloads, and techniques for projecting the number of persons in need  
22 of publicly funded services.

23 **Sec. 119.** 1997 c 149 s 129 (uncodified) is amended to read as  
24 follows:

25 **FOR THE DEPARTMENT OF PERSONNEL**

26 Department of Personnel Service Account

27 Appropriation . . . . . \$ ((16,493,000))  
28 16,593,000

29 Higher Education Personnel Services Account

30 Appropriation . . . . . \$ 1,632,000

31 TOTAL APPROPRIATION . . . . . \$ ((18,125,000))  
32 18,225,000

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

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

1 (2) \$32,000 of the department of personnel service fund  
2 appropriation is provided solely for the creation, printing, and  
3 distribution of the personal benefits statement for state employees.

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

7 (4) \$500,000 of the department of personnel service account  
8 appropriation is provided solely for the career transition program to  
9 assist state employees who are separated or are at risk of lay-off due  
10 to reduction-in-force. Services shall include employee retraining and  
11 career counseling.

12 (5) \$800,000 of the department of personnel service account  
13 appropriation is provided solely for the human resource data warehouse  
14 to: Expand the type and amount of information available on the state-  
15 wide work force; and to provide the office of financial management,  
16 legislature, and state agencies with direct access to the data for  
17 policy and planning purposes. The department of personnel shall  
18 establish uniform reporting procedures, applicable to all state  
19 agencies and higher education institutions, for reporting data to the  
20 data warehouse by June 30, 1998. The department of personnel will  
21 report quarterly to the legislative fiscal committees, the office of  
22 financial management, the information services board, and the office of  
23 information technology oversight of the department of information  
24 services the following items: (a) The number of state agencies that  
25 have received access to the data warehouse (it is anticipated that  
26 approximately 40 agencies will receive access during the 1997-99  
27 biennium); (b) the change in requests for downloads from the mainframe  
28 computer by agencies with access to the data warehouse, to reflect  
29 transferring customers use of the mainframe computer to the more  
30 economical use of data warehouse information; and (c) a summary of  
31 customer feedback from agencies with access to the data warehouse.  
32 Authority to expend this amount is conditioned on compliance with  
33 section 902 of this act.

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

1 (7) The department of personnel shall charge all administrative  
2 services costs incurred by the department of retirement systems for the  
3 deferred compensation program. The billings to the department of  
4 retirement systems shall be for actual costs only.

5 **Sec. 120.** 1997 c 149 s 130 (uncodified) is amended to read as  
6 follows:

7 **FOR THE WASHINGTON STATE LOTTERY**

8 Industrial Insurance Premium Refund

9 Appropriation . . . . . \$ 9,000

10 Lottery Administrative Account

11 Appropriation . . . . . \$ 19,966,000

12 TOTAL APPROPRIATION . . . . . \$ 19,975,000

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

15 (1) The state lottery shall apportion 30 percent of fiscal year  
16 1999 gross revenue to the state general fund. If a lower percentage is  
17 apportioned to the general fund in fiscal year 1999, a dollar amount  
18 equal to the difference between the actual apportionment and 30 percent  
19 of fiscal year 1999 gross revenue shall lapse from the lottery  
20 administrative account appropriation.

21 (2) If the state lottery provides cash bonuses or cash marketing  
22 incentives to retailers, a dollar amount equal to the total cash  
23 bonuses and marketing incentives shall lapse from the lottery  
24 administrative account appropriation.

25 (3) The requirements of subsections (1) and (2) of this section are  
26 contingent upon the enactment of Engrossed House Bill No. 3120 (lottery  
27 revenues). If the bill is not enacted by June 30, 1998, subsections  
28 (1) and (2) of this section are null and void.

29 **Sec. 121.** 1997 c 149 s 134 (uncodified) is amended to read as  
30 follows:

31 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

32 Dependent Care Administrative Account

33 Appropriation . . . . . \$ 357,000

34 Department of Retirement Systems Expense Account

35 Appropriation . . . . . \$ ((31,415,000))

36 34,481,000

37 TOTAL APPROPRIATION . . . . . \$ ((31,772,000))

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

(1) \$1,373,000 of the department of retirement systems expense account appropriation is provided solely for the information systems project known as the electronic document image management system. Authority to expend this amount is conditioned on compliance with section 902 of this act.

(2) \$1,259,000 of the department of retirement systems expense account appropriation is provided solely for the information systems project known as the receivables management system. Authority to expend this amount is conditioned on compliance with section 902 of this act.

(3) The department of retirement systems shall complete a study examining whether it would be cost-effective to contract out the administration functions for the dependent care assistance program and shall report to the fiscal committees of the legislature by December 15, 1997.

(4) \$118,000 of the department of retirement systems expense account appropriation is provided solely to implement Engrossed Substitute House Bill No. 2491 (TRS/PERS plan I gain sharing). If the bill is not enacted by June 30, 1998, the amount provided in this subsection shall lapse.

(5) \$920,000 of the department of retirement systems expense account appropriation is provided solely to implement Substitute Senate Bill No. 6306 (creating the Washington school employees' retirement system). If the bill is not enacted by June 30, 1998, the amount provided in this subsection shall lapse.

(6) \$42,000 of the department of retirement systems expense account appropriation is provided solely for the implementation of Engrossed Senate Bill No. 6305 (death benefits for port and university police). If the bill is not enacted by June 30, 1998, the amount provided in this subsection shall lapse.

**Sec. 122.** 1997 c 149 s 136 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF REVENUE**

General Fund Appropriation (FY 1998)	. . . . . \$	65,033,000
General Fund Appropriation (FY 1999)	. . . . . \$	((65,320,000))

1		65,623,000
2	Timber Tax Distribution Account	
3	Appropriation . . . . .	\$ 4,778,000
4	<u>Enhanced 911 Account Appropriation . . . . .</u>	<u>\$ 100,000</u>
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 . . . . .	\$ (( <del>135,404,000</del> ))
13		<u>135,807,000</u>

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

16       (1) \$1,540,000 of the general fund appropriation for fiscal year  
17 1998 and ((~~\$1,710,000~~)) \$1,799,000 of the general fund appropriation  
18 for fiscal year 1999 are provided solely for senior citizen property  
19 tax deferral distribution. If neither Substitute Senate Bill No. 6321  
20 nor Engrossed Substitute Senate Bill No. 6533 (senior/disabled property  
21 tax) is enacted by June 30, 1998, \$89,000 of the general fund  
22 appropriation for fiscal year 1999 shall lapse.

23       (2) Within the amounts appropriated in this section the department  
24 shall conduct a study identifying the impacts of exempting all  
25 shellfish species from the tax imposed on enhanced food fish under  
26 chapter 82.27 RCW. The study shall include an estimate of the fiscal  
27 impacts to state revenues as well as an examination of how such an  
28 exemption would impact shellfish-based industries and communities where  
29 shellfish-based industries are located. The department shall complete  
30 this study and report its findings to the legislature by December 1,  
31 1997.

32       (3) \$60,000 of the general fund appropriation for fiscal year 1999  
33 is provided solely for a study of the costs incurred by retailers in  
34 collecting and remitting state and local sales taxes. The department  
35 shall (a) identify and estimate the costs for small, medium, and large  
36 retailers, (b) estimate the cost to retailers of implementing changes  
37 in tax rates and/or the tax base, (c) identify current statutory and  
38 regulatory procedures that impose costs and burdens on retailers, as  
39 well as alternatives that would lessen these costs and burdens, (d)

1 estimate any direct or indirect compensation retailers currently  
2 receive, if any, and (e) review how many other states provide  
3 compensation to retailers and the nature of the compensation. The  
4 department shall report its findings to the fiscal committees of the  
5 house of representatives and senate by December 31, 1998.

6 (4) \$100,000 of the enhanced 911 account appropriation is provided  
7 solely for costs associated with convening a study group on enhanced  
8 911 wireless implementation. The department of revenue shall convene  
9 a study group consisting of, but not limited to, representatives of the  
10 following: The office of financial management, the military  
11 department, the state enhanced 911 advisory committee, the department  
12 of revenue, and the utilities and transportation commission. The study  
13 shall evaluate the most efficient and cost-effective manner to  
14 implement state-wide enhanced 911 emergency communications services for  
15 radio access telephone lines. The study will also include an  
16 evaluation of the technical issues affecting the implementation of  
17 wireless enhanced 911 and may hire a telecommunications consultant to  
18 conduct this evaluation. The study group shall present its findings  
19 and recommendations to the governor and the appropriate committees of  
20 the legislature no later than December 31, 1998.

21 (5) \$104,000 of the general fund appropriation for fiscal year 1999  
22 is provided solely for the implementation of tax legislation enacted  
23 during the 1998 legislative session.

24 (6) \$50,000 of the general fund appropriation for fiscal year 1999  
25 is provided solely to implement sections 3 and 4 of Engrossed Second  
26 Substitute House Bill No. 2345 (revising administrative law). If  
27 sections 3 and 4 of the bill are not enacted by June 30, 1998, the  
28 amount provided in this subsection shall lapse.

29 **Sec. 123.** 1997 c 149 s 141 (uncodified) is amended to read as  
30 follows:

31 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

32 Data Processing Revolving Account	
33 Appropriation . . . . .	\$ 3,577,000
34 Education Savings Account Appropriation . . . . .	\$ 6,900,000
35 K-20 Technology Account Appropriation . . . . .	\$ 44,028,000
36 TOTAL APPROPRIATION . . . . .	\$ ((47,605,000))
37	54,505,000

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

3 (1) The department shall provide a toll-free telephone number and  
4 operator service staff for the general public to call for information  
5 about state agencies. The department may provide such staff,  
6 equipment, and facilities as are necessary for this purpose. The  
7 director shall adopt rules to fix terms and charges for these services.  
8 All state agencies and the legislature shall participate in the  
9 information program and shall reimburse the department of information  
10 services in accordance with rules established by the director. The  
11 department shall also provide conference calling services for state and  
12 other public agencies on a fee-for-service basis.

13 (2) \$44,028,000 of the K-20 technology account appropriation shall  
14 be expended in accordance with the expenditures authorized by the K-20  
15 telecommunications oversight and policy committee as currently existing  
16 or as modified by Substitute House Bill No. 1698, Substitute Senate  
17 Bill No. 5002, or substantially similar legislation (K-20  
18 telecommunications network).

19 (3) \$6,900,000 of the education savings account appropriation is  
20 provided solely to complete the build-out of phase II of the K-12  
21 portion of the K-20 network.

22 **Sec. 124.** 1997 c 149 s 142 (uncodified) is amended to read as  
23 follows:

24 **FOR THE INSURANCE COMMISSIONER**

25	General Fund--Federal Appropriation . . . . .	\$	106,000
26	Insurance Commissioners Regulatory Account		
27	Appropriation . . . . .	\$	22,431,000
28	TOTAL APPROPRIATION . . . . .	\$	22,537,000

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

31 (1) \$532,000 of the insurance commissioner's regulatory account  
32 appropriation is provided solely for the expenditure of funds received  
33 under the consent order with the Prudential insurance company. These  
34 funds are provided solely for implementing the Prudential remediation  
35 process and for examinations of the Prudential company.

36 ~~(2) ((\$206,000 of the insurance commissioner's regulatory account~~  
37 ~~appropriation is provided solely to implement Substitute House Bill No.~~



1 1387 (basic health plan benefits). If the bill is not enacted by June  
2 30, 1997, the amount provided in this subsection shall lapse.

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

8 (3) \$50,000 of the insurance commissioner's regulatory account  
9 appropriation is provided solely to implement sections 10 and 12 of  
10 Engrossed Second Substitute House Bill No. 2345 (revising  
11 administrative law). If sections 10 and 12 of the bill are not enacted  
12 by June 30, 1998, the amount provided in this subsection shall lapse.

13 (4) \$100,000 of the insurance commissioner's regulatory account  
14 appropriation is provided solely for allocation to the traffic safety  
15 commission for implementation of Engrossed Substitute House Bill No.  
16 2439, the Cooper Jones Act (bicycle/pedestrian safety education). If  
17 the bill is not enacted by June 30, 1998, the amount provided in this  
18 subsection shall lapse.

19 **Sec. 125.** 1997 c 149 s 145 (uncodified) is amended to read as  
20 follows:

21 **FOR THE HORSE RACING COMMISSION**

22 Horse Racing Commission Account Appropriation . . . . \$ 4,828,000

23 The appropriation in this section is subject to the following  
24 conditions and limitations: Within the amounts appropriated in this  
25 section, the horse racing commission, in consultation with the gambling  
26 commission, shall study the impact on the major live race tracks and  
27 the horse racing and breeding industry of allowing gambling activity  
28 currently authorized in Washington by state law or under a state/tribal  
29 compact agreement to be conducted at the live race track facilities.  
30 The horse racing commission shall report to the appropriate committees  
31 of the legislature by December 15, 1998.

32 **Sec. 126.** 1997 c 149 s 146 (uncodified) is amended to read as  
33 follows:

34 **FOR THE LIQUOR CONTROL BOARD**

35 General Fund Appropriation (FY 1998) . . . . . \$ 1,603,000  
36 General Fund Appropriation (FY 1999) . . . . . \$ ((1,242,000))  
37 1,294,000

1	Liquor Control Board Construction and Maintenance	
2	Account Appropriation . . . . .	\$ 9,919,000
3	Liquor Revolving Account Appropriation . . . . .	\$ (( <del>121,391,000</del> ))
4		<u>122,607,000</u>
5	TOTAL APPROPRIATION . . . . .	\$ (( <del>134,155,000</del> ))
6		<u>135,423,000</u>

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

9       (1) \$1,250,000 of the liquor revolving account appropriation is  
10 provided solely for the agency information technology upgrade. This  
11 item is conditioned on satisfying the requirements of section 902 of  
12 this act, including the development of a project management plan, a  
13 project schedule, a project budget, a project agreement, and  
14 incremental funding based on completion of key milestones.

15       (2) \$1,603,000 of the general fund fiscal year 1998 appropriation  
16 and \$1,242,000 of the general fund fiscal year 1999 appropriation are  
17 provided solely to implement Substitute Senate Bill No. 6084 or  
18 Engrossed Substitute House Bill No. 2272 (transferring enforcement  
19 provisions regarding cigarette and tobacco taxes to the liquor control  
20 board). If neither bill is enacted by June 30, 1997, the amounts  
21 provided in this subsection shall lapse.

22       (3) \$459,000 of the liquor revolving account appropriation is  
23 provided solely for implementation of Substitute Senate Bill No. 5664  
24 (credit and debit cards purchases in state liquor stores). If the bill  
25 is not enacted by June 30, 1997, the amount provided in this subsection  
26 shall lapse.

27       (4) \$154,000 of the liquor revolving account appropriation is  
28 provided solely for the implementation of Engrossed House Bill No. 3901  
29 (implementing welfare reform). If the bill is not enacted by June 30,  
30 1997, the amount provided in this subsection shall lapse.

31       (5) \$944,000 of the liquor revolving account appropriation is  
32 provided solely for the increase in vendor commissions due to the  
33 higher than expected growth in sales volume.

34       (6) Within the amounts provided in this section, the liquor control  
35 board shall prepare and submit a report on the liquor agency vendor  
36 system to the legislature by December 1, 1998. The report shall  
37 provide information on: (a) The development and changes to the liquor  
38 agency vendor store system during the last twenty years; (b) the  
39 business profile of liquor agency vendors, including the number of

1 liquor agency vendors that sell only liquor and the number of liquor  
2 agency vendors that sell other items besides liquor; (c) the growth in  
3 the number of liquor agency vendors during the last twenty years; (d)  
4 the locations served by liquor agency vendors; (e) the criteria used  
5 for establishing liquor agency vendors and determining whether to open  
6 a state liquor store in a particular location; (f) the average annual  
7 commission paid per liquor agency vendor during the last twenty years;  
8 (g) the commission rate and components of the commissions provided to  
9 liquor agency vendors during the last twenty years; (h) the basis for  
10 any changes to the commission rate or components of the commissions  
11 provided to liquor agency vendors during the last twenty years; and (i)  
12 gross liquor sales by liquor agency vendors during the last twenty  
13 years.

14 (7) \$272,000 of the liquor revolving account appropriation is  
15 provided solely for the implementation of Substitute Senate Bill No.  
16 6253 (credit and debit card purchases in state liquor agency vendors).  
17 If the bill is not enacted by June 30, 1998, the amount provided in  
18 this subsection shall lapse.

19 (8) \$52,000 of the general fund appropriation for fiscal year 1999  
20 is provided solely for equipment for cigarette tax enforcement  
21 activities.

22 **Sec. 127.** 1997 c 149 s 147 (uncodified) is amended to read as  
23 follows:

24 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

25 Public Service Revolving Account--State

26 Appropriation . . . . . \$ ((24,313,000))  
27 24,754,000

28 Public Service Revolving Account--Federal

29 Appropriation . . . . . \$ 292,000

30 TOTAL APPROPRIATION . . . . . \$ ((24,605,000))  
31 25,046,000

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

34 (1) \$133,000 of the public service revolving account--state  
35 appropriation is provided solely for the implementation of Engrossed  
36 Substitute Senate Bill No. 6560 (electric power customer rights). For  
37 any portion of the appropriation that is expended for contracted  
38 services, the commission shall: (a) Form an advisory committee

1 consisting of representatives from electrical companies regulated by  
2 the commission, and residential, commercial, and industrial customers  
3 served by those companies; and (b) submit for review and approval by  
4 the advisory committee the request for proposal and selection of the  
5 successful bidder or bidders. If the bill is not enacted by June 30,  
6 1998, the amount provided in this subsection shall lapse.

7 (2) \$308,000 of the public service revolving account--state  
8 appropriation is provided solely for the implementation of Engrossed  
9 Substitute Senate Bill No. 6622 (federal telecommunications act). If  
10 the bill is not enacted by June 30, 1998, the amount provided in this  
11 subsection shall lapse.

12 **Sec. 128.** 1997 c 454 s 105 (uncodified) is amended to read as  
13 follows:

14 **FOR THE MILITARY DEPARTMENT**

15	General Fund--State Appropriation (FY 1998) . . . \$	((8,151,000))
16		<u>8,602,000</u>
17	General Fund--State Appropriation (FY 1999) . . . \$	((8,154,000))
18		<u>9,390,000</u>
19	General Fund--Federal Appropriation . . . . . \$	34,314,000
20	General Fund--Private/Local Appropriation . . . . \$	238,000
21	Flood Control Assistance Account Appropriation . \$	3,000,000
22	Enhanced 911 Account Appropriation . . . . . \$	26,782,000
23	Disaster Response Account--State Appropriation . \$	((23,977,000))
24		<u>25,487,000</u>
25	Disaster Response Account--Federal Appropriation \$	((95,419,000))
26		<u>110,812,000</u>
27	TOTAL APPROPRIATION . . . . . \$	((200,035,000))
28		<u>218,625,000</u>

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

31 (1) \$365,000 of the general fund--state appropriation for fiscal  
32 year 1998, \$1,145,000 of the general fund--state appropriation for  
33 fiscal year 1999, \$3,000,000 of the flood control assistance account  
34 appropriation, and \$6,197,000 of the general fund--federal  
35 appropriation are provided solely for deposit in the disaster response  
36 account to cover costs pursuant to subsection (2) of this section.

37 (2) ((23,977,000)) \$25,122,000 of the disaster response account--  
38 state appropriation is provided solely for the state share of response

1 and recovery costs associated with federal emergency management agency  
 2 (FEMA) disaster number 1079 (November/December 1995 storms), FEMA  
 3 disaster 1100 (February 1996 floods), FEMA disaster 1152 (November 1996  
 4 ice storm), FEMA disaster 1159 (December 1996 holiday storm), FEMA  
 5 disaster 1172 (March 1997 floods) and to assist local governmental  
 6 entities with the matching funds necessary to earn FEMA funds for FEMA  
 7 disaster 1100 (February 1996 floods). \$356,000 of the disaster  
 8 response account--state appropriation is provided solely for fire  
 9 mobilization costs. \$9,000 of the disaster response account--state  
 10 appropriation is provided solely for costs associated with FEMA  
 11 disaster 1182 (Pend Oreille county 1997 spring flood).

12 (3) \$100,000 of the general fund--state fiscal year 1998  
 13 appropriation and \$100,000 of the general fund--state fiscal year 1999  
 14 appropriation are provided solely for the implementation of a  
 15 conditional scholarship program pursuant to chapter 28B.103 RCW.

16 (4) \$35,000 of the general fund--state fiscal year 1998  
 17 appropriation and \$35,000 of the general fund--state fiscal year 1999  
 18 appropriation are provided solely for the north county emergency  
 19 medical service.

20 (5) \$36,000 of the general fund--state fiscal year 1998  
 21 appropriation and \$72,000 of the general fund--state fiscal year 1999  
 22 appropriation are provided solely for emergency worker claims pursuant  
 23 to chapter 38.52 RCW.

24 **Sec. 129.** 1997 c 149 s 152 (uncodified) is amended to read as  
 25 follows:

26 **FOR THE STATE CONVENTION AND TRADE CENTER**  
 27 State Convention and Trade Center Operating Account

28	Appropriation . . . . .	\$	((27,175,000))
29			<u>27,394,000</u>

30 (End of part)



1 fiscal year 1998 among programs after approval by the director of  
2 financial management. However, the department shall not transfer  
3 general fund--state appropriations from the economic services program  
4 for the 1997-99 fiscal biennium.

5 (b) To the extent that the transfer of appropriations under  
6 subsection (a) of this section is insufficient to fund actual  
7 expenditures in fiscal year 1998 in the medical assistance program that  
8 exceed the expenditures projected in the November 1997 medical  
9 assistance caseload forecast, the department may transfer general fund  
10 appropriations, not to exceed five million dollars, within the medical  
11 assistance program from fiscal year 1999 into fiscal year 1998.

12 (c) The director of financial management shall notify the  
13 appropriate fiscal committees of the senate and house of  
14 representatives in writing prior to approving any allotment  
15 modifications.

16 **Sec. 202.** 1997 c 454 s 202 (uncodified) is amended to read as  
17 follows:

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

20	General Fund--State Appropriation (FY 1998) . . . \$	((196,437,000))
21		<u>201,453,000</u>
22	General Fund--State Appropriation (FY 1999) . . . \$	((208,861,000))
23		<u>213,035,000</u>
24	General Fund--Federal Appropriation . . . . . \$	((252,269,000))
25		<u>252,300,000</u>
26	General Fund--Private/Local Appropriation . . . . . \$	400,000
27	Violence Reduction and Drug Enforcement Account	
28	Appropriation . . . . . \$	((4,230,000))
29		<u>4,332,000</u>
30	TOTAL APPROPRIATION . . . . . \$	((662,197,000))
31		<u>671,520,000</u>

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

34 (1) \$16,510,000 of the general fund--state appropriation for fiscal  
35 year 1998 and \$17,508,000 of the general fund--state appropriation for  
36 fiscal year 1999 are provided solely for purposes consistent with the  
37 maintenance of effort requirements under the federal temporary  
38 assistance for needy families program established under P.L. 104-193.

1           (2) \$((837,000)) 4,332,000 of the violence reduction and drug  
2 enforcement account appropriation and \$((7,228,000)) 3,733,000 of the  
3 general fund--federal appropriation are provided solely for the  
4 operation of the family policy council, the community public health and  
5 safety networks, and delivery of services authorized under the federal  
6 family preservation and support act. Within the funds provided, the  
7 family policy council shall contract for an evaluation of the community  
8 networks with the institute for public policy and shall provide for  
9 audits of ten networks. Within the funds provided, the family policy  
10 council may build and maintain a geographic information system database  
11 tied to community network geography.

12           (3) \$577,000 of the general fund--state fiscal year 1998  
13 appropriation and \$577,000 of the general fund--state fiscal year 1999  
14 appropriation are provided solely to contract for the operation of one  
15 pediatric interim care facility. The facility shall provide  
16 residential care for up to twelve children through two years of age.  
17 Seventy-five percent of the children served by the facility must be in  
18 need of special care as a result of substance abuse by their mothers.  
19 The facility also shall provide on-site training to biological,  
20 adoptive, or foster parents. The facility shall provide at least three  
21 months of consultation and support to parents accepting placement of  
22 children from the facility. The facility may recruit new and current  
23 foster and adoptive parents for infants served by the facility. The  
24 department shall not require case management as a condition of the  
25 contract.

26           (4) \$481,000 of the general fund--state fiscal year 1998  
27 appropriation and \$481,000 of the general fund--state fiscal year 1999  
28 appropriation are provided solely for up to three nonfacility-based  
29 programs for the training, consultation, support, and recruitment of  
30 biological, foster, and adoptive parents of children through age three  
31 in need of special care as a result of substance abuse by their  
32 mothers, except that each program may serve up to three medically  
33 fragile nonsubstance-abuse-affected children. In selecting  
34 nonfacility-based programs, preference shall be given to programs whose  
35 federal or private funding sources have expired or that have  
36 successfully performed under the existing pediatric interim care  
37 program.

38           (5) \$640,000 of the general fund--state appropriation for fiscal  
39 year 1998 and \$640,000 of the general fund--state appropriation for



1 fiscal year 1999 are provided solely to fund Second Substitute Senate  
2 Bill No. 5710 (juvenile care and treatment), including section 2 of the  
3 bill. Amounts provided in this subsection to implement Second  
4 Substitute Senate Bill No. 5710 must be used to serve families who are  
5 screened from the child protective services risk assessment process.  
6 Services shall be provided through contracts with community-based  
7 organizations. If neither bill is enacted by June 30, 1997, the  
8 amounts provided in this subsection shall lapse.

9 (6) \$594,000 of the general fund--state appropriation for fiscal  
10 year 1998, \$556,000 of the general fund--state appropriation for fiscal  
11 year 1999, and \$290,000 of the general fund--federal appropriation are  
12 provided solely to fund the provisions of Engrossed Second Substitute  
13 House Bill No. 2046 (foster parent liaison). The department shall  
14 establish a foster parent liaison in each department of social and  
15 health services region of the state and contract with a private  
16 provider to implement a recruitment and retention program for foster  
17 parents and adoptive families. The department shall provide a minimum  
18 of two hundred additional adoptive and foster home placements by June  
19 30, 1998. If the bill is not enacted by June 30, 1997, the amounts in  
20 this subsection shall lapse.

21 (7) \$433,000 of the fiscal year 1998 general fund--state  
22 appropriation, \$395,000 of the fiscal year 1999 general fund--state  
23 appropriation, and \$894,000 of the general fund--federal appropriation  
24 are provided solely to increase the rate paid to private child-placing  
25 agencies.

26 (8) \$580,000 of the general fund--state appropriation for fiscal  
27 year 1998 and \$580,000 of the general fund--state appropriation for  
28 fiscal year 1999 are provided solely for development and expansion of  
29 child care training requirements and optional training programs. The  
30 department shall adopt rules to require annual training in early  
31 childhood development of all directors, supervisors, and lead staff at  
32 child care facilities. Directors, supervisors, and lead staff at child  
33 care facilities include persons licensed as family child care  
34 providers, and persons employed at child care centers or school age  
35 child care centers. The department shall establish a program to fund  
36 scholarships and grants to assist persons in meeting these training  
37 requirements. The department shall also develop criteria for approving  
38 training programs and establish a system for tracking who has received  
39 the required level of training. In adopting rules, developing

1 curricula, setting up systems, and administering scholarship programs,  
2 the department shall consult with the child care coordinating committee  
3 and other community stakeholders.

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

14 (10) \$100,000 of the general fund--state appropriation for fiscal  
15 year 1998 and \$100,000 of the general fund--state appropriation for  
16 fiscal year 1999 are provided solely for legal costs associated with  
17 the defense of vendors operating a secure treatment facility, for  
18 actions arising from the good faith performance of treatment services  
19 for behavioral difficulties or needs.

20 (11) \$2,745,000 of the fiscal year 1998 general fund--state  
21 appropriation, \$2,745,000 of the fiscal year 1999 general fund--state  
22 appropriation, and \$1,944,000 of the general fund--federal  
23 appropriation are provided solely for the category of services titled  
24 "intensive family preservation services."

25 (12) ~~\$(2,200,000)~~ 1,642,000 of the fiscal year 1998 general  
26 fund--state appropriation and ~~\$(2,200,000)~~ 1,207,000 of the fiscal  
27 year 1999 general fund--state appropriation and \$1,551,000 of the  
28 general fund--federal appropriation are provided solely to continue  
29 existing continuum of care and street youth projects.

30 (13) \$1,456,000 of the general fund--state appropriation for fiscal  
31 year 1998, \$1,474,000 of the general fund--state appropriation for  
32 fiscal year 1999 and \$1,141,000 of the general fund--federal  
33 appropriation are provided solely for the improvement of quality and  
34 capacity of the child care system and related consumer education. The  
35 activities funded by this appropriation shall include, but not be  
36 limited to: Expansion of child care resource and referral network  
37 services to serve additional families, to provide technical assistance  
38 to child care providers, and to cover currently unserved areas of the  
39 state; development of and incentives for child care during nonstandard

1 work hours; and the development of care for infants, toddlers,  
2 preschoolers, and school age youth. These amounts are provided in  
3 addition to funding for child care training and fire inspections of  
4 child care facilities. These activities shall also improve the quality  
5 and capacity of the child care system.

6 (14)(a) \$6,565,000 of the general fund--state appropriation for  
7 fiscal year 1998 and \$7,454,000 of the general fund--state  
8 appropriation for fiscal year 1999 are provided solely for distribution  
9 to county juvenile court administrators to fund the costs of processing  
10 truancy, children in need of services, and at-risk youth petitions.  
11 The department shall not retain any portion of these funds to cover  
12 administrative or any other departmental costs. The department, in  
13 conjunction with the juvenile court administrators, shall develop an  
14 equitable funding distribution formula. The formula shall neither  
15 reward counties with higher than average per petition processing costs  
16 nor shall it penalize counties with lower than average per petition  
17 processing costs.

18 (b) Each quarter during the 1997-1999 fiscal biennium, each county  
19 shall report the number of petitions processed and the total costs of  
20 processing the petitions in each of the following categories: Truancy,  
21 children in need of services, and at-risk youth. Counties shall submit  
22 the reports to the department no later than 45 days after the end of  
23 the quarter. The department shall forward this information to the  
24 chair and ranking minority member of the house appropriations committee  
25 and the senate ways and means committee no later than 60 days after a  
26 quarter ends. These reports are deemed informational in nature and are  
27 not for the purpose of distributing funds.

28 (15) \$70,000 of the fiscal year 1999 general fund--state  
29 appropriation is provided solely for foster parent intervention support  
30 teams.

31 (16) \$255,000 of the general fund--state appropriation for fiscal  
32 year 1999 and \$67,000 of the general fund--federal appropriation are  
33 provided solely for implementation of Substitute House Bill No. 2556  
34 (child abuse prevention and treatment). If the bill is not enacted by  
35 June 30, 1998, the amounts provided in this subsection shall lapse.

36 (17) The department and the attorney general shall jointly make  
37 recommendations to the legislature to reduce or limit the state's  
38 liability for damages in child welfare cases, including shelter care

1 and dependency proceedings. The recommendations shall be submitted to  
2 the appropriate committees of the legislature by December 1, 1998.

3 (18) To the extent funds are available, the department shall pay  
4 the expense of fingerprint criminal history record checks for low-  
5 income family day care homes through the federal bureau of  
6 investigation. The department may promulgate rules to set eligibility  
7 levels.

8 (19) Sufficient funding is provided in this section to implement  
9 Engrossed Substitute Senate Bill No. 6238 (dependent children).

10 **Sec. 203.** 1997 c 454 s 203 (uncodified) is amended to read as  
11 follows:

12 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**  
13 **REHABILITATION PROGRAM**

14 (1) COMMUNITY SERVICES

15	General Fund--State Appropriation (FY 1998) . . . \$	((32,305,000))
16		<u>35,894,000</u>
17	General Fund--State Appropriation (FY 1999) . . . \$	((32,348,000))
18		<u>35,522,000</u>
19	General Fund--Federal Appropriation . . . . . \$	((16,125,000))
20		<u>13,365,000</u>
21	General Fund--Private/Local Appropriation . . . . . \$	378,000
22	Violence Reduction and Drug Enforcement Account	
23	Appropriation . . . . . \$	((11,256,000))
24		<u>14,080,000</u>
25	TOTAL APPROPRIATION . . . . . \$	((92,412,000))
26		<u>99,239,000</u>

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

29 (a) \$527,000 of the violence reduction and drug enforcement account  
30 appropriation is provided solely for deposit in the county criminal  
31 justice assistance account solely for costs to the criminal justice  
32 system associated with the implementation of Engrossed Third Substitute  
33 House Bill No. 3900 (revising the juvenile code). If Engrossed Third  
34 Substitute House Bill No. 3900 is not enacted by June 30, 1997, the  
35 amount provided in this subsection shall lapse. The amount provided in  
36 this subsection is intended to provide funding for county adult court  
37 costs associated with the implementation of Engrossed Third Substitute

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

3 (b) \$2,917,000 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) \$1,221,000 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) \$100,000 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 (f) \$400,000 of the violence reduction and drug enforcement account  
2 appropriation is provided solely for the development of standards  
3 measuring the effectiveness of chemical dependency treatment and for  
4 conducting evaluations of chemical dependency programs pursuant to  
5 Engrossed Third Substitute House Bill No. 3900 (revising the juvenile  
6 code). If the bill is not enacted by June 30, 1997, the amount  
7 provided in this subsection shall lapse. The juvenile rehabilitation  
8 administration shall consult with the division of alcohol and substance  
9 abuse and contract with the University of Washington to develop the  
10 standards and conduct the evaluations.

11 (g) \$150,000 of the general fund--state fiscal year 1998  
12 appropriation and \$150,000 of the general fund--state fiscal year 1999  
13 appropriation are provided solely for a contract to expand the services  
14 of the teamchild project to additional sites. Priority use of these  
15 funds shall be to provide teamchild service to early repeat offenders  
16 to help ensure they receive appropriate child welfare and educational  
17 services.

18 (h) \$2,700,000 of the violence reduction and drug enforcement  
19 account appropriation is provided solely to implement community  
20 juvenile accountability grants pursuant to chapter 338, Laws of 1997  
21 (juvenile justice). Funds provided in this subsection may be used  
22 solely for community juvenile accountability grants, administration of  
23 the grants, and evaluations of programs funded by the grants.

24 (i) \$2,175,000 of the general fund--state appropriation for fiscal  
25 year 1999 is provided solely for the implementation of Second  
26 Substitute Senate Bill No. 6445 (child community facility placement).  
27 If the bill is not enacted by June 30, 1998, the amounts provided in  
28 this subsection shall lapse. The funds are intended to improve the  
29 security of state-operated and privately contracted group homes. By  
30 June 30, 1999, the juvenile rehabilitation administration shall report  
31 to the appropriate policy and fiscal committees of the legislature on  
32 the specific actions, and the cost of each action, taken to improve  
33 security at both state-operated and contracted group homes.

34 (j) \$150,000 of the general fund--state appropriation for fiscal  
35 year 1999 is provided solely for the Skagit county delinquency  
36 prevention project.

37 (2) INSTITUTIONAL SERVICES

38 General Fund--State Appropriation (FY 1998) . . . \$ ((44,782,000))  
39 43,909,000

1	General Fund--State Appropriation (FY 1999) . . . \$	((44,662,000))
2		<u>45,977,000</u>
3	General Fund--Private/Local Appropriation . . . . \$	727,000
4	Violence Reduction and Drug Enforcement Account	
5	Appropriation . . . . . \$	15,281,000
6	TOTAL APPROPRIATION . . . . . \$	((105,452,000))
7		<u>105,894,000</u>

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

10       (a) \$3,680,000 of the violence reduction and drug enforcement  
11 account appropriation is provided solely for the implementation of  
12 Engrossed Third Substitute House Bill No. 3900 (juvenile code  
13 revisions). If the bill is not enacted by June 30, 1997, the amount  
14 provided in this subsection shall lapse.

15       (b) \$105,000 of the general fund--state appropriation for fiscal  
16 year 1998 and \$377,000 of the general fund--state appropriation for  
17 fiscal year 1999 are provided solely for costs associated with  
18 implementing chapter 386, Laws of 1997 (juvenile care and treatment).

19       (c) \$44,000 of the general fund--state appropriation for fiscal  
20 year 1999 is provided solely to implement House Bill No. 1172 (sex  
21 offender registration). If the bill is not enacted by June 30, 1998,  
22 the amount provided in this subsection shall lapse.

23       (3) PROGRAM SUPPORT

24	General Fund--State Appropriation (FY 1998) . . . \$	((1,922,000))
25		<u>1,930,000</u>
26	General Fund--State Appropriation (FY 1999) . . . \$	((1,610,000))
27		<u>1,654,000</u>
28	General Fund--Federal Appropriation . . . . . \$	156,000
29	Violence Reduction and Drug Enforcement Account	
30	Appropriation . . . . . \$	421,000
31	TOTAL APPROPRIATION . . . . . \$	((4,109,000))
32		<u>4,161,000</u>

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

35       (a) \$92,000 of the general fund--state fiscal year 1998  
36 appropriation and \$36,000 of the general fund--state fiscal year 1999  
37 appropriation are provided solely for the implementation of Substitute

1 Senate Bill No. 5759 (risk classification). If the bill is not enacted  
2 by June 30, 1997, the amounts provided shall lapse.

3 (b) \$206,000 of the general fund--state fiscal year 1998  
4 appropriation is provided solely for the implementation of Engrossed  
5 Second Substitute Senate Bill No. 5710 (juvenile care and treatment).  
6 If the bill is not enacted by June 30, 1997, the amount provided shall  
7 lapse.

8 (c) \$97,000 of the general fund--state fiscal year 1998  
9 appropriation and \$36,000 of the general fund--state fiscal year 1999  
10 appropriation are provided solely for the implementation of Engrossed  
11 Third Substitute House Bill No. 3900 (juvenile code revisions). If the  
12 bill is not enacted by June 30, 1997, the amounts provided shall lapse.

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

18 (e) \$15,000 of the general fund--state appropriation for fiscal  
19 year 1998 and \$175,000 of the general fund--state appropriation for  
20 fiscal year 1999 are provided solely for the study required in Second  
21 Substitute Senate Bill No. 6445 (child community facility placement).  
22 If the bill is not enacted by June 30, 1998, the amounts provided in  
23 this subsection shall lapse. The juvenile rehabilitation  
24 administration (JRA) shall contract with the institute for public  
25 policy for the studies required by the bill.

26 **Sec. 204.** 1997 c 149 s 204 (uncodified) is amended to read as  
27 follows:

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

29 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

30 General Fund--State Appropriation (FY 1998) . . . \$	((167,577,000))
31	<u>170,940,000</u>
32 General Fund--State Appropriation (FY 1999) . . . \$	((170,803,000))
33	<u>173,645,000</u>
34 General Fund--Federal Appropriation . . . . . \$	((296,006,000))
35	<u>299,651,000</u>
36 General Fund--Private/Local Appropriation . . . . \$	4,000,000
37 TOTAL APPROPRIATION . . . . . \$	((638,386,000))
38	<u>648,236,000</u>



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

3 (a) Regional support networks shall use portions of the general  
4 fund--state appropriation for implementation of working agreements with  
5 the vocational rehabilitation program which will maximize the use of  
6 federal funding for vocational programs.

7 (b) From the general fund--state appropriations in this subsection,  
8 the secretary of social and health services shall assure that regional  
9 support networks reimburse the aging and adult services program for the  
10 general fund--state cost of medicaid personal care services that  
11 enrolled regional support network consumers use because of their  
12 psychiatric disability.

13 ~~(c) ((\$2,413,000 of the general fund state appropriation for  
14 fiscal year 1998 and \$2,393,000 of the general fund state  
15 appropriation for fiscal year 1999 are provided solely to directly  
16 reimburse eligible providers for the medicaid share of mental health  
17 services provided to persons eligible for both medicaid and medicare.  
18 To be reimbursed, the service must be covered by and provided in  
19 accordance with the state medicaid plan.~~

20 ~~(d))~~ \$1,304,000 of the general fund--state appropriation for  
21 fiscal year 1998, \$3,356,000 of the general fund--state appropriation  
22 for fiscal year 1999, and \$5,056,000 of the general fund--federal  
23 appropriation are provided solely for distribution to those regional  
24 support networks whose 1997-99 allocation would otherwise be less than  
25 the regional support network would receive if all funding appropriated  
26 in this subsection (1) of this section for medicaid outpatient mental  
27 health services were distributed among all regional support networks at  
28 the state-wide average per capita rate for each eligibility category.

29 ~~((e))~~ (d) At least thirty days prior to entering contracts that  
30 would capitate payments for voluntary psychiatric hospitalizations, the  
31 mental health division shall report the proposed capitation rates, and  
32 the assumptions and calculations by which they were established, to the  
33 budget and forecasting divisions of the office of financial management,  
34 the appropriations committee of the house of representatives, and the  
35 ways and means committee of the senate.

36 (e) \$533,000 of the general fund--state appropriation for fiscal  
37 year 1999 and \$587,000 of the general fund--federal appropriation are  
38 provided solely for the implementation of the Second Substitute Senate

1 Bill No. 6214 (mentally ill commitment). If the bill is not enacted by  
2 June 30, 1998, the amounts provided in this subsection shall lapse.

3 (2) INSTITUTIONAL SERVICES

4	General Fund--State Appropriation (FY 1998) . . . \$	((59,496,000))
5		<u>62,368,000</u>
6	General Fund--State Appropriation (FY 1999) . . . \$	((59,508,000))
7		<u>60,698,000</u>
8	General Fund--Federal Appropriation . . . . . \$	((127,118,000))
9		<u>133,504,000</u>
10	General Fund--Private/Local Appropriation . . . . . \$	((30,940,000))
11		<u>25,007,000</u>
12	TOTAL APPROPRIATION . . . . . \$	((277,062,000))
13		<u>281,577,000</u>

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

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

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

22 (c) \$246,000 of the general fund--state fiscal year 1998  
23 appropriation and \$318,000 of the general fund--state fiscal year 1999  
24 appropriation are provided solely for funding outside medical costs.  
25 The mental health division shall provide a report on outside medical  
26 costs to the fiscal committees of the legislature by September 30,  
27 1998, and September 30, 1999. The report shall detail the monthly and  
28 per capita expenditures for outside medical costs at each state  
29 hospital.

30 (d) \$256,000 of the general fund--state fiscal year 1998  
31 appropriation and \$254,000 of the general fund--state fiscal year 1999  
32 appropriation are provided solely for funding pharmacy and new drug  
33 costs. The mental health division shall provide a report on pharmacy  
34 and new drug costs to the fiscal committees of the legislature by  
35 September 30, 1998, and September 30, 1999. The report shall detail  
36 monthly and per capita expenditures for pharmacy and new drug costs for  
37 each state hospital. Expenditures for each new generation atypical  
38 antipsychotic medication including clozapine, resperidone, olanzapine,

1 and any newly introduced medications of this nature shall be  
2 specifically reported.

3 (e) \$1,700,000 of the general fund--state fiscal year 1998  
4 appropriation is provided solely for replacing lost federal revenues in  
5 fiscal year 1998 due to a changed definition of discharge for medicare  
6 reimbursement purposes. The mental health division must aggressively  
7 pursue the prompt resolution of issues resulting in this loss of  
8 revenues with the federal health care financing administration. In the  
9 event any or all of the lost federal revenues are restored, an equal  
10 amount of the general fund--state fiscal year 1998 appropriation shall  
11 lapse.

12 (f) Within the funds provided in this section, the mental health  
13 division shall develop by October 1, 1998, a staffing model for direct  
14 and indirect functions for the wards at each of the state hospitals.  
15 The model should, whenever possible, reflect the most efficient  
16 practices for providing treatment and therapeutic services appropriate  
17 to the characteristics and needs of the individual patient.

18 (g) \$1,508,000 of the general fund--state appropriation for fiscal  
19 year 1999, \$92,000 of the general fund--federal appropriation, and  
20 \$107,000 of the general fund private/local appropriation are provided  
21 solely for the implementation of the Second Substitute Senate Bill No.  
22 6214 (mentally ill commitment). If the bill is not enacted by June 30,  
23 1998, the amounts provided in this subsection shall lapse.

24 (3) CIVIL COMMITMENT

25	General Fund Appropriation (FY 1998)	. . . . . \$	((5,423,000))
26			7,174,000
27	General Fund Appropriation (FY 1999)	. . . . . \$	((6,082,000))
28			7,779,000
29	TOTAL APPROPRIATION	. . . . . \$	((11,505,000))
30			14,953,000

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

33 (a) \$2,088,000 of the general fund--state fiscal year 1998  
34 appropriation and \$2,415,000 of the general fund--state fiscal year  
35 1999 appropriation are provided solely for court-related costs for  
36 residents at the special commitment center.

37 (b) Within the funds provided in this subsection, the mental health  
38 division shall develop by October 1, 1998, a staffing model for direct

1 and indirect functions at the special commitment center. The model  
2 should, whenever possible, reflect the most efficient practices for  
3 providing treatment and therapeutic services appropriate to the  
4 characteristics and needs of the individual patient.

5 (4) SPECIAL PROJECTS

6	General Fund--State Appropriation (FY 1998) . . . \$	50,000
7	General Fund--State Appropriation (FY 1999) . . . \$	450,000
8	General Fund--Federal Appropriation . . . . . \$	3,826,000
9	TOTAL APPROPRIATION . . . . . \$	4,326,000

10 The appropriations in this subsection are subject to the following  
11 conditions and limitations: \$50,000 of the general fund--state  
12 appropriation for fiscal year 1998 and \$450,000 of the general fund--  
13 state appropriation for fiscal year 1999 are provided solely for  
14 development and operation of the pilot project for mentally ill  
15 offenders described in Substitute Senate Bill No. 6002 (mentally ill  
16 offenders). If the bill is not enacted by June 30, 1997, the amounts  
17 provided shall lapse.

18 (5) PROGRAM SUPPORT

19	General Fund--State Appropriation (FY 1998) . . . \$	<del>((2,560,000))</del>
20		<u>2,537,000</u>
21	General Fund--State Appropriation (FY 1999) . . . \$	<del>((2,395,000))</del>
22		<u>2,569,000</u>
23	General Fund--Federal Appropriation . . . . . \$	<del>((3,111,000))</del>
24		<u>3,085,000</u>
25	TOTAL APPROPRIATION . . . . . \$	<del>((8,066,000))</del>
26		<u>8,191,000</u>

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

29 (a) \$60,000 of the general fund--state appropriation for fiscal  
30 year 1998 is provided solely to increase the department's capacity to  
31 carry out legislative intent set forth in RCW 71.24.400 through  
32 71.24.415. To facilitate this activity, the secretary shall appoint an  
33 oversight committee of project stakeholders including representatives  
34 from: Service providers, mental health regional support networks, the  
35 department's mental health division, the department's division of  
36 alcohol and substance abuse, the department's division of children and  
37 family services, and the department's medical assistance

1 administration. The oversight group shall continue to seek ways to  
2 streamline service delivery as set forth in RCW 71.24.405 until at  
3 least July 1, 1998.

4 (b) \$96,000 of the general fund--state appropriation for fiscal  
5 year 1999 is provided solely for the implementation of Second  
6 Substitute Senate Bill No. 6214 (mentally ill commitment). If the bill  
7 is not enacted by June 30, 1998, the amount provided in this subsection  
8 shall lapse.

9 (c) \$100,000 of the general fund--state appropriation for fiscal  
10 year 1999 is provided solely for the evaluation required by Second  
11 Substitute Senate Bill No. 6214 (mentally ill commitment). If the bill  
12 is not enacted by June 30, 1998, the amount provided in this subsection  
13 shall lapse. The mental health division shall contract with the  
14 institute for public policy for this evaluation.

15 **Sec. 205.** 1997 c 149 s 205 (uncodified) is amended to read as  
16 follows:

17 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**  
18 **DISABILITIES PROGRAM**

19 Notwithstanding any other limitations in this section, the  
20 secretary shall transfer \$1,140,000 of the general fund--state  
21 appropriation, and \$1,060,000 of the general fund--federal  
22 appropriation, or so much thereof as may be necessary, among  
23 subsections of this section to implement Second Substitute Senate Bill  
24 No. 6751 (developmental disabilities service options).

25 (1) COMMUNITY SERVICES

26	General Fund--State Appropriation (FY 1998) . . . \$	((140,172,000))
27		<u>147,757,000</u>
28	General Fund--State Appropriation (FY 1999) . . . \$	((142,643,000))
29		<u>166,773,000</u>
30	General Fund--Federal Appropriation . . . . . \$	((194,347,000))
31		<u>226,737,000</u>
32	Health Services Account Appropriation . . . . . \$	((1,695,000))
33		<u>639,000</u>
34	TOTAL APPROPRIATION . . . . . \$	((478,857,000))
35		<u>541,906,000</u>

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

1 (a) (~~(\$1,695,000 of)~~) The health services account appropriation and  
2 \$(~~(1,835,000)~~) 692,000 of the general fund--federal appropriation are  
3 provided solely for the enrollment in the basic health plan of home  
4 care workers with family incomes below 200 percent of the federal  
5 poverty level who are employed through state contracts. Enrollment in  
6 the basic health plan for home care workers with family incomes at or  
7 above 200 percent of poverty shall be covered with general fund--state  
8 and matching general fund--federal revenues that were identified by the  
9 department to have been previously appropriated for health benefits  
10 coverage, to the extent that these funds had not been contractually  
11 obligated for worker wage increases prior to March 1, 1996.

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

17 (c) ~~\$(~~(22,974,000)~~)~~ 24,399,000 of the general fund--state  
18 appropriation for fiscal year 1998 and ~~\$(~~(25,111,000)~~)~~ 28,729,000 of  
19 the general fund--state appropriation for fiscal year 1999(~~(, plus any~~  
20 ~~vendor rate increases allotted in accordance with section 213 of this~~  
21 ~~act,)) are provided solely to deliver personal care services (~~(to an~~  
22 ~~average of 6,250 children and adults in fiscal year 1998 and an average~~  
23 ~~of 7,100 children and adults in fiscal year 1999)).~~ Within these  
24 amounts, sufficient funding is provided to restore funding for medicaid  
25 personal care exceptional rates to the fiscal year 1997 level. If the  
26 secretary of social and health services determines that total  
27 expenditures are likely to exceed these appropriated amounts, the  
28 secretary shall take action as required by RCW 74.09.520 to adjust  
29 either functional eligibility standards or service levels or both  
30 sufficiently to maintain expenditures within appropriated levels. Such  
31 action may include the adoption of emergency rules and may not be taken  
32 to the extent that projected over-expenditures are offset by under-  
33 expenditures elsewhere within the program's general fund--state  
34 appropriation. Prior to making eligibility changes which would  
35 terminate all services to some persons, the secretary should first  
36 exercise all opportunities to manage the average cost per person  
37 served, through methods such as promoting the use of informal care;  
38 assuring that local offices are effectively and consistently  
39 authorizing the least expensive level of care which can meet recipient~~

1 needs; and reducing on a sliding-scale basis the amount of service  
2 authorized per functional need level, with smaller reductions for  
3 greater levels of need.

4 (d) \$((453,000)) 144,000 of the general fund--state appropriation  
5 for fiscal year 1998, \$((214,000)) 453,000 of the general fund--state  
6 appropriation for fiscal year 1999, and \$((719,000)) 654,000 of the  
7 general fund--federal appropriation are provided solely to continue  
8 operation of the united cerebral palsy residential center during the  
9 period in which its residents are phasing into new community  
10 residences.

11 (e) \$197,000 of the general fund--state appropriation for fiscal  
12 year 1998 and \$197,000 of the general fund--state appropriation for  
13 fiscal year 1999 are provided solely to contract with the Washington  
14 initiative for supported employment for the purpose of continuing the  
15 promotion of supported employment services for persons with  
16 disabilities.

17 (f) The department shall not reduce the number of persons served in  
18 community residential, employment and day program, or family support  
19 services below the levels identified in the *Legislative Budget Notes,*  
20 1997-99 Biennium, (August 1997) as published by the legislative fiscal  
21 committees, in order to undertake activities proposed by the department  
22 but not funded in this 1998 supplemental appropriations act.

23 (g) \$2,151,000 of the general fund--state appropriation for fiscal  
24 year 1998, \$5,782,000 of the general fund--state appropriation for  
25 fiscal year 1999, and \$8,362,000 of the general fund--federal  
26 appropriation are provided solely to develop and operate secure  
27 residential and day program placements for persons who seem likely to  
28 present a significant risk to the public safety if their current  
29 residential arrangement were to continue.

30 (h) \$426,000 of the general fund--state appropriation for fiscal  
31 year 1999 and \$469,000 of the general fund--federal appropriation are  
32 provided solely to develop and operate community services for persons  
33 residing at eastern and western state hospitals whose needs are such  
34 that they cannot be served in existing community vacancies.

35 (i) \$200,000 of the general fund--state appropriation for fiscal  
36 year 1998 and \$1,592,000 of the general fund--state appropriation for  
37 fiscal year 1999 are provided solely for employment and day program  
38 services for adults who are not currently able to participate in such  
39 services because of funding limitations.

1       (j) \$105,000 of the general fund--state appropriation for fiscal  
2 year 1998, \$933,000 of the general fund--state appropriation for fiscal  
3 year 1999, and \$1,029,000 of the general fund--federal appropriation  
4 are provided solely to develop and operate community services for  
5 persons moving from the residential habilitation centers as a result of  
6 an agreement with the federal department of justice or a settlement  
7 agreement to a lawsuit.

8       (k) Within amounts appropriated in this subsection, the division  
9 shall contract for a pilot program to test an alternative service  
10 delivery model for services to persons with autism. The division must  
11 use a competitive process to determine the site of the pilot. The  
12 pilot program must be time-limited and subject to an evaluation of  
13 client outcomes to determine the effectiveness and efficiency of the  
14 pilot program compared to the standard service model for persons with  
15 autism.

16       (2) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 1998) . . . \$	((63,982,000))
18		<u>65,277,000</u>
19	General Fund--State Appropriation (FY 1999) . . . \$	((63,206,000))
20		<u>64,187,000</u>
21	General Fund--Federal Appropriation . . . . . \$	((142,955,000))
22		<u>145,897,000</u>
23	General Fund--Private/Local Appropriation . . . . . \$	9,729,000
24	TOTAL APPROPRIATION . . . . . \$	((279,872,000))
25		<u>285,090,000</u>

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

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

33       (b) \$112,000 of the general fund--state appropriation for fiscal  
34 year 1998, \$113,000 of the general fund--state appropriation for  
35 fiscal year 1999, and \$75,000 of the general fund--federal  
36 appropriation are provided solely for a nursing community outreach  
37 project at Yakima valley school. Registered nursing staff are to



1 provide nursing assessments, consulting services, training, and quality  
2 assurance on behalf of individuals residing in central Washington.

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

10 (3) PROGRAM SUPPORT

11	General Fund--State Appropriation (FY 1998) . . . \$	((2,543,000))
12		<u>2,530,000</u>
13	General Fund--State Appropriation (FY 1999) . . . \$	((2,517,000))
14		<u>2,501,000</u>
15	General Fund--Federal Appropriation . . . . . \$	((1,645,000))
16		<u>1,637,000</u>
17	TOTAL APPROPRIATION . . . . . \$	((6,705,000))
18		<u>6,668,000</u>

19 (4) SPECIAL PROJECTS

20	General Fund--Federal Appropriation . . . . . \$	12,030,000
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21 **Sec. 206.** 1997 c 149 s 206 (uncodified) is amended to read as  
22 follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**  
24 **SERVICES PROGRAM**

25	General Fund--State Appropriation (FY 1998) . . . \$	((392,045,000))
26		<u>409,469,000</u>
27	General Fund--State Appropriation (FY 1999) . . . \$	((416,304,000))
28		<u>425,130,000</u>
29	General Fund--Federal Appropriation . . . . . \$	((878,169,000))
30		<u>910,685,000</u>
31	<u>General Fund--Local Appropriation</u> . . . . . \$	<u>1,781,000</u>
32	Health Services Account Appropriation . . . . . \$	((6,087,000))
33		<u>2,232,000</u>
34	TOTAL APPROPRIATION . . . . . \$	((1,692,605,000))
35		<u>1,749,297,000</u>

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

1 (1) The entire health services account appropriation and  
2 \$((6,076,000)) 2,175,000 of the general fund--federal appropriation are  
3 provided solely for the enrollment in the basic health plan of home  
4 care workers with family incomes below 200 percent of the federal  
5 poverty level who are employed through state contracts. Enrollment in  
6 the basic health plan for home care workers with family incomes at or  
7 above 200 percent of poverty shall be covered with general fund--state  
8 and matching general fund--federal revenues that were identified by the  
9 department to have been previously appropriated for health benefits  
10 coverage, to the extent that these funds had not been contractually  
11 obligated for worker wage increases prior to March 1, 1996.

12 (2) \$1,277,000 of the general fund--state appropriation for fiscal  
13 year 1998 and \$1,277,000 of the general fund--state appropriation for  
14 fiscal year 1999 are provided solely for operation of the volunteer  
15 chore program.

16 (3) \$((107,997,000)) 113,534,000 of the general fund--state  
17 appropriation for fiscal year 1998 ((and \$120,397,000)), \$125,310,000  
18 of the general fund--state appropriation for fiscal year 1999, ((plus  
19 any vendor rate increases allocated to these services in accordance  
20 with section 213 of this act)) of which no less than forty-nine percent  
21 shall be allotted for expenditure during the first six months of fiscal  
22 year 1999, and \$7,374,000 of the general fund--federal social services  
23 block grant appropriation, are provided solely to deliver chore, COPES,  
24 and medicaid personal care services. If the secretary of social and  
25 health services determines that total expenditures are likely to exceed  
26 these amounts, the secretary shall take action as required by RCW  
27 74.09.520, 74.39A.120, and 74.09.530 to adjust functional eligibility  
28 standards and/or service levels sufficiently to maintain expenditures  
29 within appropriated levels. Such action may include the adoption of  
30 emergency rules, and shall not be taken to the extent that projected  
31 over-expenditures are offset by under-expenditures resulting from lower  
32 than budgeted nursing home caseloads. Prior to making eligibility  
33 changes which would terminate all services to some persons, the  
34 secretary should first exercise all opportunities to manage the average  
35 cost per person served, through methods such as promoting the use of  
36 informal care; assuring that local offices are effectively and  
37 consistently authorizing the least expensive level of care that can  
38 meet recipient needs; using waiting lists for individuals with lower  
39 levels of need in order to limit monthly growth; and reducing on a

1 sliding-scale basis the amount of service authorized per functional  
2 need level, with smaller reductions for greater levels of need.

3 (4) \$1,080,000 of the general fund--state appropriation for fiscal  
4 year 1999 is provided to maintain service eligibility for persons  
5 receiving services through the chore, COPES, or medicaid personal care  
6 programs in the event eligibility adjustments may be necessary or are  
7 made in accordance with subsection (3) of this section. The department  
8 may use seventy-five percent of amounts not needed for that purpose to  
9 implement quality of care enhancements.

10 (5) \$26,000 of the general fund--state appropriation for fiscal  
11 year 1998, \$59,000 of the general fund--state appropriation for fiscal  
12 year 1999, and \$85,000 of the general fund--federal appropriation are  
13 provided solely to employ registered nurses rather than social workers  
14 to fill six of the new field positions to be filled in fiscal year 1998  
15 and seven more of the new positions to be filled in fiscal year 1999.  
16 These registered nurses shall conduct assessments, develop and monitor  
17 service plans, and consult with social work staff to assure that  
18 persons with medical needs are placed in and receive the appropriate  
19 level of care.

20 ((+5)) (6) \$425,000 of the general fund--state appropriation for  
21 fiscal year 1998 and \$882,000 of the general fund--state appropriation  
22 for fiscal year 1999 are provided solely to implement Second Substitute  
23 Senate Bill No. 5179 (nursing facility reimbursement). If the bill is  
24 not enacted by June 30, 1997, the amounts provided in this subsection  
25 shall lapse.

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

31 (7) \$242,000 of the general fund--state appropriation for fiscal  
32 year 1998, \$212,000 of the general fund--state appropriation for fiscal  
33 year 1999, and \$498,000 of the general fund--federal appropriation are  
34 provided solely for operation of a system for investigating allegations  
35 of staff abuse and neglect in nursing homes, as provided in Second  
36 Substitute House Bill No. 1850 (long-term care standards of care).

37 ~~((8) \$350,000 of the general fund state appropriation for fiscal~~  
38 ~~year 1998 and \$382,000 of the general fund state appropriation for~~  
39 ~~fiscal year 1999 are provided solely to supplement the incomes of~~

1 disabled legal immigrants who, because of loss of their federal  
2 supplemental security income benefit, would otherwise be at risk of  
3 placement into a more expensive long-term care setting.

4 (9)(a) The department shall establish a shadow case mix payment  
5 system to educate facilities about payment system alternatives. The  
6 department shall provide shadow rates beginning July 1, 1997, based on  
7 the following:

8 (i) The direct care portion of the rate, usually called "nursing  
9 services," shall be set under a case mix methodology that classifies  
10 residents under the Resource Utilization Group III (RUG-III) Version  
11 5.10 (or subsequent revision) 44 group index maximizing model based on  
12 the Minimum Data Set (MDS) Version 2.0.

13 (ii) Payment to a facility shall be based on facility weighted  
14 average case mix data which provides one rate to a facility reflecting  
15 its mix of residents. For purposes of determining the facility's cost  
16 per case mix unit, the facility average case mix score will be based on  
17 the case mix of all residents. For purposes of determining the  
18 facility's payment rate, the facility average case mix score shall be  
19 based on the case mix of medicaid residents.

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

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

28 (v) Data from 1994 cost reports (allowable and audited costs) shall  
29 be used to establish the shadow rates. The costs shall be inflated  
30 comparable to fiscal year 1998 payment rates, according to RCW  
31 74.46.420.

32 (vi) Separate prices, ceilings, and corridors shall be established  
33 for the peer groups of metropolitan statistical area and  
34 nonmetropolitan statistical area.

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

37 (i) A pricing system in which payment to a facility shall be based  
38 on a price multiplied by each facility's medicaid case mix. The price,

1 per peer group, shall be established at the median direct care cost per  
2 case mix unit.

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

7 (iii) A corridor based system in which payment to a facility shall  
8 be the facility's allowable cost per case mix unit adjusted for case  
9 mix up to a ceiling and no less than a floor. The floor, per peer  
10 group, shall be established at 90 percent of the cost per case mix unit  
11 of a group of cost effective benchmark facilities which meet quality  
12 standards. The ceiling, per peer group, shall be established at 110  
13 percent of the cost per case mix unit of the group of benchmark  
14 facilities.

15 (iv) A corridor based system in which payment to a facility shall  
16 be the facility's allowable cost per case mix unit adjusted for case  
17 mix up to a ceiling and no less than a floor. The floor, per peer  
18 group, shall be established at 90 percent of the industry wide median  
19 direct care cost per case mix unit. The ceiling, per peer group, shall  
20 be established at 110 percent of the industry wide median direct care  
21 cost per case mix unit.

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

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

31 ~~(10))~~ (8) For purposes of implementing Second Substitute House  
32 Bill No. 2935 (nursing facility payment rates), the weighted average  
33 nursing facility payment rate for fiscal year 1999 shall be no more  
34 than \$117.36, excluding nurse's aide training. Each nursing facility's  
35 July 1 through September 30, 1998, medicaid payment rate shall be its  
36 June 30, 1998, rate increased by 2.0 percent, except for the property  
37 and return on investment component rates, which shall not be increased.  
38 Beginning October 1, 1998, component rates rebased on 1996 costs shall  
39 be adjusted for economic trends and conditions by 5.18 percent.

1       (9) \$50,000 of the general fund--state appropriation for fiscal  
2 year 1998 and \$50,000 of the general fund--state appropriation for  
3 fiscal year 1999 are provided solely for payments to any nursing  
4 facility licensed under chapter 18.51 RCW which meets all of the  
5 following criteria: (a) The nursing home entered into an arm's length  
6 agreement for a facility lease prior to January 1, 1980; (b) the lessee  
7 purchased the leased nursing home after January 1, 1980; and (c) the  
8 lessor defaulted on its loan or mortgage for the assets of the home  
9 after January 1, 1991, and prior to January 1, 1992. Payments provided  
10 pursuant to this subsection shall not be subject to the settlement,  
11 audit, or rate-setting requirements contained in chapter 74.46 RCW.

12       (~~(11)~~—\$546,000) (10) \$506,000 of the general fund--state  
13 appropriation for fiscal year 1998, (~~(\$583,000)~~) \$502,000 of the  
14 general fund--state appropriation for fiscal year 1999, and  
15 (~~(\$1,220,000)~~) \$1,095,000 of the general fund--federal appropriation  
16 are provided solely for an increase in the state payment rates for  
17 adult residential care and enhanced adult residential care.

18       (11) \$274,000 of the general fund--state appropriation for fiscal  
19 year 1998, \$1,357,000 of the general fund--state appropriation for  
20 fiscal year 1999, and the entire general fund--local appropriation are  
21 provided solely for boarding home licensure and quality assurance by  
22 the department of social and health services only if Engrossed House  
23 Bill No. 2410 (boarding home administration) is enacted by June 30,  
24 1998. If the bill is not enacted, the amounts provided in this  
25 subsection shall be allocated to the department of health, which will  
26 manage the boarding home licensure and quality assurance program.

27       **Sec. 207.** 1997 c 454 s 204 (uncodified) is amended to read as  
28 follows:

29 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**  
30 **PROGRAM**

31	General Fund--State Appropriation (FY 1998) . . . \$	( <del>(543,150,000)</del> )
32		<u>508,243,000</u>
33	General Fund--State Appropriation (FY 1999) . . . \$	( <del>(529,985,000)</del> )
34		<u>512,200,000</u>
35	General Fund--Federal Appropriation . . . . . \$	( <del>(952,618,000)</del> )
36		<u>951,615,000</u>
37	TOTAL APPROPRIATION . . . . . \$	( <del>(2,025,753,000)</del> )
38		<u>1,972,058,000</u>

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

3       ~~((+2))~~ (1) The legislature finds that, with the passage of the  
4 federal personal responsibility and work opportunity act and Engrossed  
5 House Bill No. 3901, the temporary assistance for needy families is no  
6 longer an entitlement. The legislature declares that the currently  
7 appropriated level for the program is sufficient for the next few  
8 budget cycles. To the extent, however, that currently appropriated  
9 amounts exceed costs during the 1997-99 biennium, the department is  
10 encouraged to set aside excess federal funds for use in future years.

11       ~~((+3))~~ (2) \$485,000 of the general fund--state fiscal year 1998  
12 appropriation, \$3,186,000 of the general fund--state fiscal year 1999  
13 appropriation, and \$3,168,000 of the general fund--federal  
14 appropriation are provided solely to continue to implement the  
15 previously competitively procured electronic benefits transfer system  
16 through the western states EBT alliance for distribution of cash grants  
17 and food stamps so as to meet the requirements of P.L. 104-193.

18       ~~((+4))~~ (3) \$50,000 of the fiscal year 1998 general fund--state  
19 appropriation is provided solely for a study of child care  
20 affordability as directed in section 403 of Engrossed House Bill No.  
21 3901 (implementing welfare reform). The study shall be performed by  
22 the Washington institute for public policy. If the bill is not enacted  
23 by June 30, 1997, the amount provided in this subsection shall lapse.

24       ~~((+5))~~ (4) \$500,000 of the fiscal year 1998 general fund--state  
25 appropriation and \$500,000 of the fiscal year 1999 general fund--state  
26 appropriation are provided solely for an evaluation of the WorkFirst  
27 program as directed in section 705 of Engrossed House Bill No. 3901  
28 (implementing welfare reform). The study shall be performed by the  
29 joint legislative audit and review committee. If the bill is not  
30 enacted by June 30, 1997, the amount provided in this subsection shall  
31 lapse.

32       ~~((+6))~~ (5) \$73,129,000 of the general fund--federal appropriation  
33 is provided solely for child care assistance for low-income families in  
34 the WorkFirst program and for low-income working families as authorized  
35 in Engrossed House Bill No. 3901 (implementing welfare reform). All  
36 child care assistance provided shall be subject to a monthly copay to  
37 be paid by the family receiving the assistance.

38       ~~((+7))~~ (6) \$7,624,000 of the fiscal year 1998 general fund--state  
39 appropriation, \$18,489,000 of the fiscal year 1999 general fund--state

1 appropriation, and \$29,781,000 of the general fund--federal  
2 appropriation are provided solely for implementation of Engrossed House  
3 Bill No. 3901 (implementing welfare reform), including sections 404 and  
4 405. If the bill is not enacted by June 30, 1997, the amounts provided  
5 in this subsection shall lapse. The level of benefits in the food  
6 program for legal immigrants authorized in the bill shall be equivalent  
7 to benefits provided by the federal food stamp program.

8 ~~((8) \$89,722,000))~~ (7) \$56,461,000 of the fiscal year 1998 general  
9 fund--state appropriation and ~~\$(75,466,000))~~ 59,393,000 of the fiscal  
10 year 1999 general fund--state appropriation are provided solely for  
11 cash assistance to recipients in the general assistance--unemployable  
12 program. The department shall take any and all actions necessary to  
13 maintain expenditures within these amounts.

14 ~~((9))~~ (8) \$55,995,000 of the fiscal year 1998 general fund--state  
15 appropriation, \$55,995,000 of the fiscal year 1999 general fund--state  
16 appropriation, and \$184,510,000 of the general fund--federal  
17 appropriation are provided solely to administer a low-income child care  
18 program as authorized in Engrossed House Bill No. 3901 (implementing  
19 welfare reform). The child care program funds shall be allotted as  
20 follows:

21 (a) Each six-month period shall have \$27,997,500 general fund--  
22 state and \$46,127,500 general fund--federal funds allotted to be spent  
23 during that six-month period for low-income child care assistance.

24 (b) The department may spend up to the allotted amount for child  
25 care assistance during each six-month period. Any funds not spent  
26 during the six-month period may be held over and allotted in the next  
27 six-month period, subject to the provisions of subsection ~~((6))~~ (5)  
28 of this section.

29 (c) Federal funds allotted for child care but not spent in fiscal  
30 year 1998 may be transferred to fiscal year 1999 for allotment but  
31 state funds must be spent in the year appropriated.

32 (9) \$5,000,000 of the general fund--federal appropriation from the  
33 temporary assistance for needy families block grant is provided solely  
34 for allocation to the department of community, trade, and economic  
35 development to implement the WorkFirst grants to community action  
36 agencies or other local nonprofit organizations. The grants shall be  
37 used to provide job opportunities, transitional support services, one-  
38 on-one assistance, case management, and job retention services to basic  
39 skills training program participants.



1       (10) Within the amounts provided in this section, the department  
2 shall implement the study requirements of Engrossed Substitute House  
3 Bill No. 2900 (pro rata calculation of temporary assistance for needy  
4 families grants).

5       **Sec. 208.** 1997 c 454 s 205 (uncodified) is amended to read as  
6 follows:

7 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE**  
8 **ABUSE PROGRAM**

9	General Fund--State Appropriation (FY 1998) . . . \$	(( <del>14,466,000</del> ))
10		<u>15,459,000</u>
11	General Fund--State Appropriation (FY 1999) . . . \$	(( <del>14,334,000</del> ))
12		<u>15,330,000</u>
13	General Fund--Federal Appropriation . . . . . \$	(( <del>80,497,000</del> ))
14		<u>81,112,000</u>
15	General Fund--Private/Local Appropriation . . . . . \$	630,000
16	<u>Public Safety and Education Account</u>	
17	<u>Appropriation</u> . . . . . \$	<u>3,210,000</u>
18	Violence Reduction and Drug Enforcement Account	
19	Appropriation . . . . . \$	(( <del>72,900,000</del> ))
20		<u>74,889,000</u>
21	TOTAL APPROPRIATION . . . . . \$	(( <del>182,827,000</del> ))
22		<u>190,630,000</u>

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

25       (1) \$2,062,000 of the general fund--federal appropriation and  
26 \$7,482,000 of the violence reduction and drug enforcement account  
27 appropriation are provided solely for the grant programs for school  
28 districts and educational service districts set forth in RCW  
29 28A.170.080 through 28A.170.100, including state support activities, as  
30 administered through the office of the superintendent of public  
31 instruction.

32       (2) \$1,902,000 of the general fund--state fiscal year 1998  
33 appropriation, \$1,902,000 of the general fund--state fiscal year 1999  
34 appropriation, and \$1,592,000 of the general fund--federal  
35 appropriation are provided solely for alcohol and substance abuse  
36 assessment, treatment, including treatment for drug affected infants  
37 and toddlers, and child care services for clients of the division of  
38 children and family services. Assessment shall be provided by approved

1 chemical dependency treatment programs as requested by child protective  
2 services personnel in the division of children and family services.  
3 Child care shall be provided as deemed necessary by the division of  
4 children and family services while parents requiring alcohol and  
5 substance abuse treatment are attending treatment programs.

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

12 (4) \$3,210,000 of the public safety and education account  
13 appropriation is provided solely for the continuation of treatment  
14 alternatives to street crimes (TASC) programs in Pierce, Snohomish,  
15 Clark, King, Spokane, and Yakima counties.

16 **Sec. 209.** 1997 c 149 s 209 (uncodified) is amended to read as  
17 follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**  
19 **PROGRAM**

20	General Fund--State Appropriation (FY 1998) . . . \$	((684,033,000))
21		<u>666,815,000</u>
22	General Fund--State Appropriation (FY 1999) . . . \$	((684,885,000))
23		<u>681,372,000</u>
24	General Fund--Federal Appropriation . . . . . \$	((2,038,101,000))
25		<u>2,086,149,000</u>
26	General Fund--Private/Local Appropriation . . . . . \$	((223,900,000))
27		<u>306,601,000</u>
28	Health Services Account Appropriation . . . . . \$	((253,004,000))
29		<u>254,506,000</u>
30	Emergency Medical and Trauma Care Services	
31	Account Appropriation . . . . . \$	4,600,000
32	TOTAL APPROPRIATION . . . . . \$	((3,888,523,000))
33		<u>4,000,043,000</u>

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

36 (1) The department shall continue to make use of the special  
37 eligibility category created for children through age 18 and in

1 households with incomes below 200 percent of the federal poverty level  
2 made eligible for medicaid as of July 1, 1994.

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

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

11 (4) \$1,622,000 of the general fund--state appropriation for fiscal  
12 year 1998 and \$1,622,000 of the general fund--state appropriation for  
13 fiscal year 1999 are provided for treatment of low-income kidney  
14 dialysis patients.

15 (5) \$80,000 of the general fund--state appropriation for fiscal  
16 year 1998, \$80,000 of the general fund--state appropriation for fiscal  
17 year 1999, and \$160,000 of the general fund--federal appropriation are  
18 provided solely for the prenatal triage clearinghouse to provide access  
19 and outreach to reduce infant mortality.

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

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

32 (8) \$325,000 of the general fund--state appropriation for fiscal  
33 year 1998 and \$325,000 of the general fund--state appropriation for  
34 fiscal year 1999 are provided solely to increase rates paid for air  
35 ambulance services.

36 (9) \$1,468,000 of the general fund--state appropriation for fiscal  
37 year 1999 is to be expended solely to the extent necessary because the  
38 federal government has not approved the department's request to require

1 certain recipients to pay ten dollars per month toward the cost of  
2 their medical assistance.

3 (10) By November 1, 1998, the department shall report to the health  
4 care and fiscal committees of the legislature on the estimated average  
5 monthly number of nongrant medical assistance recipients who do not  
6 meet the earned income eligibility standards that were in effect prior  
7 to November 1997.

8 **Sec. 210.** 1997 c 149 s 210 (uncodified) is amended to read as  
9 follows:

10 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**  
11 **REHABILITATION PROGRAM**

12	General Fund--State Appropriation (FY 1998) . . . \$	((8,652,000))
13		<u>9,046,000</u>
14	General Fund--State Appropriation (FY 1999) . . . \$	((8,592,000))
15		<u>8,603,000</u>
16	General Fund--Federal Appropriation . . . . . \$	((79,542,000))
17		<u>79,080,000</u>
18	General Fund--Private/Local Appropriation . . . . . \$	2,904,000
19	TOTAL APPROPRIATION . . . . . \$	((99,690,000))
20		<u>99,633,000</u>

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

23 (1) The division of vocational rehabilitation shall negotiate  
24 cooperative interagency agreements with local organizations, including  
25 higher education institutions, mental health regional support networks,  
26 and county developmental disabilities programs to improve and expand  
27 employment opportunities for people with severe disabilities served by  
28 those local agencies.

29 (2) \$363,000 of the general fund--state appropriation for fiscal  
30 year 1998, \$506,000 of the general fund--state appropriation for fiscal  
31 year 1999, and \$3,208,000 of the general fund--federal appropriation  
32 are provided solely for vocational rehabilitation services for  
33 individuals enrolled for services with the developmental disabilities  
34 program who complete their high school curriculum in 1997 or 1998.

35 **Sec. 211.** 1997 c 454 s 206 (uncodified) is amended to read as  
36 follows:

1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**  
2 **SUPPORTING SERVICES PROGRAM**

3	General Fund--State Appropriation (FY 1998) . . . \$	((24,572,000))
4		<u>25,818,000</u>
5	General Fund--State Appropriation (FY 1999) . . . \$	((23,956,000))
6		<u>25,744,000</u>
7	General Fund--Federal Appropriation . . . . . \$	((40,352,000))
8		<u>43,037,000</u>
9	General Fund--Private/Local Appropriation . . . . \$	270,000
10	TOTAL APPROPRIATION . . . . . \$	((89,150,000))
11		<u>94,869,000</u>

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

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

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

27 ((+4)) (3) \$60,000 of the general fund--state appropriation for  
28 fiscal year 1998 is provided solely for a welfare fraud pilot program  
29 as described by House Bill No. 1822 (welfare fraud investigation).

30 ((+5)) (4) \$55,000 of the fiscal year 1998 general fund--state  
31 appropriation, \$64,000 of the fiscal year 1999 general fund--state  
32 appropriation, and \$231,000 of the general fund--federal appropriation  
33 are provided solely for implementation of Engrossed House Bill No. 3901  
34 (implementing welfare reform). If the bill is not enacted by June 30,  
35 1997, the amounts provided in this subsection shall lapse.

36 (5) \$192,000 of the general fund--state appropriation for fiscal  
37 year 1999 and \$131,000 of the general fund--federal appropriation are  
38 provided solely to implement sections 3, 4, and 11 of Engrossed Second  
39 Substitute House Bill No. 2345 (revising administrative law). If

1 sections 3, 4, and 11 of the bill are not enacted by June 30, 1998, the  
2 amounts provided in this subsection shall lapse.

3 (6) The department shall report on the allowance for clothing,  
4 personal maintenance, and necessary incidentals provided to persons who  
5 receive services funded by state and federal moneys under Title XIX of  
6 the social security act. The report shall discuss the range of  
7 allowances granted for different populations and programs and compare  
8 the allowances to those provided to similar populations in other  
9 western states. The report shall also evaluate the need for a uniform  
10 amount provided to all populations and, if a uniform allowance is  
11 provided, at what level that allowance should be set. In compiling the  
12 report, the department shall consult with affected parties and  
13 divisions. The report shall be submitted by December 1, 1998, to the  
14 chairs and the ranking minority members of the appropriate committees  
15 of the legislature.

16 **Sec. 212.** 1997 c 454 s 207 (uncodified) is amended to read as  
17 follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILD SUPPORT PROGRAM**

19	General Fund--State Appropriation (FY 1998) . . . \$	((21,122,000))
20		<u>21,344,000</u>
21	General Fund--State Appropriation (FY 1999) . . . \$	((20,877,000))
22		<u>20,965,000</u>
23	General Fund--Federal Appropriation . . . . . \$	((145,739,000))
24		<u>145,321,000</u>
25	General Fund--Private/Local Appropriation . . . . \$	((33,207,000))
26		<u>32,673,000</u>
27	TOTAL APPROPRIATION . . . . . \$	((220,945,000))
28		<u>220,303,000</u>

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

31 (1) The department shall contract with private collection agencies  
32 to pursue collection of AFDC child support arrearages in cases that  
33 might otherwise consume a disproportionate share of the department's  
34 collection efforts. The department's child support collection staff  
35 shall determine which cases are appropriate for referral to private  
36 collection agencies. In determining appropriate contract provisions,  
37 the department shall consult with other states that have successfully

1 contracted with private collection agencies to the extent allowed by  
2 federal support enforcement regulations.

3 ~~((3))~~ (2) The amounts appropriated in this section for child  
4 support legal services shall be expended only by means of contracts  
5 with local prosecutor's offices.

6 ~~((4))~~ (3) \$305,000 of the general fund--state fiscal year 1998  
7 appropriation, \$494,000 of the general fund--state fiscal year 1999  
8 appropriation, and \$1,408,000 of the general fund--federal  
9 appropriation are provided solely to implement Engrossed House Bill No.  
10 3901 (implementing welfare reform). If the bill is not enacted by June  
11 30, 1997, the amounts provided in this subsection shall lapse.

12 **Sec. 213.** 1997 c 454 s 208 (uncodified) is amended to read as  
13 follows:

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**  
15 **AGENCIES PROGRAM**

16	General Fund--State Appropriation (FY 1998) . . . \$	<del>((47,435,000))</del>
17		<u>25,292,000</u>
18	General Fund--State Appropriation (FY 1999) . . . \$	<del>((47,514,000))</del>
19		<u>24,792,000</u>
20	General Fund--Federal Appropriation . . . . . \$	<del>((54,366,000))</del>
21		<u>18,966,000</u>
22	<del>((Health Services Account Appropriation . . . . . \$</del>	<del>1,502,000</del>
23	<del>Violence Reduction and Drug Enforcement Account</del>	
24	<del>Appropriation . . . . . \$</del>	<del>2,215,000))</del>
25	TOTAL APPROPRIATION . . . . . \$	<del>((153,032,000))</del>
26		<u>69,050,000</u>

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

29 ~~((1) \$22,893,000 of the general fund--state appropriation for~~  
30 ~~fiscal year 1998, \$22,835,000 of the general fund--state appropriation~~  
31 ~~for fiscal year 1999, \$35,431,000 of the general fund--federal~~  
32 ~~appropriation, \$2,215,000 of the violence reduction and drug~~  
33 ~~enforcement account appropriation, and \$1,502,000 of the health~~  
34 ~~services account appropriation are provided solely to increase the~~  
35 ~~rates of contracted service providers. The department need not provide~~  
36 ~~all vendors with the same percentage rate increase. Rather, the~~  
37 ~~department is encouraged to use these funds to help assure an adequate~~  
38 ~~supply of qualified vendors. Vendors providing services in markets~~

1 where recruitment and retention of qualified providers is a problem may  
 2 receive larger rate increases than other vendors. It is the  
 3 legislature's intent that these amounts shall be used primarily to  
 4 increase compensation for persons employed in direct, front-line  
 5 service delivery. Any rate increases granted as a result of this  
 6 section must be implemented so that the carry forward costs into the  
 7 1999-01 biennium do not exceed the amounts provided in this subsection.  
 8 Within thirty days of granting a vendor rate increase under this  
 9 section, the department shall report the following information to the  
 10 fiscal committees of the legislature: (a) The amounts and effective  
 11 dates of any increases granted; (b) the process and criteria used to  
 12 determine the increases; and (c) any data used in that process. In  
 13 accordance with RCW 43.88.110(1), the department and the office of  
 14 financial management shall allot funds appropriated in this section to  
 15 the programs and budget units from which the funds will be expended.  
 16 Such allotments shall be completed no later than September 15, 1997.

17 (2)) (1) \$263,000 of the fiscal year 1998 general fund--state  
 18 appropriation, \$349,000 of the fiscal year 1999 general fund--state  
 19 appropriation, and \$1,186,000 of the general fund--federal  
 20 appropriation are provided solely for implementation of Engrossed House  
 21 Bill No. 3901 (implementing welfare reform). If the bill is not  
 22 enacted by June 30, 1997, the amounts provided in this subsection shall  
 23 lapse.

24 (2) \$113,000 of the fiscal year 1999 general fund--state  
 25 appropriation and \$31,000 of the general fund--federal appropriation  
 26 are provided solely for the implementation of Substitute House Bill No.  
 27 2556 (child abuse prevention and treatment). If this bill is not  
 28 enacted by June 30, 1998, the amounts provided in this subsection shall  
 29 lapse.

30 **Sec. 214.** 1997 c 454 s 210 (uncodified) is amended to read as  
 31 follows:

32 **FOR THE STATE HEALTH CARE AUTHORITY**

33	General Fund--State Appropriation (FY 1998) . . . \$	6,316,000
34	General Fund--State Appropriation (FY 1999) . . . \$	6,317,000
35	State Health Care Authority Administration	
36	Account Appropriation . . . . . \$	((14,719,000))
37		<u>14,969,000</u>
38	Health Services Account Appropriation . . . . . \$	((330,628,000))



1		341,800,000
2	TOTAL APPROPRIATION . . . . . \$	((357,980,000))
3		<u>369,402,000</u>

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

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

8 (2) Within funds appropriated in this section and sections 205 and  
9 206 of chapter 149, Laws of 1997, the health care authority shall  
10 continue to provide an enhanced basic health plan subsidy option for  
11 foster parents licensed under chapter 74.15 RCW and workers in state-  
12 funded homecare programs. Under this enhanced subsidy option, foster  
13 parents and homecare workers with family incomes below 200 percent of  
14 the federal poverty level shall be allowed to enroll in the basic  
15 health plan at a cost of ten dollars per covered worker per month.

16 (3)(a) Effective October 1997, the health care authority shall  
17 require organizations and individuals that are paid to deliver basic  
18 health plan services to contribute a minimum of thirty dollars per  
19 enrollee per month if the organization or individual chooses to sponsor  
20 an individual's enrollment in the subsidized basic health plan.

21 (b) Effective July 1998, the health care authority shall require  
22 organizations and individuals which are paid to deliver basic health  
23 plan services and which choose to sponsor enrollment in the subsidized  
24 basic health plan to pay the following: (i) A minimum of fifteen  
25 dollars per enrollee per month for persons below 100 percent of the  
26 federal poverty level; and (ii) a minimum of twenty dollars per  
27 enrollee per month for persons whose family income is 100 percent to  
28 200 percent of the federal poverty level.

29 (4) \$150,000 of the health services account appropriation is  
30 provided solely to implement health care savings accounts. If  
31 legislation requiring a pilot project of such accounts is not enacted  
32 by June 30, 1997, the amount provided in this subsection shall lapse.

33 ((+6)) (5) \$270,000 of the health services account appropriation  
34 is provided solely to pay commissions to agents and brokers in  
35 accordance with RCW 70.47.015(5) for application assistance provided to  
36 persons on the reservation list as of June 30, 1997, who enroll in the  
37 subsidized basic health plan on or after July 1, 1997.

38 (6) \$250,000 of the state health care authority administrative  
39 account appropriation is provided solely to process claims arising from

1 the settlement in *Retired State Employees v. State of Washington*  
2 (Thurston county superior court cause no. 92-2-01294-1).

3 (7) The health care authority administrator is directed to pay  
4 claims resulting from a court-approved stipulated settlement in *Retired*  
5 *State Employees et al. v. State of Washington* (Thurston county superior  
6 court cause no. 92-2-01294-1) using funds in the public employees' and  
7 retirees' insurance account. The legislature recognizes that payment  
8 of these claims may reduce premium stabilization reserves below target  
9 levels on an interim basis. It is the legislature's intent that the  
10 viability of health care authority-administered programs be preserved  
11 and that the benefit levels for health care authority-administered  
12 programs not be reduced in the event premium stabilization reserves are  
13 used to pay such claims.

14 (8) \$330,000 of the health services account appropriation is  
15 provided solely to implement Substitute House Bill No. 3109 (basic  
16 health plan enrollee income verification). If the bill is not enacted  
17 by June 30, 1998, the amount provided in this subsection shall lapse.

18 **Sec. 215.** 1997 c 149 s 215 (uncodified) is amended to read as  
19 follows:

20 **FOR THE HUMAN RIGHTS COMMISSION**

21	General Fund--State Appropriation (FY 1998) . . . . .	\$	2,019,000
22	General Fund--State Appropriation (FY 1999) . . . . .	\$((2,036,000))	
23			<u>2,538,000</u>
24	General Fund--Federal Appropriation . . . . .	\$	1,444,000
25	General Fund--Private/Local Appropriation . . . . .	\$	259,000
26	TOTAL APPROPRIATION . . . . .	\$((5,758,000))	
27			<u>6,260,000</u>

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

30 (1) \$432,000 of the general fund--state appropriation for fiscal  
31 year 1999 is provided solely for elimination of caseload backlog by  
32 January 1, 1999, and reduction of case processing time.

33 (2) \$70,000 of the general fund appropriation for fiscal year 1999  
34 is provided solely to implement section 4 of Engrossed Second  
35 Substitute House Bill No. 2345 (revising administrative law). If  
36 section 4 of the bill is not enacted by June 30, 1998, the amount  
37 provided in this subsection shall lapse.

1       **Sec. 216.** 1997 c 149 s 217 (uncodified) is amended to read as  
2 follows:

3 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

4	<u>General Fund--State Appropriation (FY 1998)</u> . . . \$	<u>15,000</u>
5	<u>General Fund--State Appropriation (FY 1999)</u> . . . \$	<u>285,000</u>
6	General Fund--Federal Appropriation . . . . . \$	100,000
7	Death Investigations Account Appropriation . . . \$	38,000
8	Public Safety and Education Account	
9	Appropriation . . . . . \$	<del>((13,434,000))</del>
10		<u>13,341,000</u>
11	Violence Reduction and Drug Enforcement Account	
12	Appropriation . . . . . \$	346,000
13	TOTAL APPROPRIATION . . . . . \$	<del>((13,918,000))</del>
14		<u>14,125,000</u>

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

17       (1) \$80,000 of the public safety and education account  
18 appropriation is provided solely to continue the study of law  
19 enforcement and corrections training begun in 1996. In conducting the  
20 study, the criminal justice training commission shall consult with the  
21 appropriate policy and fiscal committees of the legislature. Specific  
22 elements to be addressed in the study include: (a) The feasibility and  
23 the rationale for increasing basic law enforcement training from 440 to  
24 600 hours; (b) the feasibility and rationale for creating a  
25 certification process for law enforcement officers; (c) the feasibility  
26 and rationale for expanding the correctional officers academy; (d) the  
27 feasibility and rationale for expanding the juvenile service workers  
28 academy and/or the adult services academy; and (e) any other items  
29 considered relevant by the commission. Any recommendations made shall  
30 include a plan and timeline for how they would be implemented. The  
31 board on correctional training standards and education and the board on  
32 law enforcement training standards and education shall be actively  
33 involved in the study effort. Copies of the study shall be provided to  
34 the appropriate policy and fiscal committees of the legislature and the  
35 director of financial management by October 1, 1997.

36       (2) \$50,000 of the public safety and education account  
37 appropriation is provided solely to prepare a cost and fee study of the  
38 current and proposed criminal justice course offerings. The analysis  
39 shall identify total costs and major cost components for: (a) Any

1 current training classes which are considered mandatory; and (b) any  
2 proposed or modified training courses which are considered mandatory.  
3 Mandatory classes include, but are not limited to, the following:  
4 Basic law enforcement academy, correctional officers academy,  
5 supervisory and management training of law enforcement officers,  
6 supervisory and management training of correctional officers, juvenile  
7 service workers academy, and the adult service academy. The study  
8 shall also recommend a methodology for estimating the future demand for  
9 these classes. The study shall also estimate the cost of implementing  
10 any recommendations made pursuant to subsection (1) of this section.  
11 The study shall be conducted by a private sector consultant selected by  
12 the office of financial management in consultation with the executive  
13 director of the criminal justice training commission. The final report  
14 shall be completed by January 1, 1998.

15 (3) \$92,000 of the public safety and education account  
16 appropriation is provided solely for the purpose of training law  
17 enforcement managers and supervisors.

18 (4) \$40,000 of the public safety and education account  
19 appropriation is provided solely to implement the provisions of  
20 Substitute House Bill No. 1423 (criminal justice training commission).  
21 If this bill is not enacted by June 30, 1997, the amount provided in  
22 this subsection shall lapse.

23 (5) \$225,000 of the general fund--state fiscal year 1999  
24 appropriation is provided solely for information technology upgrades  
25 and improvements for the criminal justice training commission.

26 (6) \$15,000 of the general fund--state fiscal year 1998  
27 appropriation and \$25,000 of the general fund--state fiscal year 1999  
28 appropriation are provided solely for the relocation and new lease  
29 costs of the criminal justice training commission's headquarters in  
30 Thurston county.

31 (7) \$35,000 of the general fund--state appropriation for fiscal  
32 year 1999 is provided solely for costs associated with the  
33 implementation of incident-based crime reporting.

34 **Sec. 217.** 1997 c 454 s 211 (uncodified) is amended to read as  
35 follows:

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

37	General Fund Appropriation (FY 1998)	. . . . . \$	6,805,000
38	General Fund Appropriation (FY 1999)	. . . . . \$	((6,848,000))

1		<u>7,069,000</u>
2	Public Safety and Education Account--	
3	State Appropriation . . . . .	\$ (( <del>16,246,000</del> ))
4		<u>16,082,000</u>
5	Public Safety and Education Account--	
6	Federal Appropriation . . . . .	\$ 6,002,000
7	Public Safety and Education Account--	
8	Private/Local Appropriation . . . . .	\$ (( <del>2,014,000</del> ))
9		<u>2,178,000</u>
10	Electrical License Account Appropriation . . . . .	\$ 22,542,000
11	Farm Labor Revolving Account Appropriation . . . . .	\$ 28,000
12	Worker and Community Right-to-Know Account	
13	Appropriation . . . . .	\$ 2,187,000
14	Public Works Administration Account	
15	Appropriation . . . . .	\$ (( <del>1,975,000</del> ))
16		<u>1,975,000</u>
17	Accident Account--State Appropriation . . . . .	\$ (( <del>146,901,000</del> ))
18		<u>151,634,000</u>
19	Accident Account--Federal Appropriation . . . . .	\$ 9,112,000
20	Medical Aid Account--State Appropriation . . . . .	\$ (( <del>155,276,000</del> ))
21		<u>154,142,000</u>
22	Medical Aid Account--Federal Appropriation . . . . .	\$ 1,592,000
23	Plumbing Certificate Account Appropriation . . . . .	\$ 947,000
24	Pressure Systems Safety Account Appropriation . . . . .	\$ 2,106,000
25	TOTAL APPROPRIATION . . . . .	\$ (( <del>380,581,000</del> ))
26		<u>384,401,000</u>

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

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

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

1 and health services to use the public safety and education account as  
2 matching funds for federal Title XIX reimbursement, to the extent this  
3 maximizes total funds available for services to crime victims.

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

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

15 (5) The expenditures of the elevator, factory assembled structures,  
16 and contractors' registration and compliance programs may not exceed  
17 the revenues generated by these programs.

18 (6) \$101,000 of the plumbing certificate account appropriation is  
19 provided solely for the implementation of Substitute Senate Bill No.  
20 5749 (pipe installer). If the bill is not enacted by June 30, 1997,  
21 the amount provided shall lapse.

22 (7) \$56,000 of the medical aid account appropriation and \$52,000 of  
23 the accident account appropriation are provided solely for evaluating  
24 agency operational improvements.

25 (8) \$593,000 of nonappropriated funds from the medical aid account  
26 shall be provided solely for allocation to the joint legislative audit  
27 and review committee for a performance audit and operations review of  
28 the state workers' compensation system pursuant to Substitute Senate  
29 Bill No. 6030.

30 (9) \$170,000 of the accident account--state appropriation and  
31 \$170,000 of the medical aid account--state appropriation are provided  
32 solely for payment to the office of the attorney general for legal  
33 services provided in the 1995-97 biennium.

34 (10) \$686,000 of the accident account appropriation and \$686,000 of  
35 the medical aid account appropriation for fiscal year 1999 are provided  
36 solely to fund 24 claims manager positions in fiscal year 1999 (12  
37 worker compensation adjudicator 2 and 12 worker compensation  
38 adjudicator 3 positions). With these new positions, the department is  
39 expected to reduce time-loss duration in claims by 5 percent by June

1 30, 2000, and an additional 2.5 percent by June 30, 2001. The average  
2 caseload for level 2 claims managers should also drop to approximately  
3 190 by June 30, 2000. The director of the department shall report to  
4 the appropriate fiscal and policy committees of the legislature and the  
5 office of financial management by June 30, 1998, and every year  
6 thereafter, on the measurable progress made toward attaining these  
7 goals. The 1998 report shall indicate the baseline figures from July  
8 1, 1997. If substantial progress has not been achieved by June 30,  
9 2000, the 24 claims manager positions and the funding associated with  
10 these positions shall be discontinued.

11 (11) \$41,000 of the general fund appropriation for fiscal year  
12 1999, \$160,000 of the accident account--state appropriation, and  
13 \$53,000 of the medical aid account--state appropriation are provided  
14 solely to implement sections 4 and 11 of Engrossed Second Substitute  
15 House Bill No. 2345 (revising administrative law). If sections 4 and  
16 11 of the bill are not enacted by June 30, 1998, the amounts provided  
17 in this subsection shall lapse.

18 **Sec. 218.** 1997 c 454 s 209 (uncodified) is amended to read as  
19 follows:

20 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

21 (1) HEADQUARTERS

22	General Fund Appropriation (FY 1998) . . . . .	\$	((1,409,000))
23			1,609,000
24	General Fund Appropriation (FY 1999) . . . . .	\$	1,404,000
25	Industrial Insurance Premium Refund Account		
26	Appropriation . . . . .	\$	80,000
27	Charitable, Educational, Penal, and Reformatory		
28	Institutions Account Appropriation . . . . .	\$	4,000
29	TOTAL APPROPRIATION . . . . .	\$	((2,897,000))
30			3,097,000

31 The appropriations in this subsection are subject to the following  
32 conditions and limitations: \$200,000 of the general fund appropriation  
33 for fiscal year 1998 is provided solely as the state's contribution to  
34 the construction of a memorial on the state capitol grounds to the men  
35 and women who served in the nation's armed forces during the second  
36 world war. The department shall raise the remaining two-thirds of the  
37 memorial's cost from individual and corporate contributions.

1	(2) FIELD SERVICES		
2	General Fund--State Appropriation (FY 1998) . . .	\$	2,418,000
3	General Fund--State Appropriation (FY 1999) . . .	\$	2,420,000
4	General Fund--Federal Appropriation . . . . .	\$	26,000
5	General Fund--Private/Local Appropriation . . . .	\$	85,000
6	TOTAL APPROPRIATION . . . . .	\$	4,949,000

7	(3) INSTITUTIONAL SERVICES		
8	General Fund--State Appropriation (FY 1998) . . .	\$	<del>((6,101,000))</del>
9			<u>6,576,000</u>
10	General Fund--State Appropriation (FY 1999) . . .	\$	<del>((5,369,000))</del>
11			<u>5,522,000</u>
12	General Fund--Federal Appropriation . . . . .	\$	<del>((19,556,000))</del>
13			<u>18,950,000</u>
14	General Fund--Private/Local Appropriation . . . .	\$	<del>((14,583,000))</del>
15			<u>14,561,000</u>
16	TOTAL APPROPRIATION . . . . .	\$	45,609,000

17 **Sec. 219.** 1997 c 454 s 212 (uncodified) is amended to read as  
18 follows:

19 **FOR THE DEPARTMENT OF HEALTH**

20	General Fund--State Appropriation (FY 1998) . . .	\$	<del>((62,996,000))</del>
21			<u>63,189,000</u>
22	General Fund--State Appropriation (FY 1999) . . .	\$	<del>((65,741,000))</del>
23			<u>73,170,000</u>
24	General Fund--Federal Appropriation . . . . .	\$	<del>((259,139,000))</del>
25			<u>262,504,000</u>
26	General Fund--Private/Local Appropriation . . . .	\$	<del>((24,351,000))</del>
27			<u>23,578,000</u>
28	Hospital Commission Account Appropriation . . . .	\$	3,089,000
29	Health Professions Account Appropriation . . . .	\$	<del>((36,038,000))</del>
30			<u>36,255,000</u>
31	Emergency Medical and Trauma Care Services Account		
32	Appropriation . . . . .	\$	21,042,000
33	Safe Drinking Water Account Appropriation . . . .	\$	2,494,000
34	Death Investigations Account Appropriation . . .	\$	<del>((1,000,000))</del>
35			<u>650,000</u>
36	Drinking Water Assistance Account--Federal		
37	Appropriation . . . . .	\$	5,385,000
38	Waterworks Operator Certification Appropriation .	\$	588,000



1	Water Quality Account Appropriation . . . . .	\$	3,065,000
2	Violence Reduction and Drug Enforcement		
3	Account Appropriation . . . . .	\$	469,000
4	State toxics Control Account Appropriation . . .	\$	2,854,000
5	Medical Test Site Licensure Account		
6	Appropriation . . . . .	\$	1,624,000
7	Youth Tobacco Prevention Account Appropriation .	\$	1,812,000
8	Health Services Account Appropriation . . . . .	\$	<del>((12,474,000))</del>
9			<u>6,115,000</u>
10	TOTAL APPROPRIATION . . . . .	\$	<del>((504,161,000))</del>
11			<u>507,883,000</u>

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

14       (1) \$2,134,000 of the health professions account appropriation is  
15 provided solely for the development and implementation of a licensing  
16 and disciplinary management system. Expenditures are conditioned upon  
17 compliance with section 902 of this act. These funds shall not be  
18 expended without appropriate project approval by the department of  
19 information systems.

20       (2) Funding provided in this section for the drinking water program  
21 data management system shall not be expended without appropriate  
22 project approval by the department of information systems.  
23 Expenditures are conditioned upon compliance with section 902 of this  
24 act.

25       (3) The department or any successor agency is authorized to raise  
26 existing fees charged to the nursing professions and midwives~~((7))~~;  
27 chemical dependency counselors; by the pharmacy board~~((7))~~; and for  
28 boarding home; hospital; and home health, home care, and hospice agency  
29 licenses, in excess of the fiscal growth factor established by  
30 Initiative Measure No. 601, if necessary, to meet the actual costs of  
31 conducting business and the appropriation levels in this section.

32       (4) ~~\$((1,633,000))~~ 1,526,000 of the general fund--state fiscal year  
33 1998 appropriation and ~~\$((1,634,000))~~ 1,741,000 of the general fund--  
34 state fiscal year 1999 appropriation are provided solely for the  
35 implementation of the Puget Sound water work plan and agency action  
36 items, DOH-01, DOH-02, DOH-03, DOH-04, DOH-05, DOH-06, DOH-07, DOH-08,  
37 DOH-09, DOH-10, DOH-11, and DOH-12.

38       (5) \$10,000,000 of the health services account appropriation is  
39 provided solely for distribution to local health departments for

1 distribution on a per capita basis. Prior to distributing these funds,  
2 the department shall adopt rules and procedures to ensure that these  
3 funds are not used to replace current local support for public health  
4 programs.

5 (6) \$500,000 of the general fund--state appropriation for fiscal  
6 year 1998 and \$500,000 of the general fund--state appropriation for  
7 fiscal year 1999 are provided solely for operation of a youth suicide  
8 prevention program at the state level, including a state-wide public  
9 educational campaign to increase knowledge of suicide risk and ability  
10 to respond and provision of twenty-four hour crisis hotlines, staffed  
11 to provide suicidal youth and caregivers a source of instant help.

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

28 (8) \$259,000 of the health professions account appropriation is  
29 provided solely to implement Engrossed House Bill No. 3901  
30 (implementing welfare reform). If the bill is not enacted by June 30,  
31 1997, the amounts provided in this subsection shall lapse.

32 (9) \$150,000 of the general fund--state fiscal year 1998  
33 appropriation and \$150,000 of the general fund--state fiscal year 1999  
34 appropriation are provided solely for community-based oral health  
35 grants that may fund sealant programs, education, prevention, and other  
36 oral health interventions. The grants may be awarded to state or  
37 federally funded community and migrant health centers, tribal clinics,  
38 or public health jurisdictions. Priority shall be given to communities  
39 with established oral health coalitions. Grant applications for oral

1 health education and prevention grants shall include (a) an assessment  
2 of the community's oral health education and prevention needs; (b)  
3 identification of the population to be served; and (c) a description of  
4 the grant program's predicted outcomes.

5 (10) \$21,042,000 of the emergency medical and trauma care services  
6 account appropriation is provided solely for implementation of  
7 Substitute Senate Bill No. 5127 (trauma care services). If the bill is  
8 not enacted by June 30, 1997, the amount provided in this subsection  
9 shall lapse.

10 (11) \$500,000 of the general fund--state appropriation for fiscal  
11 year 1998 and \$500,000 of the general fund--state appropriation for  
12 fiscal year 1999 are provided solely for family support and provider  
13 training services for children with special health care needs.

14 (12) \$300,000 of the general fund--federal appropriation is  
15 provided solely for an abstinence education program which complies with  
16 P.L. 104-193. \$400,000 of the general fund--federal appropriation is  
17 provided solely for abstinence education projects at the office of the  
18 superintendent of public instruction and shall be transferred to the  
19 office of the superintendent of public instruction for the 1998-99  
20 school year. The department shall apply for abstinence education funds  
21 made available by the federal personal responsibility and work  
22 opportunity act of 1996 and implement a program that complies with the  
23 requirements of that act.

24 (13) \$50,000 of the general fund--state appropriation for fiscal  
25 year 1998 and \$50,000 of the general fund--state appropriation for  
26 fiscal year 1999 are provided solely for the implementation of Second  
27 Substitute House Bill No. 1191 (mandated health benefit review). If  
28 the bill is not enacted by June 30, 1997, the amounts provided in this  
29 section shall lapse.

30 (14) \$100,000 of the general fund--state appropriation for fiscal  
31 year 1998 and \$100,000 of the general fund--state appropriation for  
32 fiscal year 1999 are provided solely for the volunteer retired provider  
33 program. Funds shall be used to increase children's access to dental  
34 care services in rural and underserved communities by paying  
35 malpractice insurance and professional licensing fees for retired  
36 dentists participating in the program.

37 (15) \$852,000 of the drinking water assistance account--federal  
38 appropriation is provided solely for an interagency agreement with the  
39 department of community, trade, and economic development to administer,

1 in cooperation with the public works board, loans to local governments  
2 and public water systems for projects and activities to protect and  
3 improve the state's drinking water facilities and resources.

4 (16) \$3,347,000 of the fiscal year 1998 general fund--state  
5 appropriation and \$3,347,000 of the fiscal year 1999 general fund--  
6 state appropriation are provided solely for the AIDS prescription drug  
7 program and HIV intervention program. The department shall operate the  
8 program within total appropriations. The department shall take such  
9 actions as are necessary to control expenditures, including  
10 administrative efficiencies such as reductions to provider  
11 reimbursement rates, modifications to financial eligibility,  
12 modifications to the scope of services, and client cost sharing  
13 mechanisms. The department shall identify program policy changes  
14 required to manage within the amounts provided.

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

18 (18) \$2,075,000 of the fiscal year 1998 general fund--state  
19 appropriation and \$2,075,000 of the fiscal year 1999 general fund--  
20 state appropriation are provided solely for the Washington poison  
21 center.

22 (19) ~~\$(1,000,000))~~ 650,000 of the death investigations account  
23 appropriation is provided solely for the implementation of state-wide  
24 child mortality reviews. Local health jurisdictions shall coordinate  
25 child mortality reviews for children from birth to eighteen years of  
26 age, develop local child mortality review protocols, and serve as the  
27 appointing authority and lead agency for local child death review  
28 teams. The department of health shall develop standard aggregate data  
29 elements, collect and analyze local child mortality review data,  
30 provide technical assistance to local child mortality review teams, and  
31 approve local child death review protocols. If House Bill No. 1269  
32 (death investigations account) is not enacted by June 30, 1997, the  
33 amount provided in this subsection shall lapse.

34 (20) \$1,125,000 of the fiscal year 1998 general fund--state  
35 appropriation and \$1,125,000 of the fiscal year 1999 general fund--  
36 state appropriation are provided solely for deposit in the county  
37 public health account.

38 (21) \$60,000 of the general fund--state appropriation for fiscal  
39 year 1998 and \$60,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely for attorney general services and  
2 such other activities not covered by fee revenues as are necessary for  
3 implementation of Engrossed Substitute House Bill No. 2264 (health care  
4 policy). If the bill is not enacted by June 30, 1997, the amounts  
5 provided in this subsection shall lapse.

6 (22) \$250,000 of the fiscal year 1998 general fund--state  
7 appropriation \$250,000 of the fiscal year 1999 general fund--state  
8 appropriation are provided solely for operation of a naturopathic  
9 health clinic constructed in 1996.

10 (23) \$60,000 of the general fund--state appropriation for fiscal  
11 year 1999 is provided solely for the implementation of Second  
12 Substitute Senate Bill No. 6168 (temporary worker housing). If the  
13 bill is not enacted by June 30, 1998, the amount provided in this  
14 subsection shall lapse.

15 (24) \$250,000 of the general fund--federal appropriation is  
16 provided solely to conduct monitoring for thyroid diseases for eligible  
17 people exposed to radiation from Hanford between 1945 and 1951, and is  
18 contingent upon the execution of an agreement with the state of Oregon  
19 that the state of Washington will function as a subrecipient for the  
20 Hanford medical monitoring program grant. If such an agreement is not  
21 executed by September 30, 1998, the amount provided in this subsection  
22 shall lapse.

23 (25) \$730,000 of the health professions account appropriation is  
24 provided solely for the purposes of the impaired physician program. If  
25 Second Substitute House Bill No. 1618 (impaired physician program) or  
26 substantially similar legislation is enacted by June 30, 1998, the  
27 amounts provided in this subsection shall lapse.

28 (26) \$1,000,000 of the general fund--state appropriation for fiscal  
29 year 1999 is provided solely for the breast and cervical cancer  
30 screening program.

31 (27) Within existing resources, the department shall maintain  
32 funding support for neurodevelopmental centers and in no case shall  
33 that support in fiscal year 1999 be reduced below the total sum awarded  
34 by contract to neurodevelopmental centers in fiscal year 1998.

35 (28) \$37,000 of the general fund--state appropriation and \$3,000 of  
36 the health professions account appropriation for fiscal year 1999 are  
37 provided solely to implement sections 1, 4, and 11 of Engrossed Second  
38 Substitute House Bill No. 2345 (revising administrative law). If

1 sections 1, 4, and 11 of the bill are not enacted by June 30, 1998, the  
2 amounts provided in this subsection shall lapse.

3 (29) \$300,000 of the general fund--state appropriation is provided  
4 solely for the implementation of a hepatitis A emergency vaccination  
5 program. This entire amount shall be passed through to county health  
6 districts that have employed a public education effort and have  
7 infection rates in excess of 100 per 100,000 population.

8 **Sec. 220.** 1997 c 454 s 213 (uncodified) is amended to read as  
9 follows:

10 **FOR THE DEPARTMENT OF CORRECTIONS**

11 The appropriations to the department of corrections in chapter 454,  
12 Laws of 1997, as amended, shall be expended for the programs and in the  
13 amounts specified therein. However, after April 1, 1998, unless  
14 specifically prohibited by this act, the department may transfer  
15 general fund--state appropriations for fiscal year 1998 between the  
16 institutional services and community corrections programs after  
17 approval by the director of financial management. The director of  
18 financial management shall notify the appropriate fiscal committees of  
19 the senate and house of representatives in writing prior to approving  
20 any deviations from appropriation levels.

21 (1) ADMINISTRATION AND PROGRAM SUPPORT

22	General Fund Appropriation (FY 1998) . . . . .	\$	13,926,000
23	General Fund Appropriation (FY 1999) . . . . .	\$	13,910,000
24	Violence Reduction and Drug Enforcement Account		
25	Appropriation . . . . .	\$	500,000
26	TOTAL APPROPRIATION . . . . .	\$	28,336,000

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

29 (a) \$187,000 of the general fund fiscal year 1998 appropriation and  
30 \$155,000 of the general fund fiscal year 1999 appropriation are  
31 provided solely for implementation of Substitute Senate Bill No. 5759  
32 (risk classification). If the bill is not enacted by July 1, 1997, the  
33 amounts provided shall lapse.

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

1 appropriation is conditioned on the department satisfying the  
2 requirements of section 902, chapter 149, Laws of 1997.

3 (2) INSTITUTIONAL SERVICES

4	General Fund--State Appropriation (FY 1998) . . . \$	((291,745,000))
5		<u>289,665,000</u>
6	General Fund--State Appropriation (FY 1999) . . . \$	((304,000,000))
7		<u>303,830,000</u>
8	General Fund--Federal Appropriation . . . . . \$	18,097,000
9	Industrial Insurance Premium Rebate Account	
10	Appropriation . . . . . \$	673,000
11	Violence Reduction and Drug Enforcement Account	
12	Appropriation . . . . . \$	1,614,000
13	TOTAL APPROPRIATION . . . . . \$	((616,129,000))
14		<u>613,879,000</u>

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

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

20 (b) ((~~\$4,839,000~~)) \$3,978,000 of the general fund--state fiscal  
21 year 1998 appropriation and ((~~\$6,481,000~~)) \$5,381,000 of the general  
22 fund--state fiscal year 1999 appropriation are provided solely for the  
23 criminal justice costs associated with the implementation of Engrossed  
24 Third Substitute House Bill No. 3900 (revising the juvenile code). If  
25 Engrossed Third Substitute House Bill No. 3900 is not enacted by June  
26 30, 1997, the amounts provided shall lapse.

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

32 ((~~(e)~~)) (d) \$296,000 of the general fund--state appropriation for  
33 fiscal year 1998 and \$297,000 of the general fund--state appropriation  
34 for fiscal year 1999 are provided solely to increase payment rates for  
35 contracted education providers. It is the legislature's intent that  
36 these amounts shall be used primarily to increase compensation for  
37 persons employed in direct, front-line service delivery.

1       (~~(f)~~) (e) The department may expend funds generated by  
2 contractual agreements entered into for mitigation of severe  
3 overcrowding in local jails. If any funds are generated in excess of  
4 actual costs, they shall be deposited in the state general fund.  
5 Expenditures shall not exceed revenue generated by such agreements and  
6 shall be treated as recovery of costs.

7       (f) \$70,000 of the general fund--state fiscal year 1999  
8 appropriation is provided solely for the implementation of Senate Bill  
9 No. 6139 (amphetamine crimes). If the bill is not enacted by June 30,  
10 1998, the amount provided in this subsection shall lapse.

11       (g) \$36,000 of the general fund--state fiscal year 1999  
12 appropriation is provided solely for the implementation of House Bill  
13 No. 1172 (sex offender registration). If the bill is not enacted by  
14 June 30, 1998, the amount provided in this subsection shall lapse.

15       (h) \$8,000 of the general fund--state fiscal year 1999  
16 appropriation is provided solely for the implementation of House Bill  
17 No. 2628 (methamphetamine manufacture). If the bill is not enacted by  
18 June 30, 1998, the amount provided in this subsection shall lapse.

19       (3) COMMUNITY CORRECTIONS

20	General Fund Appropriation (FY 1998)	. . . . . \$	((89,377,000))
21			<u>88,830,000</u>
22	General Fund Appropriation (FY 1999)	. . . . . \$	((90,495,000))
23			<u>90,670,000</u>
24	TOTAL APPROPRIATION	. . . . . \$	((179,872,000))
25			<u>179,500,000</u>

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

28       (a) \$27,000 of the general fund fiscal year 1998 appropriation and  
29 \$185,000 of the general fund fiscal year 1999 appropriation are  
30 provided solely for the criminal justice costs associated with the  
31 implementation of Engrossed Third Substitute House Bill No. 3900  
32 (revising the juvenile code). If Engrossed Third Substitute House Bill  
33 No. 3900 is not enacted by June 30, 1997, the amounts provided shall  
34 lapse.

35       (b) The department of corrections shall accomplish personnel  
36 reductions with the least possible impact on correctional custody  
37 staff, community custody staff, and correctional industries. For the



1 purposes of this subsection, correctional custody staff means employees  
2 responsible for the direct supervision of offenders.

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

10 (d) \$45,000 of the general fund--state fiscal year 1999  
11 appropriation is provided solely for the implementation of Substitute  
12 Senate Bill No. 5760 (mentally ill offenders). If the bill is not  
13 enacted by June 30, 1998, the amount provided in this subsection shall  
14 lapse.

15 (e) \$609,000 of the general fund--state fiscal year 1998  
16 appropriation and \$226,000 of the general fund--state fiscal year 1999  
17 appropriation are provided solely for costs associated with allowing  
18 community corrections officers to carry firearms.

19 (4) CORRECTIONAL INDUSTRIES

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

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

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

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

37 (5) INTERAGENCY PAYMENTS

38	General Fund Appropriation (FY 1998)	. . . . .	\$	((6,945,000))
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1		6,851,000
2	General Fund Appropriation (FY 1999) . . . . . \$	((6,444,000))
3		6,538,000
4	TOTAL APPROPRIATION . . . . . \$	13,389,000

5       **Sec. 221.** 1997 c 149 s 224 (uncodified) is amended to read as  
6 follows:

7 **FOR THE SENTENCING GUIDELINES COMMISSION**

8	General Fund Appropriation (FY 1998) . . . . . \$	714,000
9	General Fund Appropriation (FY 1999) . . . . . \$	713,000
10	TOTAL APPROPRIATION . . . . . \$	1,427,000

11       The appropriations in this section are subject to the following  
12 conditions and limitations: The commission shall study the feasibility  
13 and desirability of allowing certain older or physically infirm  
14 offenders to be released from institutional confinement, with the  
15 assumption that these released offenders would remain on community  
16 custody for the remainder of their length of confinement. The study  
17 shall identify: (1) Groups who would be potential candidates for such  
18 a program; (2) how individual offenders in these groups could be  
19 screened to maintain public safety; (3) how these offenders, if  
20 released, could be supervised in such a way as to maintain public  
21 safety; (4) what statutory changes would be necessary to implement such  
22 a program; (5) how much savings such a program would generate; and (6)  
23 any other items the commission deems relevant. The study shall be  
24 transmitted to the chairs and ranking minority members of the  
25 appropriate policy and fiscal committees of the legislature not later  
26 than December 15, 1998.

27       **Sec. 222.** 1997 c 454 s 214 (uncodified) is amended to read as  
28 follows:

29 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

30	General Fund--State Appropriation (FY 1998) . . . \$	1,260,000
31	General Fund--State Appropriation (FY 1999) . . . \$	1,261,000
32	General Fund--Federal Appropriation . . . . . \$	((173,595,000))
33		198,628,000
34	General Fund--Private/Local Appropriation . . . . \$	((24,842,000))
35		28,650,000
36	Unemployment Compensation Administration Account--	
37	Federal Appropriation . . . . . \$	((181,985,000))

1		182,312,000
2	Administrative Contingency Account	
3	Appropriation . . . . .	\$ ((12,579,000))
4		<u>13,527,000</u>
5	Employment Service Administrative Account	
6	Appropriation . . . . .	\$ ((13,176,000))
7		<u>14,500,000</u>
8	Employment & Training Trust Account	
9	Appropriation . . . . .	\$ 600,000
10	TOTAL APPROPRIATION . . . . .	\$ ((409,298,000))
11		<u>440,738,000</u>

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

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

19       (2) \$600,000 of the employment and training trust account  
20 appropriation is provided solely for the account's share of  
21 unemployment insurance tax collection costs.

22       (3) \$1,126,000 of the general fund--federal appropriation is  
23 provided solely for the continuation of job placement centers colocated  
24 on community and technical college campuses. The department shall  
25 maintain the current level of service at all 32 colocation sites  
26 through the remainder of the 1997-99 biennium.

27       (4) The employment security department shall spend no more than  
28 \$25,049,511 of the unemployment compensation administration account--  
29 federal appropriation for the general unemployment insurance  
30 development effort (GUIDE) project, except that the department may  
31 exceed this amount by up to \$2,600,000 to offset the cost associated  
32 with any vendor-caused delay. The additional spending authority is  
33 contingent upon the department fully recovering these moneys from any  
34 project vendors failing to perform in full. Authority to spend the  
35 amount provided by this subsection is conditioned on compliance with  
36 section 902 of this act.

37       (5) \$60,000 of the general fund--state fiscal year 1998  
38 appropriation and \$61,000 of the general fund--state fiscal year 1999

1 appropriation are provided solely for the King county reemployment  
2 support center.

3 (6) \$1,200,000 of the general fund--state fiscal year 1998  
4 appropriation and \$1,200,000 of the general fund--state fiscal year  
5 1999 appropriation are provided solely for labor market information and  
6 employer outreach activities.

7 (7) \$948,000 of the administrative contingency account  
8 appropriation and \$838,000 of the employment service administrative  
9 account appropriation are provided solely for the department to  
10 evaluate the tax determination system compared to other systems,  
11 improve the disclosure of information on the employer rate notice, and  
12 address deficiencies in the tax information system (TAXIS).

13 (8)(a) Within the amounts appropriated in this section, the  
14 commissioner shall improve the disclosure of information on the  
15 employer rate notice for 1999 rate year unemployment contributions.  
16 The information disclosed on the notice must be for the 1997 calendar  
17 year and for the period used to calculate the employer's experience  
18 rating for the 1999 rate year. The notice must include an explanation  
19 in plain language of the disclosed information and the disclosed  
20 information relationship to the employer's contributions. The  
21 information disclosed must include to the greatest extent possible:

22 (i) The contributions paid by the employer;

23 (ii) The benefits charged to the employer's experience rating  
24 account; and

25 (iii) The dollar amount that represents the difference between  
26 (a)(i) and (ii) of this subsection.

27 (b) In addition, the commissioner shall include the following  
28 information paid from the trust fund for each of the three most  
29 recently completed calendar years for: (i) Total benefits paid; (ii)  
30 benefits paid that were in excess of one percent of the base year  
31 earnings of all claimants; (iii) benefits paid to claimants and not  
32 charged to any employer due to a voluntary quit; and (iv) benefits paid  
33 to a claimant but not charged to any employer because of marginal labor  
34 force attachment, along with a generic explanation of why these  
35 benefits were paid.

36 (9) \$20,156,000 of the general fund--federal appropriation is  
37 provided solely to implement the federal welfare-to-work program only  
38 if the governor successfully obtains an approved federal waiver for use  
39 of an alternative agency or agents to administer the welfare-to-work

1 grants. If this waiver is not obtained, the amount provided in this  
2 subsection shall lapse.

3 (10) \$327,000 of the unemployment compensation administration  
4 account--federal appropriation and \$486,000 of the employment service  
5 administrative account appropriation are provided solely for the  
6 department to replace field office computers that are not compliant  
7 with Year 2000 conversion standards.

8 (End of part)

**PART III**  
**NATURAL RESOURCES**

**Sec. 301.** 1997 c 454 s 301 (uncodified) is amended to read as follows:

**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 1998) . . . . .	\$	213,000
General Fund--State Appropriation (FY 1999) . . . . .	\$	222,000
General Fund--Private/Local Appropriation . . . . .	\$	<del>((435,000))</del>
		<u>442,000</u>
TOTAL APPROPRIATION . . . . .	\$	<del>((870,000))</del>
		<u>877,000</u>

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

(1) \$120,000 of the general fund--state appropriation for fiscal year 1998(~~(,)~~) and \$120,000 of the general fund--state appropriation for fiscal year 1999(~~(, and \$240,000 of the general fund--local appropriation))~~) are provided solely for each Washington Columbia river gorge county to receive an \$80,000 grant for the purposes of implementing the scenic area management plan. If a Columbia river gorge county has not adopted an ordinance to implement the scenic area management plan in accordance with the national scenic area act (P.L. 99-663), then the grant funds for that county may be used by the commission to implement the plan for that county.

(2) \$30,000 of the general fund--state appropriation for fiscal year 1998 and \$30,000 of the general fund--state appropriation for fiscal year 1999 provided to Clark county under subsection (1) of this section shall be transferred through an inter-local agreement to Skamania county solely for implementing the national scenic area act.

**Sec. 302.** 1997 c 454 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation		
(FY 1998) . . . . .	\$	<del>((27,748,000))</del>
		<u>26,013,000</u>
General Fund--State Appropriation		

1	(FY 1999) . . . . .	\$	((27,795,000))
2			<u>25,860,000</u>
3	General Fund--Federal Appropriation . . . . .	\$	((45,315,000))
4			<u>46,240,000</u>
5	General Fund--Private/Local Appropriation . . . . .	\$	((643,000))
6			<u>1,200,000</u>
7	Special Grass Seed Burning Research Account		
8	Appropriation . . . . .	\$	((42,000))
9			<u>71,000</u>
10	Reclamation Revolving Account		
11	Appropriation . . . . .	\$	2,441,000
12	Flood Control Assistance Account		
13	Appropriation . . . . .	\$	4,850,000
14	State Emergency Water Projects Revolving Account		
15	Appropriation . . . . .	\$	319,000
16	Waste Reduction/Recycling/Litter Control		
17	Appropriation . . . . .	\$	10,316,000
18	State and Local Improvements Revolving Account		
19	(Waste Facilities) Appropriation . . . . .	\$	601,000
20	State and Local Improvements Revolving Account		
21	(Water Supply Facilities)		
22	Appropriation . . . . .	\$	1,366,000
23	Basic Data Account Appropriation . . . . .	\$	182,000
24	Vehicle Tire Recycling Account		
25	Appropriation . . . . .	\$	((1,194,000))
26			<u>357,000</u>
27	Water Quality Account Appropriation . . . . .	\$	2,892,000
28	Wood Stove Education and Enforcement Account		
29	Appropriation . . . . .	\$	((1,055,000))
30			<u>848,000</u>
31	Worker and Community Right-to-Know Account		
32	Appropriation . . . . .	\$	469,000
33	State Toxics Control Account		
34	Appropriation . . . . .	\$	53,715,000
35	Local Toxics Control Account		
36	Appropriation . . . . .	\$	((4,342,000))
37			<u>4,759,000</u>
38	Water Quality Permit Account		
39	Appropriation . . . . .	\$	20,378,000

1	Underground Storage Tank Account		
2	Appropriation . . . . .	\$	((2,443,000))
3			<u>2,638,000</u>
4	Solid Waste Management Account		
5	Appropriation . . . . .	\$	((1,021,000))
6			<u>971,000</u>
7	Hazardous Waste Assistance Account		
8	Appropriation . . . . .	\$	3,615,000
9	Air Pollution Control Account		
10	Appropriation . . . . .	\$	16,224,000
11	Oil Spill Administration Account		
12	Appropriation . . . . .	\$	((6,958,000))
13			<u>6,998,000</u>
14	Air Operating Permit Account		
15	Appropriation . . . . .	\$	((4,033,000))
16			<u>3,808,000</u>
17	Freshwater Aquatic Weeds Account		
18	Appropriation . . . . .	\$	1,829,000
19	Oil Spill Response Account		
20	Appropriation . . . . .	\$	7,078,000
21	Metals Mining Account Appropriation . . . . .	\$	42,000
22	Water Pollution Control Revolving Account--State		
23	Appropriation . . . . .	\$	349,000
24	Water Pollution Control Revolving Account--Federal		
25	Appropriation . . . . .	\$	1,726,000
26	Biosolids Permit Account Appropriation . . . . .	\$	567,000
27	Environmental Excellence Account		
28	Appropriation . . . . .	\$	247,000
29	TOTAL APPROPRIATION . . . . .	\$	((251,795,000))
30			<u>248,969,000</u>

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

33       (1) \$3,211,000 of the general fund--state appropriation for fiscal  
34 year 1998, \$3,211,000 of the general fund--state appropriation for  
35 fiscal year 1999, \$394,000 of the general fund--federal appropriation,  
36 \$2,017,000 of the oil spill administration account, \$819,000 of the  
37 state toxics control account appropriation, and \$3,591,000 of the water  
38 quality permit fee account are provided solely for the implementation



1 of the Puget Sound work plan and agency action items DOE-01, DOE-02,  
2 DOE-03, DOE-04, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

3 (2) \$2,000,000 of the state toxics control account appropriation is  
4 provided solely for the following purposes:

5 (a) To conduct remedial actions for sites for which there are no  
6 potentially liable persons, for which potentially liable persons cannot  
7 be found, or for which potentially liable persons are unable to pay for  
8 remedial actions; and

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

12 (c) To conduct remedial actions for sites for which potentially  
13 liable persons have refused to conduct remedial actions required by the  
14 department; and

15 (d) To contract for services as necessary to support remedial  
16 actions.

17 ~~((+6+))~~ (3) \$200,000 of the general fund--state appropriation for  
18 fiscal year 1998 is provided solely for the implementation of Engrossed  
19 Substitute House Bill No. 1118 (reopening a water rights claim filing  
20 period). If the bill is not enacted by June 30, 1997, the amount  
21 provided in this subsection shall lapse.

22 ~~((+7+))~~ (4) \$3,600,000 of the general fund--state appropriation for  
23 fiscal year 1998 and \$3,600,000 of the general fund--state  
24 appropriation for fiscal year 1999 are provided solely for the auto  
25 emissions inspection and maintenance program. Expenditures of the  
26 amounts provided in this subsection are contingent upon a like amount  
27 being deposited in the general fund from the auto emission inspection  
28 fees in accordance with RCW 70.120.170(4).

29 ~~((+8+))~~ (5) \$170,000 of the oil spill administration account  
30 appropriation is provided solely for implementation of the Puget Sound  
31 work plan action item UW-02 through a contract with the University of  
32 Washington's Sea Grant program in order to develop an educational  
33 program that targets small spills from commercial fishing vessels,  
34 ferries, cruise ships, ports, and marinas.

35 ~~((+9+))~~ (6) The merger of the office of marine safety into the  
36 department of ecology shall be accomplished in a manner that will  
37 maintain a priority focus on oil spill prevention, as well as maintain  
38 a strong oil spill response capability. The merged program shall be  
39 established to provide a high level of visibility and ensure that there

1 shall not be a diminution of the existing level of effort from the  
2 merged programs.

3 ~~((10))~~ (7) The entire environmental excellence account  
4 appropriation is provided solely for the implementation of Engrossed  
5 Second Substitute House Bill No. 1866 (environmental excellence). If  
6 the bill is not enacted by June 30, 1997, the amount provided in this  
7 subsection shall lapse. In implementing the bill, the department shall  
8 organize the needed expertise to process environmental excellence  
9 applications after an application has been received.

10 ~~((11))~~ (8) \$200,000 of the freshwater aquatic weeds account  
11 appropriation is provided solely to address saltcedar weed problems.

12 ~~((12))~~ (9) \$4,498,000 of the waste reduction, recycling, and  
13 litter control account appropriation is provided for fiscal year 1998  
14 and \$5,818,000 is provided for fiscal year 1999 to be expended in the  
15 following ratios: Fifty percent for a litter patrol program to employ  
16 youth and correctional work crews to remove litter from places that are  
17 most visible to the public; twenty percent for grants to local  
18 governments for litter cleanup under RCW 70.93.250; and thirty percent  
19 for public education and awareness programs and programs to foster  
20 local waste reduction and recycling efforts. From the amounts provided  
21 in this subsection, the department shall provide \$352,000 through an  
22 interagency agreement to the department of corrections to hire  
23 correctional crews to remove litter in areas that are not accessible to  
24 youth crews.

25 ~~((13))~~ (10) The entire biosolids permit account appropriation is  
26 provided solely for implementation of Engrossed Senate Bill No. 5590  
27 (biosolids management). If the bill is not enacted by June 30, 1997,  
28 the entire appropriation is null and void.

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

35 ~~((15))~~ (12) \$60,000 of the freshwater aquatic weeds account  
36 appropriation is provided solely for a grant to the department of fish  
37 and wildlife to control and eradicate purple loosestrife using the most  
38 cost-effective methods available, including chemical control where  
39 appropriate.

1       (~~(16)~~) (13) \$250,000 of the flood control assistance account  
2 appropriation is provided solely as a reappropriation to complete the  
3 Skokomish valley flood reduction plan. The amount provided in this  
4 subsection shall be reduced by the amount expended from this account  
5 for the Skokomish valley flood reduction plan during the biennium  
6 ending June 30, 1997.

7       (~~(18)~~) (14) \$600,000 of the flood control assistance account  
8 appropriation is provided solely to complete flood control projects  
9 that were awarded funds during the 1995-97 biennium. These funds shall  
10 be spent only to complete projects that could not be completed during  
11 the 1995-97 biennium due to delays caused by weather or delays in the  
12 permitting process.

13       (~~(19)~~) (15) \$113,000 of the general fund--state appropriation for  
14 fiscal year 1998 and \$112,000 of the general fund--state appropriation  
15 for fiscal year 1999 are provided solely for implementation of  
16 Substitute Senate Bill No. 5505 (assistance to water applicants). If  
17 the bill is not enacted by June 30, 1997, the amounts provided in this  
18 subsection shall lapse.

19       (~~(20)~~) (16) \$70,000 of the general fund--state appropriation for  
20 fiscal year 1998 and \$70,000 of the general fund--state appropriation  
21 for fiscal year 1999 are provided solely for implementation of  
22 Substitute Senate Bill No. 5785 (consolidation of groundwater rights).  
23 If the bill is not enacted by June 30, 1997, the amounts provided in  
24 this subsection shall lapse.

25       (~~(21)~~) (17) \$20,000 of the general fund--state appropriation for  
26 fiscal year 1998 and \$20,000 of the general fund--state appropriation  
27 for fiscal year 1999 are provided solely for implementation of  
28 Substitute Senate Bill No. 5276 (water right applications). If the  
29 bill is not enacted by June 30, 1997, the amounts provided in this  
30 subsection shall lapse.

31       (~~(23)~~) (18) \$500,000 of the general fund--state appropriation for  
32 fiscal year 1998 and \$500,000 of the general fund--state appropriation  
33 for fiscal year 1999 are provided solely for the continuation of the  
34 southwest Washington coastal erosion study and for coastal erosion  
35 project grants. Fifty percent of the amount for fiscal year 1999 shall  
36 be allocated to the department of community, trade, and economic  
37 development for coastal erosion project grants.

38       (19) It is the intent of the legislature that, within the general  
39 fund--state appropriations provided in this section, the department

1 shall prioritize its resources to provide expedited assistance to  
2 businesses seeking permitting and technical assistance for rural  
3 economic development projects. Top priority shall be given to pending  
4 economic development projects which are located in rural counties and  
5 which have invoked the coordinated permit process pursuant to chapter  
6 90.60 RCW, and the relative priority among such projects shall be based  
7 upon the date of execution of the project's coordinated permit  
8 agreement, with the earliest agreement having top priority.

9 (20) Within the amounts provided in this section, the department  
10 shall contract for a scientific review by a panel selected by the  
11 society of environmental toxicology and chemistry of the following  
12 documents: 1992 environmental impact statement on aquatic weeds; the  
13 KCM phase 1 study of Lake Steilacoom; the conditions and requirements  
14 of the first permit issued for the 1997 treatment season for Lake  
15 Steilacoom; and, studies done in respect to the listing of Lake  
16 Steilacoom as a possible model toxic control act site.

17 (21) \$195,000 of the underground storage tank account appropriation  
18 is provided solely for the implementation of Substitute Senate Bill No.  
19 6130 (underground storage tanks). If the bill is not enacted by June  
20 30, 1998, the amount provided in this subsection shall lapse.

21 (22) \$417,000 of the local toxics control account appropriation is  
22 provided solely to implement Substitute Senate Bill No. 6474  
23 (fertilizer regulation). If the bill is not enacted by June 30, 1998,  
24 the amount provided in this subsection shall lapse.

25 (23) Using up to \$19,000 of the special grass seed burning research  
26 account appropriation the department shall provide funding to  
27 Washington State University to conduct a grass burning emissions study.

28 (24) Within the amounts provided in this section, the department  
29 shall conduct a demonstration project on the effectiveness of the  
30 state-registered herbicide "Navigate" for the control of Eurasian water  
31 milfoil in Loon Lake in Stevens county. The department shall provide  
32 a grant to the Stevens county weed board to cover fifty percent of the  
33 cost of application of the herbicide. A local match of fifty percent  
34 of the cost of application of the herbicide is required. Permits and  
35 approvals necessary to implement the demonstration project may be  
36 conditioned by the department to protect public health and the  
37 environment, but approval may not be withheld.

38 (25) Within the amounts provided in this section, the department  
39 shall provide funds to Yakima county superior court for staff and

1 associated costs to support the Yakima river basin water rights  
2 adjudication.

3 NEW SECTION. **Sec. 303.** A new section is added to 1997 c 149  
4 (uncodified) to read as follows:

5 **FOR THE DEPARTMENT OF ECOLOGY**

6	General Fund--State Appropriation (FY 1998) . . . . .	\$	1,700,000
7	General Fund--State Appropriation (FY 1999) . . . . .	\$	4,420,000
8	General Fund--Federal Appropriation . . . . .	\$	18,000
9	Water Quality Permit Account Appropriation . . . . .	\$	9,000
10	Air Pollution Control Account Appropriation . . . . .	\$	9,000
11	TOTAL APPROPRIATION . . . . .	\$	6,156,000

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

14 (1) \$1,400,000 of the general fund--state appropriation for fiscal  
15 year 1998 and \$3,600,000 of the general fund--state appropriation for  
16 fiscal year 1999 are provided solely to implement sections 1 through 9  
17 of Engrossed Substitute House Bill No. 2514 (integrated watershed  
18 management). If any of these sections of the bill are not enacted by  
19 June 30, 1998, the amount provided in this subsection shall lapse. Of  
20 the amounts in this subsection, \$1,400,000 of the general fund--state  
21 appropriation for fiscal year 1998 and \$2,500,000 of the general fund--  
22 state appropriation for fiscal year 1999 are provided solely for grants  
23 to local watershed planning units, and \$1,100,000 of the general fund--  
24 state appropriation for fiscal year 1999 is provided solely for  
25 technical assistance to local watershed planning groups. The  
26 department may provide moneys to other state agencies that provide  
27 technical assistance to local watershed planning groups through an  
28 interagency agreement.

29 (2) \$400,000 of the general fund--state appropriation for fiscal  
30 year 1999 is provided solely to implement Substitute Senate Bill No.  
31 6161 (dairy nutrient management). If the bill is not enacted by June  
32 30, 1998, the amount provided in this subsection shall lapse.

33 (3) \$300,000 of the general fund--state appropriation for fiscal  
34 year 1998 is provided solely for the department to conduct a  
35 preconstruction analysis of Pine Hollow, located near the communities  
36 of Wiley City and Tampico in Yakima county, regarding its suitability  
37 as a site for the construction of a retainment dam and water storage

1 reservoir and the reservoir site's potential to enhance and maintain  
2 anadromous fish and other aquatic life and agriculture. The analysis  
3 shall include, but is not limited to, a hydrologic and water rights  
4 assessment of the Ahtanum Creek watershed to determine water  
5 availability to Pine Hollow, an analysis of the geology and hydrology  
6 of the site and appropriate dam design and dynamics, its impact on  
7 water-related issues, and on Yakama Indian Nation and other water  
8 rights. Using amounts appropriated in this section and the associated  
9 local match, the department shall conduct portions of its analysis  
10 through contracts with private entities and through contracts with, or  
11 by providing grant moneys to, the Yakama Indian Nation and other public  
12 entities, which may include other state agencies, irrigation districts  
13 local to the area, cities, Yakima county, and federal agencies. The  
14 department shall consult with stakeholders before conducting this  
15 preconstruction analysis. The analysis shall be completed by June 30,  
16 1999. The amount provided in this subsection is contingent upon the  
17 provision of an equal cash match from the Ahtanum irrigation district,  
18 and if such a match is not received the amount provided in this  
19 subsection shall lapse.

20 (4) \$200,000 of the general fund--state appropriation for fiscal  
21 year 1999 is provided solely to implement Engrossed Substitute Senate  
22 Bill No. 5703 (water right beneficial use). If the bill is not enacted  
23 by June 30, 1998, the amount provided in this subsection shall lapse.

24 (5) \$24,000 of the general fund--state appropriation for fiscal  
25 year 1999, \$18,000 of the general fund--federal appropriation, \$9,000  
26 of the water quality permit account appropriation, and \$9,000 of the  
27 air pollution control account appropriation are provided solely to  
28 implement sections 1, 4, and 11 of Engrossed Second Substitute House  
29 Bill No. 2345 (revising administrative law). If sections 1, 4, and 11  
30 of the bill are not enacted by June 30, 1998, the amounts provided in  
31 this subsection shall lapse.

32 (6) \$196,000 of the general fund--state appropriation for fiscal  
33 year 1999 is provided solely to implement Engrossed Second Substitute  
34 House Bill No. 2339 (wetlands mitigation banking). If the bill is not  
35 enacted by June 30, 1998, the amount provided in this subsection shall  
36 lapse.

37 **Sec. 304.** 1997 c 454 s 303 (uncodified) is amended to read as  
38 follows:

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

2	General Fund--State Appropriation (FY 1998) . . . \$	((20,526,000))
3		<u>20,489,000</u>
4	General Fund--State Appropriation (FY 1999) . . . \$	((20,335,000))
5		<u>20,595,000</u>
6	General Fund--Federal Appropriation . . . . . \$	((2,428,000))
7		<u>3,122,000</u>
8	General Fund--Private/Local Appropriation . . . . \$	59,000
9	Winter Recreation Program Account	
10	Appropriation . . . . . \$	((759,000))
11		<u>779,000</u>
12	Off Road Vehicle Account Appropriation . . . . . \$	251,000
13	Snowmobile Account Appropriation . . . . . \$	((2,290,000))
14		<u>3,260,000</u>
15	Aquatic Lands Enhancement Account Appropriation . \$	321,000
16	Public Safety and Education Account	
17	Appropriation . . . . . \$	48,000
18	Industrial Insurance Premium Refund	
19	Appropriation . . . . . \$	10,000
20	Waste Reduction/Recycling/Litter Control	
21	Appropriation . . . . . \$	34,000
22	Water Trail Program Account Appropriation . . . . \$	14,000
23	Parks Renewal and Stewardship Account	
24	Appropriation . . . . . \$	((25,344,000))
25		<u>25,894,000</u>
26	TOTAL APPROPRIATION . . . . . \$	((72,419,000))
27		<u>74,876,000</u>

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

30 (1) \$189,000 of the aquatic lands enhancement account appropriation  
 31 is provided solely for the implementation of the Puget Sound work plan  
 32 agency action items P&RC-01 and P&RC-03.

33 (2) \$264,000 of the general fund--federal appropriation is provided  
 34 for boater programs state-wide and for implementation of the Puget  
 35 Sound work plan.

36 (3) \$45,000 of the general fund--state appropriation for fiscal  
 37 year 1998 is provided solely for a feasibility study of a  
 38 public/private effort to establish a reserve for recreation and  
 39 environmental studies in southwest Kitsap county.

1 (4) Within the funds provided in this section, the state parks and  
 2 recreation commission shall provide to the legislature a status report  
 3 on implementation of the recommendations contained in the 1994 study on  
 4 the restructuring of Washington state parks. This status report shall  
 5 include an evaluation of the campsite reservation system including the  
 6 identification of any incremental changes in revenues associated with  
 7 implementation of the system and a progress report on other enterprise  
 8 activities being undertaken by the commission. The report may also  
 9 include recommendations on other revenue generating options. In  
 10 preparing the report, the commission is encouraged to work with  
 11 interested parties to develop a long-term strategy to support the park  
 12 system. The commission shall provide this report by December 1, 1997.

13 (5) (~~(\$85,000)~~) \$48,000 of the general fund--state appropriation  
 14 for fiscal year 1998 and (~~(\$165,000)~~) \$202,000 of the general fund--  
 15 state appropriation for fiscal year 1999 are provided solely for  
 16 development of underwater park programs and facilities. The department  
 17 shall work with the underwater parks program task force to develop  
 18 specific plans for the use of these funds.

19 (6) Fees approved by the state parks and recreation commission in  
 20 1997 for camping, snow parks, wood debris collection, and Fort Worden  
 21 state park are authorized to exceed the fiscal growth factor under RCW  
 22 43.135.055.

23 (7) \$20,000 of the winter recreation program account appropriation  
 24 and \$20,000 of the snowmobile account appropriation are provided solely  
 25 for a grant for the operation of the Northwest avalanche center.

26 **Sec. 305.** 1997 c 149 s 304 (uncodified) is amended to read as  
 27 follows:

28 **FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

29 Firearms Range Account Appropriation . . . . .	\$	46,000
30 Recreation Resources Account-- <u>State</u>		
31 <u>Appropriation</u> . . . . .	\$	2,352,000
32 <u>Recreation Resources Account--Federal</u>		
33 <u>Appropriation</u> . . . . .	\$	<u>11,000</u>
34 NOVA Program Account Appropriation . . . . .	\$	590,000
35 TOTAL APPROPRIATION . . . . .	\$	( <del>(2,988,000)</del> )
36		<u>2,999,000</u>

37 The appropriations in this section are subject to the following  
 38 conditions and limitations: Any proceeds from the sale of the PRISM



1 software system shall be deposited into the recreation resources  
2 account.

3 **Sec. 306.** 1997 c 149 s 306 (uncodified) is amended to read as  
4 follows:

5 **FOR THE CONSERVATION COMMISSION**

6	General Fund Appropriation (FY 1998)	. . . . .	\$	838,000
7	General Fund Appropriation (FY 1999)	. . . . .	\$	((840,000))
8				<u>3,840,000</u>
9	Water Quality Account Appropriation	. . . . .	\$	440,000
10	TOTAL APPROPRIATION	. . . . .	\$	((2,118,000))
11				<u>5,118,000</u>

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

14 (1) \$181,000 of the general fund appropriation for fiscal year  
15 1998, \$181,000 of the general fund appropriation for fiscal year 1999,  
16 and \$130,000 of the water quality account appropriation are provided  
17 solely for the implementation of the Puget Sound work plan agency  
18 action item CC-01.

19 (2) \$1,000,000 of the general fund appropriation for fiscal year  
20 1999 is provided solely for grants to conservation districts to provide  
21 technical assistance to landowners enrolling in the conservation  
22 reserve enhancement program.

23 (3) \$200,000 of the general fund appropriation for fiscal year 1999  
24 is provided solely for technical assistance for dairy farmers to  
25 implement Substitute Senate Bill No. 6161 (dairy nutrient management).  
26 If the bill is not enacted by June 30, 1998, the amount provided in  
27 this subsection shall lapse.

28 (4) \$800,000 of the general fund--state appropriation for fiscal  
29 year 1999 is provided solely to conduct limiting factor analysis in  
30 accordance with sections 7 through 10 of Engrossed Substitute House  
31 Bill No. 2496 (salmon recovery planning). If any of these sections of  
32 the bill are not enacted by June 30, 1998, the amount provided in this  
33 subsection shall lapse. To the extent possible, the commission shall  
34 establish partnerships with the federal natural resources conservation  
35 service and other entities conducting watershed or limiting factor  
36 analysis. Of this amount, \$150,000 is provided for limiting factor  
37 analysis in the Snake river evolutionarily significant unit.

1       (5) \$1,000,000 of the general fund--state appropriation for fiscal  
 2 year 1999 is provided solely for a contract with a nonprofit entity on  
 3 a pilot program basis to develop and implement a volunteer habitat  
 4 initiative. The initiative must include: A training program for  
 5 volunteers; a public outreach and education program; and a program to  
 6 encourage landowners and land managers to use volunteers in salmon  
 7 habitat improvement projects.

8       **Sec. 307.** 1997 c 454 s 304 (uncodified) is amended to read as  
 9 follows:

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

11	General Fund--State Appropriation (FY 1998) . . . . .	\$	((36,049,000))
12			<u>35,857,000</u>
13	General Fund--State Appropriation (FY 1999) . . . . .	\$	((36,571,000))
14			<u>44,998,000</u>
15	General Fund--Federal Appropriation . . . . .	\$	((73,015,000))
16			<u>75,037,000</u>
17	General Fund--Private/Local Appropriation . . . . .	\$	((26,758,000))
18			<u>26,983,000</u>
19	Off Road Vehicle Account Appropriation . . . . .	\$	488,000
20	Aquatic Lands Enhancement Account		
21	Appropriation . . . . .	\$	5,593,000
22	Public Safety and Education Account		
23	Appropriation . . . . .	\$	((590,000))
24			<u>586,000</u>
25	Industrial Insurance Premium Refund		
26	Appropriation . . . . .	\$	120,000
27	Recreational Fisheries Enhancement		
28	Appropriation . . . . .	\$	2,387,000
29	Warm Water Game Fish Account Appropriation . . . . .	\$	2,419,000
30	Wildlife Account Appropriation . . . . .	\$	((52,372,000))
31			<u>44,122,000</u>
32	Game Special Wildlife Account--State		
33	Appropriation . . . . .	\$	1,911,000
34	Game Special Wildlife Account--Federal		
35	Appropriation . . . . .	\$	10,844,000
36	Game Special Wildlife Account--Private/Local		
37	Appropriation . . . . .	\$	350,000
38	Oil Spill Administration Account Appropriation . . . . .	\$	843,000

1	Environmental Excellence Account Appropriation . . . . .	\$	20,000
2	Eastern Washington Pheasant Enhancement Account		
3	Appropriation . . . . .	\$	547,000
4	<u>Regional Fisheries Enhancement--Federal</u>		
5	<u>Appropriation . . . . .</u>	\$	<u>750,000</u>
6	TOTAL APPROPRIATION . . . . .	\$	((250,877,000))
7			<u>253,855,000</u>

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

10       (1) \$1,181,000 of the general fund--state appropriation for fiscal  
11 year 1998 and \$1,181,000 of the general fund--state appropriation for  
12 fiscal year 1999 are provided solely for the implementation of the  
13 Puget Sound work plan agency action items DFW-01, DFW-03, DFW-04, and  
14 DFW-8 through DFW-15.

15       (2) \$188,000 of the general fund--state appropriation for fiscal  
16 year 1998 and \$155,000 of the general fund--state appropriation for  
17 fiscal year 1999 are provided solely for a maintenance and inspection  
18 program for department-owned dams. The department shall submit a  
19 report to the governor and the appropriate legislative committees by  
20 October 1, 1998, on the status of department-owned dams. This report  
21 shall provide a recommendation, including a cost estimate, on whether  
22 each facility should continue to be maintained or should be  
23 decommissioned.

24       (3) \$832,000 of the general fund--state appropriation for fiscal  
25 year 1998 and \$825,000 of the general fund--state appropriation for  
26 fiscal year 1999 are provided solely to implement salmon recovery  
27 activities and other actions required to respond to federal listings of  
28 salmon species under the endangered species act.

29       (4) \$350,000 of the wildlife account appropriation, \$72,000 of the  
30 general fund--state appropriation for fiscal year 1998, and \$73,000 of  
31 the general fund--state appropriation for fiscal year 1999 are provided  
32 solely for control and eradication of class B designate weeds on  
33 department owned and managed lands. The amounts from the general  
34 fund--state appropriations are provided solely for control of spartina.

35       (5) \$140,000 of the wildlife account appropriation is provided  
36 solely for a cooperative effort with the department of agriculture for  
37 research and eradication of purple loosestrife on state lands.

38       (6) In controlling weeds on state-owned lands, the department shall  
39 use the most cost-effective methods available, including chemical

1 control where appropriate, and the department shall report to the  
2 appropriate committees of the legislature by January 1, 1998, on  
3 control methods, costs, and acres treated during the previous year.

4 ~~(7) ((A maximum of \$1,000,000 is provided from the wildlife fund  
5 for fiscal year 1998. The amount provided in this subsection is for  
6 the emergency feeding of deer and elk that may be starving and that are  
7 posing a risk to private property due to severe winter conditions  
8 during the winter of 1997-98. The amount expended under this  
9 subsection must not exceed the amount raised pursuant to section 3 of  
10 Substitute House Bill No. 1478. Of the amount expended under this  
11 subsection, not more than fifty percent may be from fee revenue  
12 generated pursuant to section 3 of Substitute House Bill No. 1478. If  
13 the bill is not enacted by June 30, 1997, the amount provided in this  
14 subsection shall lapse.~~

15 ~~(8))~~ \$193,000 of the general fund--state appropriation for fiscal  
16 year 1998, \$194,000 of the general fund--state appropriation for fiscal  
17 year 1999, and \$300,000 of the wildlife account appropriation are  
18 provided solely for the design and development of an automated license  
19 system.

20 ~~((+9))~~ (8) The department is directed to offer for sale its Cessna  
21 421 aircraft by June 30, 1998. Proceeds from the sale shall be  
22 deposited in the wildlife account.

23 ~~((+10))~~ (9) \$500,000 of the general fund--state appropriation for  
24 fiscal year 1998 and \$500,000 of the general fund--state appropriation  
25 for fiscal year 1999 are provided solely to continue the department's  
26 habitat partnerships program during the 1997-99 biennium.

27 ~~((+11))~~ (10) \$350,000 of the general fund--state appropriation for  
28 fiscal year 1998 and \$350,000 of the general fund--state appropriation  
29 for fiscal year 1999 are provided solely for purchase of monitoring  
30 equipment necessary to fully implement mass marking of coho salmon.

31 ~~((+12))~~ (11) \$238,000 of the general fund--state appropriation for  
32 fiscal year 1998 and \$219,000 of the general fund--state appropriation  
33 for fiscal year 1999 are provided solely for the implementation of  
34 Substitute House Bill No. 1985 (landscape management plans). If the  
35 bill is not enacted by June 30, 1997, the amounts provided in this  
36 subsection shall lapse.

37 ~~((+13))~~ (12) \$150,000 of the general fund--state appropriation for  
38 fiscal year 1998 and \$150,000 of the general fund--state appropriation  
39 for fiscal year 1999 are provided solely for a contract with the United

1 States department of agriculture to carry out animal damage control  
2 projects throughout the state related to cougars, bears, and coyotes.

3 ~~((14))~~ (13) \$97,000 of the general fund--state appropriation for  
4 fiscal year 1998 and \$98,000 of the general fund--state appropriation  
5 for fiscal year 1999 are provided solely to implement animal damage  
6 control programs for Canada geese in the lower Columbia river basin.

7 ~~((15))~~ (14) \$170,000 of the general fund--state appropriation for  
8 fiscal year 1998, \$170,000 of the general fund--state appropriation for  
9 fiscal year 1999, and \$360,000 of the wildlife account appropriation  
10 are provided solely to hire additional enforcement officers to address  
11 problem wildlife throughout the state.

12 ~~((17))~~ (15) \$133,000 of the general fund--state appropriation for  
13 fiscal year 1998 and \$133,000 of the general fund--state appropriation  
14 for fiscal year 1999 are provided solely to implement Substitute Senate  
15 Bill No. 5442 (flood control permitting). If the bill is not enacted  
16 by June 30, 1997, the amounts provided in this subsection shall lapse.

17 ~~((18))~~ (16) \$100,000 of the aquatic lands enhancement account  
18 appropriation is provided solely for grants to the regional fisheries  
19 enhancement groups.

20 ~~((19))~~ (17) \$547,000 of the eastern Washington pheasant  
21 enhancement account appropriation is provided solely for implementation  
22 of Substitute Senate Bill No. 5104 (pheasant enhancement program). If  
23 the bill is not enacted by June 30, 1997, the amounts provided in this  
24 subsection shall lapse.

25 ~~((20))~~ (18) \$150,000 of the general fund--state appropriation for  
26 fiscal year 1998 and \$150,000 of the general fund--state appropriation  
27 for fiscal year 1999 are provided solely to hire Washington  
28 conservation corps crews to maintain department-owned and managed  
29 lands.

30 ~~((21))~~ (19) The entire environmental excellence account  
31 appropriation is provided solely for implementation of Engrossed Second  
32 Substitute House Bill No. 1866 (environmental excellence). If the bill  
33 is not enacted by June 30, 1997, the entire appropriation is null and  
34 void.

35 ~~((22))~~ (20) \$156,000 of the recreational fisheries enhancement  
36 appropriation is provided solely for Substitute Senate Bill No. 5102  
37 (fishing license surcharge). If the bill is not enacted by June 30,  
38 1997, the amount provided in this subsection shall lapse.

1       (~~(23)~~) (21) \$25,000 of the general fund--state appropriation for  
2 fiscal year 1998 and \$25,000 of the general fund--state appropriation  
3 for fiscal year 1999 are provided solely for staffing and operation of  
4 the Tennant Lake interpretive center.

5       (22) It is the intent of the legislature that, within the general  
6 fund--state appropriations provided in this section, the department  
7 shall prioritize its resources to provide expedited assistance to  
8 businesses seeking permitting and technical assistance for rural  
9 economic development projects.

10       (23) \$750,000 of the regional fisheries enhancement--federal  
11 appropriation is provided solely for the regional fisheries enhancement  
12 groups. The amount in this section may be spent for project  
13 identification, design, permitting, and implementation; volunteer  
14 coordination; and administrative costs as approved under RCW 75.50.100  
15 and 75.50.115(1)(d). All amounts not committed to approved project,  
16 volunteer coordination, or administrative costs by May 31, 1998, shall  
17 be made available to any of the regional fisheries enhancement groups  
18 that have submitted project approval requests that exceed their  
19 available funding from the regional fisheries enhancement group account  
20 and the regional fisheries enhancement salmonid recovery account.  
21 Redistribution of the moneys shall be based on the criteria established  
22 in RCW 75.50.115(1)(e), and shall ensure to the greatest extent  
23 possible that the funds are spent during the 1998 in-stream season.

24       (24) \$700,000 of the general fund--state appropriation for fiscal  
25 year 1999 is provided solely for grants to habitat restoration lead  
26 entities formed in accordance with sections 7 through 10 of Engrossed  
27 Substitute House Bill No. 2496 (salmon recovery planning) for  
28 administrative activities and development of habitat-restoration  
29 project lists. If any of these sections of the bill are not enacted  
30 by June 30, 1998, the amounts provided in this subsection shall lapse.  
31 Of this amount, \$100,000 is provided as a grant to the regional  
32 committee lead entity for administrative activities in the Snake river  
33 evolutionarily significant unit.

34       (25) \$50,000 of the general fund--state appropriation for fiscal  
35 year 1999 is provided solely for operation of the independent science  
36 panel in accordance with section 6 of Engrossed Substitute House Bill  
37 No. 2496 (salmon recovery planning). If this section of the bill is  
38 not enacted by June 30, 1998, the amount provided in this subsection  
39 shall lapse.

1       (26) \$450,000 of the general fund--state appropriation for fiscal  
2 year 1999 is provided solely for fish passage technical assistance to  
3 local governments, volunteer groups, and regional fisheries enhancement  
4 groups in accordance with Engrossed Substitute House Bill No. 2496  
5 (salmon recovery planning). The department shall also contract with  
6 the department of transportation to train staff at the department of  
7 transportation to become proficient in providing fish passage technical  
8 assistance. If the bill is not enacted by June 30, 1998, the amount  
9 provided in this subsection shall lapse.

10       (27) \$250,000 of the general fund--state appropriation for fiscal  
11 year 1999 is provided solely for excessive deer and elk damage claims.

12       (28) \$393,000 of the general fund--state appropriation for fiscal  
13 year 1999 is provided solely for the implementation of Substitute  
14 Senate Bill No. 6324 (fish remote site incubators). If the bill is not  
15 enacted by June 30, 1998, the amount provided in this subsection shall  
16 lapse.

17       (29) \$1,000,000 of the general fund--state appropriation for fiscal  
18 year 1999, \$400,000 of the general fund--federal appropriation, and  
19 \$225,000 of the general fund--local appropriation are provided solely  
20 to contract for the mass marking of all appropriate state-wide  
21 department chinook salmon hatchery production in accordance with Second  
22 Substitute Senate Bill No. 6264 (chinook salmon mass marking). If the  
23 bill is not enacted by June 30, 1998, the amount provided in this  
24 subsection shall lapse.

25       (30) \$3,500,000 of the general fund--state appropriation for fiscal  
26 year 1999 is provided solely for salmon restoration projects funded  
27 according to sections 7 through 10 of Second Substitute House Bill No.  
28 2496 (salmon recovery planning). Of this amount, \$500,000 is provided  
29 solely for a block grant to the conservation districts located in the  
30 Snake river evolutionarily significant unit for habitat restoration  
31 projects. If any of these sections of the bill are not enacted by June  
32 30, 1998, the amounts provided in this subsection shall lapse.

33       (31) \$1,170,000 of the general fund--state appropriation for fiscal  
34 year 1999 and \$3,500,000 of the general fund--federal appropriation are  
35 provided solely to implement a license buy-back program for commercial  
36 fishing licenses.

37       (32) \$5,000 of the general fund--state appropriation for fiscal  
38 year 1998 and \$40,000 of the general fund--state appropriation for  
39 fiscal year 1999 are provided solely for implementation of Substitute

1 Senate Bill No. 6114 (nonindigenous aquatic species). If the bill is  
2 not enacted by June 30, 1998, the amount provided in this subsection  
3 shall lapse.

4 (33) \$1,000,000 of the general fund--state appropriation for fiscal  
5 year 1999 is provided solely for purchasing computer equipment to  
6 support implementation of Second Substitute Senate Bill No. 6330 (fish  
7 and wildlife licenses). If the bill is not enacted by June 30, 1998,  
8 the amount provided in this subsection shall lapse.

9 (34) \$70,000 of the general fund--state appropriation for fiscal  
10 year 1999 is provided solely to implement sections 1, 4, and 11 of  
11 Engrossed Second Substitute House Bill No. 2345 (revising  
12 administrative law). If sections 1, 4, and 11 of the bill are not  
13 enacted by June 30, 1998, the amount provided in this subsection shall  
14 lapse.

15 **Sec. 308.** 1997 c 454 s 305 (uncodified) is each amended to read as  
16 follows:

17 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

18	General Fund--State Appropriation (FY 1998) . . . . . \$	23,767,000
19	General Fund--State Appropriation (FY 1999) . . . . . \$	<del>((24,168,000))</del>
20		<u>24,410,000</u>
21	General Fund--Federal Appropriation . . . . . \$	1,156,000
22	General Fund--Private/Local Appropriation . . . . . \$	422,000
23	Forest Development Account Appropriation . . . . . \$	<del>((49,923,000))</del>
24		<u>49,963,000</u>
25	Off Road Vehicle Account Appropriation . . . . . \$	3,628,000
26	Surveys and Maps Account Appropriation . . . . . \$	2,088,000
27	Aquatic Lands Enhancement Account	
28	Appropriation . . . . . \$	4,869,000
29	Resource((s)) Management Cost Account	
30	Appropriation . . . . . \$	<del>((89,613,000))</del>
31		<u>89,769,000</u>
32	Waste Reduction/Recycling/Litter Control	
33	Appropriation . . . . . \$	450,000
34	Surface Mining Reclamation Account	
35	Appropriation . . . . . \$	1,420,000
36	Aquatic Land Dredged Material Disposal Site Account	
37	Appropriation . . . . . \$	751,000
38	Natural Resources Conservation Areas Stewardship	



1	Account Appropriation . . . . .	\$	77,000
2	Air Pollution Control Account Appropriation . . .	\$	890,000
3	Metals Mining Account Appropriation . . . . .	\$	62,000
4	<u>Natural Resources Equipment Account</u>		
5	<u>Appropriation . . . . .</u>	\$	<u>750,000</u>
6	TOTAL APPROPRIATION . . . . .	\$	(( <del>203,284,000</del> ))
7			<u>204,472,000</u>

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

10       (1) \$7,017,000 of the general fund--state appropriation for fiscal  
11 year 1998 and \$6,900,000 of the general fund--state appropriation for  
12 fiscal year 1999 are provided solely for emergency fire suppression.

13       (2) \$18,000 of the general fund--state appropriation for fiscal  
14 year 1998, \$18,000 of the general fund--state appropriation for fiscal  
15 year 1999, and \$957,000 of the aquatic lands enhancement account  
16 appropriation are provided solely for the implementation of the Puget  
17 Sound work plan agency action items DNR-01, DNR-02, and DNR-04.

18       (3) \$450,000 of the resource management cost account appropriation  
19 is provided solely for the control and eradication of class B designate  
20 weeds on state lands. The department shall use the most cost-effective  
21 methods available, including chemical control where appropriate, and  
22 report to the appropriate committees of the legislature by January 1,  
23 1998, on control methods, costs, and acres treated during the previous  
24 year.

25       (4) \$1,332,000 of the general fund--state appropriation for fiscal  
26 year 1998 and \$1,713,000 of the general fund--state appropriation for  
27 fiscal year 1999 are provided solely for fire protection activities.

28       (5) \$541,000 of the general fund--state appropriation for fiscal  
29 year 1998 and \$549,000 of the general fund--state appropriation for  
30 fiscal year 1999 are provided solely for the stewardship of natural  
31 area preserves, natural resource conservation areas, and the operation  
32 of the natural heritage program.

33       (6) \$2,300,000 of the aquatic lands enhancement account  
34 appropriation is provided for the department's portion of the Eagle  
35 Harbor settlement.

36       (7) \$195,000 of the general fund--state appropriation for fiscal  
37 year 1998 and \$220,000 of the general fund--state appropriation for  
38 fiscal year 1999 are provided solely for the implementation of  
39 Substitute House Bill No. 1985 (landscape management plans). If the

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

3 (8) \$600,000 of the general fund--state appropriation for fiscal  
4 year 1998 and \$600,000 of the general fund--state appropriation for  
5 fiscal year 1999 are provided solely for the cooperative monitoring,  
6 evaluation, and research projects related to implementation of the  
7 timber-fish-wildlife agreement.

8 (9) \$6,568,000 of the forest development account appropriation is  
9 provided solely for silviculture activities on forest board lands. To  
10 the extent that forest board counties apply for reconveyance of lands  
11 pursuant to Substitute Senate Bill No. 5325 (county land transfers),  
12 the amount provided in this subsection shall be reduced by an amount  
13 equal to the estimated silvicultural expenditures planned in each  
14 county that applies for reconveyance.

15 (10) The entire natural resources equipment account appropriation  
16 is provided solely for replacement of equipment and development of  
17 infrastructure necessary to meet new federal communications commission  
18 regulations.

19 (11) \$75,000 of the general fund--state appropriation for fiscal  
20 year 1999, \$35,000 from the resource management cost account  
21 appropriation, and \$40,000 from the forest development account  
22 appropriation are provided solely to implement sections 1, 4, and 11 of  
23 Engrossed Second Substitute House Bill No. 2345 (revising  
24 administrative law). If sections 1, 4, and 11 of the bill are not  
25 enacted by June 30, 1998, the amounts provided in this subsection shall  
26 lapse.

27 (12) \$71,000 of the resource management cost account appropriation  
28 is provided solely for a study of the current method for determining  
29 water-dependent rents in accordance with Second Substitute Senate Bill  
30 No. 6156 (state aquatic lands leases). If the bill is not enacted by  
31 June 30, 1998, the amount provided in this subsection shall lapse.

32 (13) \$117,000 of the general fund--state appropriation for fiscal  
33 year 1999 is provided solely for a geographic information systems  
34 inventory of Washington sand, gravel, and construction rock resources.

35 (14) \$50,000 of the resource management cost account appropriation  
36 is provided solely for a field study of biological control methods for  
37 eradication of spartina.

38 (15) \$50,000 of the general fund--state appropriation for fiscal  
39 year 1999 is provided solely for a study of potential finfish net-pen

1 aquaculture sites in the Strait of Juan de Fuca and along the Pacific  
2 coast.

3 **Sec. 309.** 1997 c 149 s 309 (uncodified) is each amended to read as  
4 follows:

5 **FOR THE DEPARTMENT OF AGRICULTURE**

6	General Fund--State Appropriation (FY 1998) . . . \$	((7,596,000))
7		<u>7,605,000</u>
8	General Fund--State Appropriation (FY 1999) . . . \$	((7,008,000))
9		<u>8,285,000</u>
10	General Fund--Federal Appropriation . . . . . \$	((4,716,000))
11		<u>5,077,000</u>
12	General Fund--Private/Local Appropriation . . . . \$	405,000
13	Aquatic Lands Enhancement Account	
14	Appropriation . . . . . \$	806,000
15	Industrial Insurance Premium Refund	
16	Appropriation . . . . . \$	184,000
17	State Toxics Control Account Appropriation . . . \$	1,338,000
18	<u>Local Toxics Control Account Appropriation . . . \$</u>	<u>258,000</u>
19	TOTAL APPROPRIATION . . . . . \$	((22,053,000))
20		<u>23,958,000</u>

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

23 (1) \$35,000 of the general fund--state appropriation for fiscal  
24 year 1998 and \$36,000 of the general fund--state appropriation for  
25 fiscal year 1999 are provided solely for technical assistance on  
26 pesticide management including the implementation of the Puget Sound  
27 work plan agency action item DOA-01.

28 (2) \$461,000 of the general fund--state appropriation for fiscal  
29 year 1998, \$421,000 of the general fund--state appropriation for fiscal  
30 year 1999, and ((\$361,000)) \$722,000 of the general fund--federal  
31 appropriation are provided solely to monitor and eradicate the Asian  
32 gypsy moth.

33 (3) \$138,000 of the general fund--state appropriation for fiscal  
34 year 1998 and \$138,000 of the general fund--state appropriation for  
35 fiscal year 1999 are provided solely for two additional staff positions  
36 in the plant protection program.

37 (4) \$12,000 of the general fund--state appropriation for fiscal  
38 year 1998 and \$13,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely for the implementation of  
2 Substitute Senate Bill No. 5077 (integrated pest management). If the  
3 bill is not enacted by June 30, 1997, the amount provided in this  
4 subsection shall lapse.

5 (5) \$258,000 of the local toxics control account appropriation is  
6 provided solely to implement Senate Bill No. 6474 (fertilizer  
7 regulation). The amount provided in this subsection shall be used to  
8 conduct a comprehensive study of plant uptake of metals and to  
9 implement new fertilizer registration requirements. If the bill is not  
10 enacted by June 30, 1998, the amount provided in this subsection shall  
11 lapse.

12 (6) \$50,000 of the general fund--state appropriation for fiscal  
13 year 1999 is provided solely to implement section 11 of Engrossed  
14 Second Substitute House Bill No. 2345 (revising administrative law).  
15 If section 11 of the bill is not enacted by June 30, 1998, the amount  
16 provided in this subsection shall lapse.

17 (7) \$95,000 of the general fund--state appropriation for fiscal  
18 year 1999 is provided solely for deposit into the livestock  
19 identification account to implement sections 2 and 98 of Engrossed  
20 Substitute Senate Bill No. 6204 (livestock identification). If either  
21 of these sections of the bill is not enacted by June 30, 1998, the  
22 amount provided in this subsection shall lapse.

23 **Sec. 310.** 1997 c 149 s 310 (uncodified) is each amended to read as  
24 follows:

25 **FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM**

26 Pollution Liability Insurance Program Trust Account

27 Appropriation . . . . . \$ ((909,000))  
28 1,009,000

29 (End of part)

**PART IV**  
**TRANSPORTATION**

**Sec. 401.** 1997 c 149 s 401 (uncodified) is each amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund Appropriation (FY 1998) . . . . .	\$	((4,536,000))
		<u>4,686,000</u>
General Fund Appropriation (FY 1999) . . . . .	\$	((4,409,000))
		<u>4,717,000</u>
Architects' License Account Appropriation . . . . .	\$	((857,000))
		<u>829,000</u>
Cemetery Account Appropriation . . . . .	\$	((188,000))
		<u>197,000</u>
Professional Engineers' Account Appropriation . . . . .	\$	((2,674,000))
		<u>2,700,000</u>
Real Estate Commission Account Appropriation . . . . .	\$	((6,708,000))
		<u>7,062,000</u>
Master License Account Appropriation . . . . .	\$	((6,998,000))
		<u>6,963,000</u>
Uniform Commercial Code Account Appropriation . . . . .	\$	((4,291,000))
		<u>3,521,000</u>
Real Estate Education Account Appropriation . . . . .	\$	606,000
Funeral Directors And Embalmers Account		
Appropriation . . . . .	\$	((409,000))
		<u>418,000</u>
TOTAL APPROPRIATION . . . . .	\$	((31,676,000))
		<u>31,699,000</u>

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

(1) \$21,000 of the general fund fiscal year 1998 appropriation and \$22,000 of the general fund fiscal year 1999 appropriation are provided solely to implement House Bill No. 1827 or Senate Bill No. 5754 (boxing, martial arts, wrestling). If neither bill is enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(2) \$40,000 of the master license account appropriation is provided solely to implement Substitute Senate Bill No. 5483 (whitewater river

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

3 (3) \$229,000 of the general fund fiscal year 1998 appropriation and  
4 \$195,000 of the general fund fiscal year 1999 appropriation are  
5 provided solely for the implementation of Senate Bill No. 5997  
6 (cosmetology inspections). If the bill is not enacted by June 30,  
7 1997, the amount provided in this subsection shall lapse.

8 (4) \$31,000 of the general fund fiscal year 1998 appropriation,  
9 \$1,000 of the general fund fiscal 1999 appropriation, \$7,000 of the  
10 architects' license account appropriation, \$18,000 of the professional  
11 engineers' account appropriation, \$14,000 of the real estate commission  
12 account appropriation, \$40,000 of the master license account  
13 appropriation, and \$3,000 of the funeral directors and embalmers  
14 account appropriation are provided solely for the implementation of  
15 Engrossed House Bill No. 3901 (implementing welfare reform). If the  
16 bill is not enacted by June 30, 1997, the amounts provided in this  
17 subsection shall lapse.

18 (5) \$17,000 of the professional engineers' account appropriation is  
19 provided solely to implement Senate Bill No. 5266 (engineers/land  
20 surveyors). If the bill is not enacted by June 30, 1997, the amount  
21 provided in this subsection shall lapse.

22 (6) \$110,000 of the general fund fiscal year 1998 appropriation is  
23 provided solely to implement Senate Bill No. 5998 (cosmetology advisory  
24 board). If the bill is not enacted by June 30, 1997, the amount  
25 provided in this subsection shall lapse.

26 ~~(7) ((\$74,000 of the uniform commercial code account appropriation~~  
27 ~~is provided solely to implement Engrossed Senate Bill No. 5163 (UCC~~  
28 ~~filing). If the bill is not enacted by June 30, 1997, the amount~~  
29 ~~provided in this subsection shall lapse.~~

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

36 (8)(a) Pursuant to RCW 43.135.055, during the 1997-99 fiscal  
37 biennium, the department may increase fees in excess of the fiscal  
38 growth factor in the appraisers and camp resorts programs; however,  
39 such increases shall not exceed an annual increase of eight percent.

1 (b) Pursuant to RCW 43.135.055, during the 1997-99 fiscal biennium,  
2 the department may increase fees in excess of the fiscal growth factor  
3 in the professional athletics, employment agencies, and security guards  
4 programs to the extent necessary to defray the costs of the  
5 administration of these programs as set forth in RCW 43.24.086.

6 (c) Before raising fees in excess of the fiscal growth factor  
7 pursuant to this subsection, the department shall notify the chairs and  
8 ranking minority members of the appropriate fiscal committees of the  
9 legislature.

10 (9) Within the amounts provided in this section, the department  
11 shall provide information detailing each specific component of the  
12 overhead costs allocated to each program within the business and  
13 professions division. The department shall establish procedures to  
14 allow each program within the business and professions division to  
15 review and modify its business processes in order to reduce  
16 administrative costs. The department of licensing shall provide a  
17 report to the fiscal committees of the legislature by October 1, 1998,  
18 detailing the specific procedures established pursuant to the  
19 requirements of this subsection.

20 (10) \$110,000 of the general fund fiscal year 1999 appropriation is  
21 provided solely for the implementation of the Substitute Senate Bill  
22 No. 6507 (cosmetology advisory board). If the bill is not enacted by  
23 June 30, 1998, the amount provided in this subsection shall lapse.

24 (11) \$75,000 of the general fund fiscal year 1999 appropriation is  
25 provided solely for costs associated with fully implementing chapter  
26 178, Laws of 1997 (cosmetology inspections).

27 **Sec. 402.** 1997 c 149 s 402 (uncodified) is each amended to read as  
28 follows:

29 **FOR THE STATE PATROL**

30	General Fund--State Appropriation (FY 1998) . . . \$	((7,712,000))
31		8,312,000
32	General Fund--State Appropriation (FY 1999) . . . \$	((7,850,000))
33		21,791,000
34	General Fund--Federal Appropriation . . . . . \$	((3,990,000))
35		5,784,000
36	General Fund--Private/Local Appropriation . . . . \$	341,000
37	Public Safety and Education Account	
38	Appropriation . . . . . \$	((4,652,000))

1		<u>4,483,000</u>
2	County Criminal Justice Assistance Account	
3	Appropriation . . . . .	\$ 3,905,000
4	Municipal Criminal Justice Assistance Account	
5	Appropriation . . . . .	\$ 1,573,000
6	Fire Service Trust Account Appropriation . . . . .	\$ 92,000
7	Fire Service Training Account Appropriation . . . . .	\$ ((1,762,000))
8		<u>2,295,000</u>
9	State Toxics Control Account Appropriation . . . . .	\$ 439,000
10	Violence Reduction and Drug Enforcement Account	
11	Appropriation . . . . .	\$ ((310,000))
12		<u>570,000</u>
13	Fingerprint Identification Account	
14	Appropriation . . . . .	\$ ((3,082,000))
15		<u>3,220,000</u>
16	TOTAL APPROPRIATION . . . . .	\$ ((35,708,000))
17		<u>52,805,000</u>

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

20       (1) \$254,000 of the fingerprint identification account  
21 appropriation is provided solely for an automated system that will  
22 facilitate the access of criminal history records remotely by computer  
23 or telephone for preemployment background checks and other non-law  
24 enforcement purposes. The agency shall submit an implementation status  
25 report to the office of financial management and the legislature by  
26 September 1, 1997.

27       (2) \$264,000 of the general fund--federal appropriation is provided  
28 solely for a feasibility study to develop a criminal investigation  
29 computer system. The study will report on the feasibility of  
30 developing a system that uses incident-based reporting as its  
31 foundation, consistent with FBI standards. The system will have the  
32 capability of connecting with local law enforcement jurisdictions as  
33 well as fire protection agencies conducting arson investigations. The  
34 study will report on the system requirements for incorporating case  
35 management, intelligence data, imaging, and geographic information.  
36 The system will also provide links to existing crime information  
37 databases such as WASIS and WACIC. The agency shall submit a copy of  
38 the proposed study workplan to the office of financial management and  
39 the department of information services for approval prior to



1 expenditure. A final report shall be submitted to the appropriate  
2 committees of the legislature, the office of financial management, and  
3 the department of information services no later than June 30, 1998.

4 (3) Pursuant to chapter 43.135 RCW, during the 1997-99 fiscal  
5 biennium, the Washington state patrol is authorized to raise existing  
6 fees charged for background fingerprint checks on current and potential  
7 school district and educational service district employees by six  
8 dollars.

9 (4) \$166,000 of the general fund--state appropriation for fiscal  
10 year 1998 and \$499,000 of the general fund--state appropriation for  
11 fiscal year 1999 are provided solely as state matching funds required  
12 to complete changes to the WACIC and WASIS systems.

13 (5) To address year 2000 concerns about the automated fingerprint  
14 identification system (AFIS), the Washington state patrol may contract  
15 with an intergovernmental consortium for the use of a year 2000  
16 compatible AFIS system. Under this approach, the state patrol would  
17 begin paying a monthly usage fee starting in fiscal year 2000.

18 (6) \$58,000 of the general fund--state appropriation for fiscal  
19 year 1999 is provided solely to implement House Bill No. 1172 (sex  
20 offender registration). If the bill is not enacted by June 30, 1998,  
21 the amount provided in this subsection shall lapse.

22 (End of part)



1 review of studies of a similar nature and consultation with experts in  
2 the field of public school finance on the feasibility and best  
3 approaches to a state fiscal study with the objectives specified in  
4 this section.

5 **Sec. 502.** 1997 c 454 s 501 (uncodified) is each amended to read as  
6 follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STATE ADMINISTRATION**

8	General Fund--State Appropriation (FY 1998) . . . \$	((20,758,000))
9		<u>20,423,000</u>
10	General Fund--State Appropriation (FY 1999) . . . \$	((40,775,000))
11		<u>58,171,000</u>
12	General Fund--Federal Appropriation . . . . . \$	49,439,000
13	Public Safety and Education Account	
14	Appropriation . . . . . \$	2,598,000
15	Violence Reduction and Drug Enforcement Account	
16	Appropriation . . . . . \$	3,672,000
17	Education Savings Account Appropriation . . . . . \$	39,312,000
18	TOTAL APPROPRIATION . . . . . \$	((156,554,000))
19		<u>173,615,000</u>

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

22 (1) AGENCY OPERATIONS

23 (a) \$394,000 of the general fund--state appropriation for fiscal  
24 year 1998 and \$394,000 of the general fund--state appropriation for  
25 fiscal year 1999 are provided solely for the operation and expenses of  
26 the state board of education, including basic education assistance  
27 activities.

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

1 shall develop a state student record system including elements  
2 reflecting student achievement. The system shall be made available to  
3 the office of financial management and the legislature with suitable  
4 safeguards of student confidentiality. The superintendent shall report  
5 to the office of financial management and the legislative fiscal  
6 committees by December 1 of each year of the biennium on the progress  
7 and plans for the expenditure of these amounts.

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

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

24 (d) \$50,000 of the general fund--state appropriation for fiscal  
25 year 1998 and \$50,000 of the general fund--state appropriation for  
26 fiscal year 1999 are provided solely to implement Substitute Senate  
27 Bill No. 5394 (school audit resolutions).

28 (e) The superintendent shall conduct a study and make  
29 recommendations to the 1999 legislature regarding a definition of and  
30 standards for skills centers. The standards shall be related to the  
31 cost differential of skills centers as compared to secondary vocational  
32 education allocations provided in the appropriations act and other  
33 relevant factors. The study shall also address proposals for new  
34 skills centers known as of August 31, 1998, and compare and analyze,  
35 insofar as possible, the proposals with the recommended standards. The  
36 study shall be submitted to the governor and the appropriate committees  
37 of the legislature by November 25, 1998.

38 (f) The superintendent shall prepare a study which compares the  
39 state's administrative and statutory requirements to provide special

1 education with the requirements of federal law. A preliminary report  
2 shall be provided to the policy and fiscal committees of the  
3 legislature by October 15, 1998, and a final report shall be provided  
4 by December 15, 1998.

5 (2) STATE-WIDE PROGRAMS

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

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

11 (c) \$2,754,000 of the general fund--state appropriation is provided  
12 for educational centers, including state support activities. \$100,000  
13 of this amount is provided to help stabilize funding through  
14 distribution among existing education centers that are currently funded  
15 by the state at an amount less than \$100,000 a biennium.

16 (d) \$100,000 of the general fund--state appropriation is provided  
17 for an organization in southwest Washington that received funding from  
18 the Spokane educational center in the 1995-97 biennium and provides  
19 educational services to students who have dropped out.

20 (e) (~~(\$2,500,000)~~) \$2,148,000 of the general fund--state fiscal  
21 year 1998 appropriation and (~~(\$2,500,000)~~) \$2,151,000 of the general  
22 fund--state fiscal year 1999 appropriation are provided solely for  
23 implementation of reading initiatives to improve reading in early  
24 grades as enacted by the 1997 legislature. Of this amount(~~((\$2,500,000))~~),  
25 \$4,300,000 is provided solely to implement Engrossed Substitute House  
26 Bill No. 2042. Funds shall be used solely for the selection and  
27 purchase of the second grade reading tests in accordance with section  
28 2 of the bill, scoring costs associated with the administration of the  
29 tests in the 1998-99 school year in accordance with section 5 of the  
30 bill, and grants to school districts in accordance with sections 4 and  
31 7 of the bill.

32 (f) \$3,672,000 of the violence reduction and drug enforcement  
33 account appropriation and \$2,250,000 of the public safety education  
34 account appropriation are provided solely for matching grants to  
35 enhance security in schools. Not more than seventy-five percent of a  
36 district's total expenditures for school security in any school year  
37 may be paid from a grant under this subsection. The grants shall be  
38 expended solely for the costs of employing or contracting for building  
39 security monitors in schools during school hours and school events. Of

1 the amount provided in this subsection, at least \$2,850,000 shall be  
2 spent for grants to districts that, during the 1988-89 school year,  
3 employed or contracted for security monitors in schools during school  
4 hours. However, these grants may be used only for increases in school  
5 district expenditures for school security over expenditure levels for  
6 the 1988-89 school year.

7 (g) \$200,000 of the general fund--state appropriation for fiscal  
8 year 1998, \$200,000 of the general fund--state appropriation for fiscal  
9 year 1999, and \$400,000 of the general fund--federal appropriation  
10 transferred from the department of health are provided solely for a  
11 program that provides grants to school districts for media campaigns  
12 promoting sexual abstinence and addressing the importance of delaying  
13 sexual activity, pregnancy, and childbearing until individuals are  
14 ready to nurture and support their children. Grants to the school  
15 districts shall be for projects that are substantially designed and  
16 produced by students. The grants shall require a local private sector  
17 match equal to one-half of the state grant, which may include in-kind  
18 contribution of technical or other assistance from consultants or firms  
19 involved in public relations, advertising broadcasting, and graphics or  
20 video production or other related fields.

21 (h) \$1,500,000 of the general fund--state appropriation for fiscal  
22 year 1998 and \$1,500,000 of the general fund--state appropriation for  
23 fiscal year 1999 are provided solely for school district petitions to  
24 juvenile court for truant students as provided in RCW 28A.225.030 and  
25 28A.225.035. Allocation of this money to school districts shall be  
26 based on the number of petitions filed.

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

29 (j)(i) \$19,656,000 of the education savings account appropriation  
30 for fiscal year 1998 and \$19,656,000 of the education savings account  
31 appropriation for fiscal year 1999 are provided solely for matching  
32 grants and related state activities to provide school district  
33 consortia with programs utilizing technology to improve learning. A  
34 maximum of (~~(\$100,000)~~) \$150,000 each fiscal year of this amount is  
35 provided for administrative support and oversight of the K-20 network  
36 by the superintendent of public instruction. The superintendent of  
37 public instruction shall convene a technology grants committee  
38 representing private sector technology, school districts, and  
39 educational service districts to recommend to the superintendent grant

1 proposals that have the best plans for improving student learning  
2 through innovative curriculum using technology as a learning tool and  
3 evaluating the effectiveness of the curriculum innovations. After  
4 considering the technology grants committee recommendations, the  
5 superintendent shall make matching grant awards, including granting at  
6 least fifteen percent of funds on the basis of criteria in (ii)(A)  
7 through (C) of this subsection (2)(j).

8 (ii) Priority for award of funds will be to (A) school districts  
9 most in need of assistance due to financial limits, (B) school  
10 districts least prepared to take advantage of technology as a means of  
11 improving student learning, and (C) school districts in economically  
12 distressed areas. The superintendent of public instruction, in  
13 consultation with the technology grants committee, shall propose  
14 options to the committee for identifying and prioritizing districts  
15 according to criteria in (i) and (ii) of this subsection (2)(j).

16 (iii) Options for review criteria to be considered by the  
17 superintendent of public instruction include, but are not limited to,  
18 free and reduced lunches, levy revenues, ending fund balances,  
19 equipment inventories, and surveys of technology preparedness. An  
20 "economically distressed area" is (A) a county with an unemployment  
21 rate that is at least twenty percent above the state-wide average for  
22 the previous three years; (B) a county that has experienced sudden and  
23 severe or long-term and severe loss of employment, or erosion of its  
24 economic base resulting in decline of its dominant industries; or (C)  
25 a district within a county which (I) has at least seventy percent of  
26 its families and unrelated individuals with incomes below eighty  
27 percent of the county's median income for families and unrelated  
28 individuals; and (II) has an unemployment rate which is at least forty  
29 percent higher than the county's unemployment rate.

30 (k) \$50,000 of the general fund--state appropriations is provided  
31 as matching funds for district contributions to provide analysis of the  
32 efficiency of school district business practices. The superintendent  
33 of public instruction shall establish criteria, make awards, and  
34 provide a report to the fiscal committees of the legislature by  
35 December 15, 1997, on the progress and details of analysis funded under  
36 this subsection (2)(k).

37 (l) (~~(\$19,977,000)~~) \$19,797,000 of the general fund--state  
38 appropriation for fiscal year 1999 is provided solely for the purchase  
39 of classroom instructional materials and supplies. The superintendent

1 shall allocate the funds at a maximum rate of \$20.82 per full-time  
2 equivalent student, beginning September 1, 1998, and ending June 30,  
3 1999. The expenditure of the funds shall be determined at each school  
4 site by the (~~school building staff, parents, and the community~~)  
5 individual teacher. School districts shall distribute all funds  
6 received to school buildings without deduction.

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

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

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

20 (p) \$1,000,000 of the general fund--state appropriation is provided  
21 for state administrative costs and start-up grants for alternative  
22 programs and services that improve instruction and learning for at-risk  
23 and expelled students consistent with the objectives of Engrossed House  
24 Bill No. 1581 (disruptive students/offenders). Each grant application  
25 shall contain proposed performance indicators and an evaluation plan to  
26 measure the success of the program and its impact on improved student  
27 learning. Applications shall contain the applicant's plan for  
28 maintaining the program and/or services after the grant period, shall  
29 address the needs of students who cannot be accommodated within the  
30 framework of existing school programs or services and shall address how  
31 the applicant will serve any student within the proposed program's  
32 target age range regardless of the reason for truancy, suspension,  
33 expulsion, or other disciplinary action. Up to \$50,000 per year may be  
34 used by the superintendent of public instruction for grant  
35 administration. The superintendent shall submit an evaluation of the  
36 alternative program start-up grants provided under this section, and  
37 section 501(2)(q), chapter 283, Laws of 1996, to the fiscal and  
38 education committees of the legislature by November 15, 1998. Grants



1 shall be awarded to applicants showing the greatest potential for  
2 improved student learning for at-risk students including:

3 (i) Students who have been suspended, expelled, or are subject to  
4 other disciplinary actions;

5 (ii) Students with unexcused absences who need intervention from  
6 community truancy boards or family support programs;

7 (iii) Students who have left school; and

8 (iv) Students involved with the court system.

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

16 (q) \$1,600,000 of the general fund--state appropriation is provided  
17 for grants for magnet schools to be distributed as recommended by the  
18 superintendent of public instruction pursuant to chapter 232, section  
19 516(13), Laws of 1992.

20 (r) \$4,300,000 of the general fund--state appropriation is provided  
21 for complex need grants. Grants shall be provided according to amounts  
22 shown in LEAP Document 30C as developed on April 27, 1997, at 03:00  
23 hours.

24 (s) \$17,000,000 of the general fund--state appropriation for fiscal  
25 year 1999 is provided solely to implement Engrossed Second Substitute  
26 Senate Bill No. 6509 (successful readers act). Of this amount,  
27 \$9,000,000 is provided solely for beginning reading instructional  
28 programs pursuant to section 2(1) of the bill and \$8,000,000 is  
29 provided solely for volunteer tutor and mentor programs pursuant to  
30 section 2(2) of the bill. The superintendent shall notify districts of  
31 the availability of the funds by April 15th, 1998, and shall include in  
32 the notification limitations on rates for stipends and other cost  
33 factors. Stipends authorized under section 2(5) of the bill shall not  
34 exceed five days per program at a rate not to exceed \$222 per five-hour  
35 day, including fringe benefits. The superintendent shall establish  
36 allocation guidelines for other cost factors associated with providing  
37 the programs. If the bill is not enacted by June 30, 1998, the amounts  
38 provided in this subsection shall lapse.

1       (t) \$15,000 of the general fund--state appropriation for fiscal  
2 year 1998 and \$100,000 of the general fund--state appropriation for  
3 fiscal year 1999 are provided solely for a study and recommendations  
4 related to education of offenders prosecuted as adults in accordance  
5 with Engrossed Substitute Senate Bill No. 6600 (correctional facilities  
6 education program). If the bill is not enacted by June 30, 1998, the  
7 amount provided in this subsection shall lapse.

8       (u) \$375,000 of the general fund--state appropriation for fiscal  
9 year 1999 is provided solely for increased costs of providing a norm-  
10 referenced test to all third grade students and retests of certain  
11 third grade students and other costs in accordance with Second  
12 Substitute House Bill No. 2849 (student achievement). If the bill is  
13 not enacted by June 30, 1998, the amount provided in this subsection  
14 shall lapse.

15       (v) \$50,000 of the general fund--state appropriation for fiscal  
16 year 1999 is provided solely for development and operation of a skills  
17 center in Port Angeles, contingent on meeting the standard for  
18 qualifying for skills center funding as developed by the superintendent  
19 of public instruction in subsection (1)(e) of this section.

20       (w) \$400,000 of the fiscal year 1999 general fund--state  
21 appropriation is provided solely for matching funds to improve the  
22 fiscal and student data capabilities of the Washington school  
23 information processing cooperative. The funds shall be allocated only  
24 if at least 267 school districts remain members of the cooperative for  
25 the 1998-99 school year.

26       **Sec. 503.** 1997 c 149 s 502 (uncodified) is each amended to read as  
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**  
29 **(BASIC EDUCATION)**

30	General Fund Appropriation (FY 1998)	. . . . .	\$ ((3,429,727,000))
31			<u>3,405,645,000</u>
32	General Fund Appropriation (FY 1999)	. . . . .	\$ ((3,511,157,000))
33			<u>3,473,603,000</u>
34	TOTAL APPROPRIATION	. . . . .	\$ ((6,940,884,000))
35			<u>6,879,248,000</u>

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

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

3 (2) Allocations for certificated staff salaries for the 1997-98 and  
4 1998-99 school years shall be determined using formula-generated staff  
5 units calculated pursuant to this subsection. Staff allocations for  
6 small school enrollments in (d) through (f) of this subsection shall be  
7 reduced for vocational full-time equivalent enrollments. Staff  
8 allocations for small school enrollments in grades K-6 shall be the  
9 greater of that generated under (a) of this subsection, or under (d)  
10 and (e) of this subsection. Certificated staffing allocations shall be  
11 as follows:

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

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

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

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

23 (A) Funds provided under this subsection (2)(a)(iii) in excess of  
24 the amount required to maintain the statutory minimum ratio established  
25 under RCW 28A.150.260(2)(b) shall be allocated only if the district  
26 documents an actual ratio equal to or greater than 54.3 certificated  
27 instructional staff per thousand full-time equivalent students in  
28 grades K-3. For any school district documenting a lower certificated  
29 instructional staff ratio, the allocation shall be based on the  
30 district's actual grades K-3 certificated instructional staff ratio  
31 achieved in that school year, or the statutory minimum ratio  
32 established under RCW 28A.150.260(2)(b), if greater;

33 (B) Districts at or above 51.0 certificated instructional staff per  
34 one thousand full-time equivalent students in grades K-3 may dedicate  
35 up to 1.3 of the 54.3 funding ratio to employ additional classified  
36 instructional assistants assigned to basic education classrooms in  
37 grades K-3. For purposes of documenting a district's staff ratio under  
38 this section, funds used by the district to employ additional  
39 classified instructional assistants shall be converted to a

1 certificated staff equivalent and added to the district's actual  
2 certificated instructional staff ratio. Additional classified  
3 instructional assistants, for the purposes of this subsection, shall be  
4 determined using the 1989-90 school year as the base year;

5 (C) Any district maintaining a ratio equal to or greater than 54.3  
6 certificated instructional staff per thousand full-time equivalent  
7 students in grades K-3 may use allocations generated under this  
8 subsection (2)(a)(iii) in excess of that required to maintain the  
9 minimum ratio established under RCW 28A.150.260(2)(b) to employ  
10 additional basic education certificated instructional staff or  
11 classified instructional assistants in grades 4-6. Funds allocated  
12 under this subsection (2)(a)(iii) shall only be expended to reduce  
13 class size in grades K-6. No more than 1.3 of the certificated  
14 instructional funding ratio amount may be expended for provision of  
15 classified instructional assistants; and

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

18 (b) For school districts with a minimum enrollment of 250 full-time  
19 equivalent students whose full-time equivalent student enrollment count  
20 in a given month exceeds the first of the month full-time equivalent  
21 enrollment count by 5 percent, an additional state allocation of 110  
22 percent of the share that such increased enrollment would have  
23 generated had such additional full-time equivalent students been  
24 included in the normal enrollment count for that particular month;

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

26 (i) Vocational education programs approved by the superintendent of  
27 public instruction, a maximum of 0.92 certificated instructional staff  
28 units and 0.08 certificated administrative staff units for each 18.3  
29 full-time equivalent vocational students for the 1997-98 school year  
30 and for each 19.5 full-time equivalent vocational students in the 1998-  
31 99 school year. Beginning with the 1998-99 school year, districts  
32 documenting staffing ratios of less than 1 certificated staff per  
33 ((18.3)) 19.5 students shall be allocated the greater of the total  
34 ratio in subsections (2)(a)(i) and (iv) of this section or the actual  
35 documented ratio;

36 (ii) Skills center programs approved by the superintendent of  
37 public instruction for skills centers approved prior to September 1,  
38 1997, 0.92 certificated instructional staff units and 0.08 certificated

1 administrative units for each 16.67 full-time equivalent vocational  
2 students;

3 (iii) Indirect cost charges, as defined by the superintendent of  
4 public instruction, to vocational-secondary programs shall not exceed  
5 10 percent; and

6 (iv) Vocational full-time equivalent enrollment shall be reported  
7 on the same monthly basis as the enrollment for students eligible for  
8 basic support, and payments shall be adjusted for reported vocational  
9 enrollments on the same monthly basis as those adjustments for  
10 enrollment for students eligible for basic support.

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

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

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

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

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

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

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

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

10 (ii) For all other small high schools under this subsection, nine  
11 certificated instructional staff units and one-half of a certificated  
12 administrative staff unit for the first sixty average annual full time  
13 equivalent students, and additional staff units based on a ratio of  
14 0.8732 certificated instructional staff units and 0.1268 certificated  
15 administrative staff units per each additional forty-three and one-half  
16 average annual full time equivalent students.

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

21 (g) For each nonhigh school district having an enrollment of more  
22 than seventy annual average full-time equivalent students and less than  
23 one hundred eighty students, operating a grades K-8 program or a grades  
24 1-8 program, an additional one-half of a certificated instructional  
25 staff unit; and

26 (h) For each nonhigh school district having an enrollment of more  
27 than fifty annual average full-time equivalent students and less than  
28 one hundred eighty students, operating a grades K-6 program or a grades  
29 1-6 program, an additional one-half of a certificated instructional  
30 staff unit.

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

34 (a) For enrollments generating certificated staff unit allocations  
35 under subsection (2)(d) through (h) of this section, one classified  
36 staff unit for each three certificated staff units allocated under such  
37 subsections;

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

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

8 (4) Fringe benefit allocations shall be calculated at a rate of  
9 20.22 percent in the 1997-98 and 1998-99 school years for certificated  
10 salary allocations provided under subsection (2) of this section, and  
11 a rate of 18.65 percent in the 1997-98 and 1998-99 school years for  
12 classified salary allocations provided under subsection (3) of this  
13 section.

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

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

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

25 (6)(a) For nonemployee-related costs associated with each  
26 certificated staff unit allocated under subsection (2)(a), (b), and (d)  
27 through (h) of this section, there shall be provided a maximum of  
28 \$7,950 per certificated staff unit in the 1997-98 school year and a  
29 maximum of (~~(\$8,165)~~) \$8,053 per certificated staff unit in the 1998-99  
30 school year.

31 (b) For nonemployee-related costs associated with each vocational  
32 certificated staff unit allocated under subsection (2)(c)(i) of this  
33 section, there shall be provided a maximum of \$15,147 per certificated  
34 staff unit in the 1997-98 school year and a maximum of (~~(\$15,556)~~)  
35 \$19,775 per certificated staff unit in the 1998-99 school year.

36 (c) For nonemployee-related costs associated with each vocational  
37 certificated staff unit allocated under subsection (2)(c)(ii) of this  
38 section, there shall be provided a maximum of \$15,147 per certificated

1 staff unit in the 1997-98 school year and a maximum of \$15,344 per  
2 certificated staff unit in the 1998-99 school year.

3 (7) Allocations for substitute costs for classroom teachers shall  
4 be distributed at a maintenance rate of \$354.64 per allocated classroom  
5 teachers exclusive of salary increase amounts provided in section 504  
6 of this act. Solely for the purposes of this subsection, allocated  
7 classroom teachers shall be equal to the number of certificated  
8 instructional staff units allocated under subsection (2) of this  
9 section, multiplied by the ratio between the number of actual basic  
10 education certificated teachers and the number of actual basic  
11 education certificated instructional staff reported state-wide for the  
12 1996-97 school year.

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

22 (9) The superintendent may distribute a maximum of (~~(\$6,124,000)~~)  
23 \$6,114,000 outside the basic education formula during fiscal years 1998  
24 and 1999 as follows:

25 (a) For fire protection for school districts located in a fire  
26 protection district as now or hereafter established pursuant to chapter  
27 52.04 RCW, a maximum of \$447,000 may be expended in fiscal year 1998  
28 and a maximum of (~~(\$459,000)~~) \$453,000 may be expended in fiscal year  
29 1999;

30 (b) For summer vocational programs at skills centers, a maximum of  
31 \$1,948,000 may be expended each fiscal year;

32 (c) A maximum of (~~(\$321,000)~~) \$318,000 may be expended for school  
33 district emergencies; and

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



1 (10) For the purposes of RCW 84.52.0531, the increase per full-time  
2 equivalent student in state basic education appropriations provided  
3 under this act, including appropriations for salary and benefits  
4 increases, is 2.5 percent from the 1996-97 school year to the 1997-98  
5 school year, and 1.1 percent from the 1997-98 school year to the  
6 1998-99 school year.

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

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

15 (b) For the fourth through eighth school years following  
16 consolidation, the difference between the basic education formula staff  
17 units received by the districts for the school year prior to  
18 consolidation and the basic education formula staff units after  
19 consolidation pursuant to subsection (2)(a) through (h) of this section  
20 shall be reduced in increments of twenty percent per year.

21 **Sec. 504.** 1997 c 454 s 503 (uncodified) is each amended to read as  
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**  
24 **COMPENSATION ADJUSTMENTS**

25	General Fund Appropriation (FY 1998)	. . . . . \$	((79,966,000))
26			<u>79,412,000</u>
27	General Fund Appropriation (FY 1999)	. . . . . \$	((116,310,000))
28			<u>115,187,000</u>
29	TOTAL APPROPRIATION	. . . . . \$	((196,276,000))
30			<u>194,599,000</u>

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

33 (1) ((~~\$176,525,000~~)) \$174,999,000 is provided for a cost of living  
34 adjustment of 3.0 percent effective September 1, 1997, for state  
35 formula staff units. The appropriations include associated incremental  
36 fringe benefit allocations at rates of 19.58 percent for certificated  
37 staff and 15.15 percent for classified staff.

1 (a) The appropriations in this section include the increased  
2 portion of salaries and incremental fringe benefits for all relevant  
3 state-funded school programs in part V of this act. Salary adjustments  
4 for state employees in the office of superintendent of public  
5 instruction and the education reform program are provided in part VII  
6 of this act. Increases for general apportionment (basic education) are  
7 based on the salary allocation schedules and methodology in section 502  
8 of this act. Increases for special education result from increases in  
9 each district's basic education allocation per student. Increases for  
10 educational service districts and institutional education programs are  
11 determined by the superintendent of public instruction using the  
12 methodology for general apportionment salaries and benefits in section  
13 502 of this act.

14 (b) The appropriations in this section provide salary increase and  
15 incremental fringe benefit allocations based on formula adjustments as  
16 follows:

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

20 (ii) For education of highly capable students, an increase of \$6.81  
21 per formula student for the 1997-98 school year and maintained for the  
22 1998-99 school year; and

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

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

29 (c) The appropriations in this section include (~~(\$912,000)~~)  
30 \$903,000 for salary increase adjustments for substitute teachers at a  
31 rate of \$10.64 per unit in the 1997-98 school year and maintained in  
32 the 1998-99 school year.

33 (2) (~~(\$19,751,000)~~) \$19,600,000 is provided for adjustments to  
34 insurance benefit allocations. The maintenance rate for insurance  
35 benefit allocations is \$314.51 per month for the 1997-98 and 1998-99  
36 school years. The appropriations in this section provide (~~increases~~  
37 ~~of \$2.83~~) for a rate increase to \$317.34 per month for the 1997-98  
38 school year and (~~(\$18.41)~~) \$335.75 per month for the 1998-99 school  
39 year at the following rates:

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

4 (b) For education of highly capable students, an increase of \$0.20  
5 per formula student for the 1997-98 school year and \$1.35 for the 1998-  
6 99 school year;

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

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

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

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

21 **Sec. 505.** 1997 c 149 s 505 (uncodified) is each amended to read as  
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

24 General Fund Appropriation (FY 1998)	. . . . . \$	((174,344,000))
		<u>175,168,000</u>
26 General Fund Appropriation (FY 1999)	. . . . . \$	((179,560,000))
		<u>179,439,000</u>
28 TOTAL APPROPRIATION	. . . . . \$	((353,904,000))
		<u>354,607,000</u>

29

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

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

34 (2) A maximum of ((\$1,451,000)) \$1,441,000 may be expended for  
35 regional transportation coordinators and related activities. The  
36 transportation coordinators shall ensure that data submitted by school  
37 districts for state transportation funding shall, to the greatest

1 extent practical, reflect the actual transportation activity of each  
2 district.

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

8 (4) Allocations for transportation of students shall be based on  
9 reimbursement rates of \$34.47 per weighted mile in the 1997-98 school  
10 year and ((~~\$34.76~~) \$34.61) per weighted mile in the 1998-99 school year  
11 exclusive of salary and benefit adjustments provided in section 504 of  
12 this act. Allocations for transportation of students transported more  
13 than one radius mile shall be based on weighted miles as determined by  
14 superintendent of public instruction times the per mile reimbursement  
15 rates for the school year pursuant to the formulas adopted by the  
16 superintendent of public instruction. Allocations for transportation  
17 of students living within one radius mile shall be based on the number  
18 of enrolled students in grades kindergarten through five living within  
19 one radius mile of their assigned school times the per mile  
20 reimbursement rate for the school year times 1.29.

21 **Sec. 506.** 1997 c 149 s 506 (uncodified) is each amended to read as  
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**  
24 **PROGRAMS**

25	General Fund--State Appropriation (FY 1998) . . . \$	3,075,000
26	General Fund--State Appropriation (FY 1999) . . . \$	((3,075,000))
27		<u>3,100,000</u>
28	General Fund--Federal Appropriation . . . . . \$	194,483,000
29	TOTAL APPROPRIATION . . . . . \$	((200,633,000))
30		<u>200,658,000</u>

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

33 (1) \$6,000,000 of the general fund--state appropriations are  
34 provided for state matching money for federal child nutrition programs.

35 (2) ((~~\$150,000~~) \$175,000) of the general fund--state appropriations  
36 are provided for summer food programs for children in low-income areas.

1       **Sec. 507.** 1997 c 149 s 507 (uncodified) is each amended to read as  
2 follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
4 **PROGRAMS**

5	General Fund--State Appropriation (FY 1998) . . . \$	(( <del>370,486,000</del> ))
6		<u>371,687,000</u>
7	General Fund--State Appropriation (FY 1999) . . . \$	(( <del>374,327,000</del> ))
8		<u>378,405,000</u>
9	General Fund--Federal Appropriation . . . . . \$	(( <del>135,106,000</del> ))
10		<u>143,106,000</u>
11	TOTAL APPROPRIATION . . . . . \$	(( <del>879,919,000</del> ))
12		<u>893,198,000</u>

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

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

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

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

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

31       (b) A district's annual average full-time equivalent basic  
32 education enrollment times the funded enrollment percent determined  
33 pursuant to subsection (4)(c) of this section, times the district's  
34 average basic education allocation per full-time equivalent student  
35 times 0.9309.

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

38       (a) "Average basic education allocation per full-time equivalent  
39 student" for a district shall be based on the staffing ratios required

1 by RCW 28A.150.260 (i.e., 49/1000 certificated instructional staff in  
2 grades K-3, and 46/1000 in grades 4-12) and shall not include  
3 enhancements for K-3, secondary vocational education, or small schools.

4 (b) "Annual average full-time equivalent basic education  
5 enrollment" means the resident enrollment including students enrolled  
6 through choice (RCW 28A.225.225) and students from nonhigh districts  
7 (RCW 28A.225.210) and excluding students residing in another district  
8 enrolled as part of an interdistrict cooperative program (RCW  
9 28A.225.250).

10 (c) "Enrollment percent" means the district's resident special  
11 education annual average enrollment including those students counted  
12 under the special education demonstration projects, excluding the birth  
13 through age two enrollment, as a percent of the district's annual  
14 average full-time equivalent basic education enrollment. For the 1997-  
15 98 and the 1998-99 school years, each district's funded enrollment  
16 percent shall be:

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

21 (ii) For districts whose enrollment percent for 1994-95 was above  
22 12.7 percent, the lesser of:

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

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

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

31 (5) At the request of any interdistrict cooperative of at least 15  
32 districts in which all excess cost services for special education  
33 students of the districts are provided by the cooperative, the maximum  
34 enrollment percent shall be 12.7, and shall be calculated in the  
35 aggregate rather than individual district units. For purposes of this  
36 subsection (4) of this section, the average basic education allocation  
37 per full-time equivalent student shall be calculated in the aggregate  
38 rather than individual district units.

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

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

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

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

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

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

32 (a) Staff of the office of superintendent of public instruction;

33 (b) Staff of the office of the state auditor;

34 (c) Staff from the office of the financial management; and

35 (d) One or more representatives from school districts or  
36 educational service districts knowledgeable of special education  
37 programs and funding.

38 (10) A maximum of \$4,500,000 of the general fund--federal  
39 appropriation shall be expended for safety net funding to meet the

1 extraordinary needs of one or more individual special education  
2 students.

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

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

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

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

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

31 (16) Amounts appropriated within this section are sufficient to  
32 fund (~~(section 5 of Second Substitute House Bill No. 1709 (mandate on~~  
33 ~~school districts))~~) the provisions of House Bill No. 2682 (school  
34 medicaid incentive payments).

35 **Sec. 508.** 1997 c 149 s 508 (uncodified) is each amended to read as  
36 follows:

37 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY**  
38 **EDUCATION PROGRAMS**



1 Public Safety and Education Account  
 2 Appropriation . . . . . \$ ((17,179,000))  
 3 16,883,000

4 The appropriation in this section is subject to the following  
 5 conditions and limitations:

6 (1) The appropriation includes such funds as are necessary for the  
 7 remaining months of the 1996-97 school year.

8 (2) A maximum of \$507,000 shall be expended for regional traffic  
 9 safety education coordinators.

10 (3) The maximum basic state allocation per student completing the  
 11 program shall be \$137.16 in the 1997-98 and 1998-99 school years.

12 (4) Additional allocations to provide tuition assistance for  
 13 students from low-income families who complete the program shall be a  
 14 maximum of \$66.81 per eligible student in the 1997-98 and 1998-99  
 15 school years.

16 **Sec. 509.** 1997 c 454 s 504 (uncodified) is each amended to read as  
 17 follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**  
 19 **ASSISTANCE**

20 General Fund Appropriation (FY 1998) . . . . . \$ ((84,347,000))  
 21 82,079,000  
 22 General Fund Appropriation (FY 1999) . . . . . \$ ((89,605,000))  
 23 86,272,000  
 24 TOTAL APPROPRIATION . . . . . \$ ((173,952,000))  
 25 168,351,000

26 **Sec. 510.** 1997 c 454 s 505 (uncodified) is amended to read as  
 27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**  
 29 **EDUCATION PROGRAMS**

30 General Fund--State Appropriation (FY 1998) . . . \$ ((18,026,000))  
 31 16,897,000  
 32 General Fund--State Appropriation (FY 1999) . . . \$ ((18,983,000))  
 33 18,596,000  
 34 General Fund--Federal Appropriation . . . . . \$ 8,548,000  
 35 TOTAL APPROPRIATION . . . . . \$ ((45,557,000))  
 36 44,041,000

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

3 (1) The general fund--state appropriation for fiscal year 1998  
4 includes such funds as are necessary for the remaining months of the  
5 1996-97 school year.

6 (2) State funding provided under this section is based on salaries  
7 and other expenditures for a 220-day school year. The superintendent  
8 of public instruction shall monitor school district expenditure plans  
9 for institutional education programs to ensure that districts plan for  
10 a full-time summer program.

11 (3) State funding for each institutional education program shall be  
12 based on the institution's annual average full-time equivalent student  
13 enrollment. Staffing ratios for each category of institution shall  
14 remain the same as those funded in the 1995-97 biennium.

15 (4) (~~(\$341,000 of the general fund state fiscal year 1998~~  
16 ~~appropriation and \$407,000 of the general fund state fiscal year 1999~~  
17 ~~appropriation are provided solely for the implementation of Engrossed~~  
18 ~~Third Substitute House Bill No. 3900 (revising the juvenile code).)~~)  
19 \$1,196,000 of the fiscal year 1999 general fund--state appropriation is  
20 provided to implement Engrossed Substitute Senate Bill No. 6600  
21 (correctional facilities education programs). If Engrossed Substitute  
22 Senate Bill No. 6600 is enacted, beginning in the 1998-99 school year,  
23 the funded staffing ratios for education programs for juveniles age 18  
24 or less in department of corrections facilities shall be the same as  
25 those provided for education programs in delinquent institutions under  
26 the department of social and health services. If the bill is not  
27 enacted by June 30, (~~(1997)) 1998~~, the amounts provided in this  
28 subsection shall lapse.

29 **Sec. 511.** 1997 c 149 s 513 (uncodified) is amended to read as  
30 follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**  
32 **CAPABLE STUDENTS**

33	General Fund Appropriation (FY 1998)	. . . . . \$	((5,752,000))
34			<u>5,701,000</u>
35	General Fund Appropriation (FY 1999)	. . . . . \$	((6,176,000))
36			<u>6,121,000</u>
37	TOTAL APPROPRIATION	. . . . . \$	((11,928,000))
38			<u>11,822,000</u>

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)~~) \$311.35 per funded  
8 student for the 1998-99 school year, exclusive of salary and benefit  
9 adjustments pursuant to section 504 of this act. The number of funded  
10 students 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 **Sec. 512.** 1997 c 454 s 506 (uncodified) is amended to read as  
17 follows:

18	<b>FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS</b>	
19	General Fund Appropriation (FY 1998) . . . . .	\$ (( <del>18,905,000</del> ))
20		<u>18,605,000</u>
21	General Fund Appropriation (FY 1999) . . . . .	\$ (( <del>21,868,000</del> ))
22		<u>22,017,000</u>
23	TOTAL APPROPRIATION . . . . .	\$ (( <del>40,773,000</del> ))
24		<u>40,622,000</u>

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

27 (1) (~~(\$18,103,000)~~) \$17,153,000 is provided for the operation of  
28 the commission on student learning and the development and  
29 implementation of student assessments. The commission shall cooperate  
30 with the superintendent of public instruction in defining measures of  
31 student achievement to be included in the student record system  
32 developed by the superintendent pursuant to section 501(1)(b) of this  
33 act.

34 (2) \$2,190,000 is provided solely for training of paraprofessional  
35 classroom assistants and certificated staff who work with classroom  
36 assistants as provided in RCW 28A.415.310.

37 (3) \$2,970,000 is provided for mentor teacher assistance, including  
38 state support activities, under RCW 28A.415.250 and 28A.415.260. Funds

1 for the teacher assistance program shall be allocated to school  
2 districts based on the number of beginning teachers.

3 (4) \$4,050,000 is provided for improving technology infrastructure,  
4 monitoring and reporting on school district technology development,  
5 promoting standards for school district technology, promoting statewide  
6 coordination and planning for technology development, and providing  
7 regional educational technology support centers, including state  
8 support activities, under chapter 28A.650 RCW.

9 (5) \$7,200,000 is provided for grants to school districts to  
10 provide a continuum of care for children and families to help children  
11 become ready to learn. Grant proposals from school districts shall  
12 contain local plans designed collaboratively with community service  
13 providers. If a continuum of care program exists in the area in which  
14 the school district is located, the local plan shall provide for  
15 coordination with existing programs to the greatest extent possible.  
16 Grant funds shall be allocated pursuant to RCW 70.190.040.

17 (6) \$5,000,000 is provided solely for the meals for kids program  
18 under RCW 28A.235.145 through 28A.235.155.

19 (7) \$1,260,000 is provided for technical assistance related to  
20 education reform through the office of the superintendent of public  
21 instruction, in consultation with the commission on student learning,  
22 as specified in RCW 28A.300.130 (center for the improvement of student  
23 learning).

24 (8) \$799,000 of the fiscal year 1999 appropriation is provided  
25 solely for the leadership internship program for superintendents,  
26 principals, and program administrators. The purpose of the program is  
27 to provide funds to school districts to provide partial release time  
28 for district employees in an internship with an appropriate mentor.  
29 The funds shall be distributed by the superintendent to school  
30 districts subject to the following conditions and limitations:

31 (i) The superintendent with the assistance of an advisory board  
32 that includes school administrators and higher education  
33 representatives shall select internship participants giving priority to  
34 candidates who intend to serve in school districts where finding  
35 qualified applicants has been difficult.

36 (ii) Candidates if accepted in the internship program must agree to  
37 seek employment in Washington after receiving certification,  
38 participate in education improvement training activities, and

1 participate in evaluations of the effectiveness of the internship  
2 program.

3 (iii) The maximum amount of state funding for each internship shall  
4 not exceed the daily rate of providing a substitute teacher for the  
5 equivalent of up to forty-five days and the funds shall be used to pay  
6 for partial release time while the school district employee is  
7 completing the internship.

8 (iv) The superintendent may withhold a maximum of seven percent of  
9 the funds for costs of implementing the program.

10 **Sec. 513.** 1997 c 454 s 507 (uncodified) is amended to read as  
11 follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
13 **BILINGUAL PROGRAMS**

14	General Fund Appropriation (FY 1998)	. . . . . \$	((31,146,000))
15			<u>30,711,000</u>
16	General Fund Appropriation (FY 1999)	. . . . . \$	((33,414,000))
17			<u>32,185,000</u>
18	TOTAL APPROPRIATION	. . . . . \$	((64,560,000))
19			<u>62,896,000</u>

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

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

24 (2) The superintendent of public instruction shall study the  
25 formula components proposed for the 1998-99 school year and prepare a  
26 report to the legislature no later than January 15, 1998.

27 (3) The superintendent shall distribute a maximum of \$643.78 per  
28 eligible bilingual student in the 1997-98 and 1998-99 school years,  
29 exclusive of salary and benefit adjustments provided in section 503 of  
30 this act.

31 **Sec. 514.** 1997 c 149 s 516 (uncodified) is amended to read as  
32 follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
34 **ASSISTANCE PROGRAM**

35	General Fund Appropriation (FY 1998)	. . . . . \$	((60,309,000))
36			<u>60,224,000</u>
37	General Fund Appropriation (FY 1999)	. . . . . \$	((60,862,000))

1 61,000,000  
2 TOTAL APPROPRIATION . . . . . \$ ((121,171,000))  
3 121,224,000

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

6 (1) The appropriation for fiscal year 1998 provides such funds as  
7 are necessary for the remaining months of the 1996-97 school year.

8 (2) For making the calculation of the percentage of students  
9 scoring in the lowest quartile as compared with national norms,  
10 beginning with the 1991-92 school year, the superintendent shall  
11 multiply each school district's 4th and 8th grade test results by 0.86.

12 (3) Funding for school district learning assistance programs shall  
13 be allocated at maximum rates of \$378.33 per funded unit for the 1997-  
14 98 school year and ((~~\$379.47~~)) \$378.88 per funded unit for the 1998-99  
15 school year exclusive of salary and benefit adjustments provided in  
16 section 504 of this act. School districts may carryover up to 10  
17 percent of funds allocated under this program; however, carryover funds  
18 shall be expended for the learning assistance program.

19 (a) A school district's funded units for the 1997-98 and 1998-99  
20 school years shall be the sum of the following:

21 (i) The district's full-time equivalent enrollment in kindergarten  
22 through 6th grade, times the 5-year average 4th grade test result as  
23 adjusted pursuant to subsection (2) of this section, times 0.92; and

24 (ii) The district's full-time equivalent enrollment in grades 7  
25 through 9, times the 5-year average 8th grade test result as adjusted  
26 pursuant to subsection (2) of this section, times 0.92; and

27 (iii) If in the prior school year the district's percentage of  
28 October headcount enrollment in grades K-12 eligible for free and  
29 reduced price lunch exceeded the state average, subtract the state  
30 average percentage of students eligible for free and reduced price  
31 lunch from the district's percentage and multiply the result by the  
32 district's K-12 annual average full-time equivalent enrollment for the  
33 current school year times 22.30 percent.

34 **Sec. 515.** 1997 c 454 s 508 (uncodified) is amended to read as  
35 follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**  
37 General Fund Appropriation (FY 1998) . . . . . \$ ((49,815,000))  
38 49,493,000

1	General Fund Appropriation (FY 1999) . . . . .	\$	((56,962,000))
2			<u>55,659,000</u>
3	TOTAL APPROPRIATION . . . . .	\$	((106,777,000))
4			<u>105,152,000</u>

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

7 (1) A maximum of ((~~\$50,841,000~~)) \$50,418,000 is provided for  
8 learning improvement allocations to school districts to enhance the  
9 ability of instructional staff to teach and assess the essential  
10 academic learning requirements for reading, writing, communication, and  
11 math in accordance with the timelines and requirements established  
12 under RCW 28A.630.885. However, special emphasis shall be given to the  
13 successful teaching of reading. Allocations under this section shall  
14 be subject to the following conditions and limitations:

15 (a) In accordance with the timetable for the implementation of the  
16 assessment system by the commission on student learning, the  
17 allocations for the 1997-98 and 1998-99 school years shall be at a  
18 maximum annual rate per full-time equivalent student of \$36.69 for  
19 students enrolled in grades K-4, \$30.00 for students enrolled in grades  
20 5-7, and \$22.95 for students enrolled in grades 8-12. Allocations  
21 shall be made on the monthly apportionment schedule provided in RCW  
22 28A.510.250.

23 (b) A district receiving learning improvement allocations shall:

24 (i) Develop and keep on file at each building a student learning  
25 improvement plan to achieve the student learning goals and essential  
26 academic learning requirements and to implement the assessment system  
27 as it is developed. The plan shall delineate how the learning  
28 improvement allocations will be used to accomplish the foregoing. The  
29 plan shall be made available to the public upon request;

30 (ii) Maintain a policy regarding the involvement of school staff,  
31 parents, and community members in instructional decisions;

32 (iii) File a report by October 1, 1998, and October 1, 1999, with  
33 the office of the superintendent of public instruction, in a format  
34 developed by the superintendent that: Enumerates the activities funded  
35 by these allocations; the amount expended for each activity; describes  
36 how the activity improved understanding, teaching, and assessment of  
37 the essential academic learning requirements by instructional staff;  
38 and identifies any amounts expended from this allocation for  
39 supplemental contracts; and

1 (iv) Provide parents and the local community with specific  
2 information on the use of this allocation by including in the annual  
3 performance report required in RCW 28A.320.205, information on how  
4 funds allocated under this subsection were spent and the results  
5 achieved.

6 (c) The superintendent of public instruction shall compile and  
7 analyze the school district reports and present the results to the  
8 office of financial management and the appropriate committees of the  
9 legislature no later than November 15, 1998, and November 15, 1999.

10 (2) (~~(\$55,937,000)~~) \$54,734,000 is provided for local education  
11 program enhancements to meet educational needs as identified by the  
12 school district, including alternative education programs. This amount  
13 includes such amounts as are necessary for the remainder of the 1996-97  
14 school year. Allocations for the 1997-98 (~~and 1998-99~~) school year  
15 shall be at a maximum annual rate of \$29.86 per full-time equivalent  
16 student and \$28.81 per full-time equivalent student for the 1998-99  
17 school year as determined pursuant to subsection (3) of this section.  
18 Allocations shall be made on the monthly apportionment payment schedule  
19 provided in RCW 28A.510.250.

20 (3) Allocations provided under this section shall be based on  
21 school district annual average full-time equivalent enrollment in  
22 grades kindergarten through twelve: PROVIDED, That for school  
23 districts enrolling not more than one hundred average annual full-time  
24 equivalent students, and for small school plants within any school  
25 district designated as remote and necessary schools, the allocations  
26 shall be as follows:

27 (a) Enrollment of not more than 60 average annual full-time  
28 equivalent students in grades kindergarten through six shall generate  
29 funding based on sixty full-time equivalent students;

30 (b) Enrollment of not more than 20 average annual full-time  
31 equivalent students in grades seven and eight shall generate funding  
32 based on twenty full-time equivalent students; and

33 (c) Enrollment of not more than 60 average annual full-time  
34 equivalent students in grades nine through twelve shall generate  
35 funding based on sixty full-time equivalent students.

36 (4) Funding provided pursuant to this section does not fall within  
37 the definition of basic education for purposes of Article IX of the  
38 state Constitution and the state's funding duty thereunder.



1 (5) Receipt by a school district of one-fourth of the district's  
2 allocation of funds under this section, shall be conditioned on a  
3 finding by the superintendent that:

4 (a) The district is enrolled as a medicaid service provider and is  
5 actively pursuing federal matching funds for medical services provided  
6 through special education programs, pursuant to RCW 74.09.5241 through  
7 74.09.5256 (Title XIX funding); and

8 (b) The district is filing truancy petitions as required under  
9 chapter 312, Laws of 1995 and RCW 28A.225.030.

10 (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 June 30, 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 higher education coordinating board  
16 shall set performance targets for closing the performance gap for each  
17 measure for each institution. Performance targets shall be set at  
18 levels that reflect meaningful and substantial progress towards the  
19 state-wide performance goals. Each institution shall report to the  
20 higher education coordinating board on its actual performance  
21 achievement for each measure for academic year 1997-98 by (~~June 30,~~  
22 ~~1998, except that performance reporting for the student retention~~  
23 ~~measure shall be completed by October 15, 1998~~) November 1, 1998.

24 (4) The state board for community and technical colleges shall  
25 develop an implementation plan for measurable and specific improvements  
26 in productivity, efficiency, and student retention in academic years  
27 1997-98 and 1998-99 consistent with the performance management system  
28 developed by the work force training and education coordinating board  
29 and for the following long-term performance goals:

	Goal
30	
31 (a) Hourly wages for vocational graduates	\$12/hour
32 (b) Academic students transferring to Washington	
33 higher education institutions	67%
34 (c) Core course completion rates	85%
35 (d) Graduation efficiency index	95

36 (5) The state's public institutions of higher education  
37 increasingly are being called upon to become more efficient in  
38 conducting the business operations necessary to support the carrying

1 out of their academic missions. The legislature recognizes that state  
 2 laws and regulations may have the unintended effect of acting as  
 3 barriers to efficient operation in some instances, and desires to  
 4 encourage the institutions of higher education to think beyond the  
 5 constraints of current law in identifying opportunities for improved  
 6 efficiency. Accordingly, the legislature requests that the  
 7 institutions of higher education, working together through the council  
 8 of presidents' office and the state board for community and technical  
 9 colleges, identify opportunities for changes in state law that would  
 10 form the basis for a new efficiency compact with the state, for  
 11 consideration no later than the 1999 legislative session.

12 (6) Pursuant to RCW 43.135.055, institutions of higher education  
 13 receiving appropriations under sections 603 through 609 of this act are  
 14 authorized to increase summer term tuition in excess of the fiscal  
 15 growth factor during the 1997-99 fiscal biennium. Tuition levels  
 16 increased pursuant to this subsection shall not exceed the per credit  
 17 hour rate calculated from the academic year tuition levels established  
 18 by the legislature in RCW 28B.15.067.

19 **Sec. 602.** 1997 c 454 s 602 (uncodified) is amended to read as  
 20 follows:

21 ~~((1+))~~ The appropriations in sections 603 through 609 of this act  
 22 provide state general fund support or employment and training trust  
 23 account support for full-time equivalent student enrollments at each  
 24 institution of higher education. Listed below are the annual full-time  
 25 equivalent student enrollments by institution assumed in this act.

	1997-98	1998-99
	Annual	Annual
	Average	Average
29 University of Washington		
30 Main campus	31,297	31,527
31 Bothell branch	775	895
32 Tacoma branch	847	992
33 Washington State University		
34 Main campus	17,403	<del>((17,723))</del>
35		<u>17,272</u>
36 Spokane branch	352	442

1	Tri-Cities branch	754	((814))
2			<u>754</u>
3	Vancouver branch	851	971
4	Central Washington University	7,346	7,446
5	Eastern Washington University	7,739	7,739
6	The Evergreen State College	3,496	3,576
7	Western Washington University	10,188	10,338
8	State Board for Community and		
9	Technical Colleges	116,426	118,526
10	Higher Education Coordinating		
11	Board	50	50

12       **Sec. 603.** 1997 c 454 s 603 (uncodified) is amended to read as  
13 follows:

14 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

15	General Fund--State Appropriation (FY 1998) . . . \$	((382,891,000))
16		<u>380,445,000</u>
17	General Fund--State Appropriation (FY 1999) . . . \$	((420,961,000))
18		<u>421,647,000</u>
19	General Fund--Federal Appropriation . . . . . \$	11,404,000
20	Employment and Training Trust Account	
21	Appropriation . . . . . \$	((26,346,000))
22		<u>29,114,000</u>
23	TOTAL APPROPRIATION . . . . . \$	((841,602,000))
24		<u>842,610,000</u>

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

27       (1) \$2,718,000 of the general fund--state appropriation for fiscal  
28 year 1998 and \$4,079,000 of the general fund--state appropriation for  
29 fiscal year 1999 shall be held in reserve by the board. These funds  
30 are provided for improvements in productivity, efficiency, and student  
31 retention. The board may approve the fiscal year 1998 allocation of  
32 funds under this subsection upon completion of an implementation plan.  
33 The implementation plan shall be submitted by the board to the  
34 appropriate legislative committees and the office of financial  
35 management in accordance with section 601(4) of this act by September  
36 1, 1997. The board may approve the fiscal year 1999 allocation of  
37 funds under this subsection based on the board's evaluation of:

1 (a) College performance compared to the goals for productivity,  
2 efficiency, and student retention as submitted in the plan required in  
3 section 601(4) of this act; and

4 (b) The quality and effectiveness of the strategies the colleges  
5 propose to achieve continued improvement in quality and efficiency  
6 during the 1998-99 academic year.

7 (2) (~~(\$2,553,000 of the general fund--state appropriation for~~  
8 ~~fiscal year 1998, \$28,761,000)) \$28,546,000 of the general fund--state~~  
9 appropriation for fiscal year 1999(~~(7)~~) and the entire employment and  
10 training trust account appropriation are provided solely as special  
11 funds for training and related support services, including financial  
12 aid, child care, and transportation, as specified in chapter 226, Laws  
13 of 1993 (employment and training for unemployed workers) and Substitute  
14 House Bill No. 2214.

15 (a) Funding is provided to support up to 7,200 full-time equivalent  
16 students in each fiscal year.

17 (b) The state board for community and technical colleges shall  
18 submit a plan for the allocation of the full-time equivalent students  
19 provided in this subsection to the workforce training and education  
20 coordinating board for review and approval.

21 (3) \$1,441,000 of the general fund--state appropriation for fiscal  
22 year 1998 and \$1,441,000 of the general fund--state appropriation for  
23 fiscal year 1999 are provided solely for 500 FTE enrollment slots to  
24 implement RCW 28B.50.259 (timber-dependent communities).

25 (4) \$1,862,500 of the general fund--state appropriation for fiscal  
26 year 1998 and \$1,862,500 of the general fund--state appropriation for  
27 fiscal year 1999 are provided solely for assessment of student outcomes  
28 at community and technical colleges.

29 (5) \$706,000 of the general fund--state appropriation for fiscal  
30 year 1998 and \$706,000 of general fund--state appropriation for fiscal  
31 year 1999 are provided solely to recruit and retain minority students  
32 and faculty.

33 (6) Up to \$1,035,000 of the general fund--state appropriation for  
34 fiscal year 1998 and up to \$2,102,000 of the general fund--state  
35 appropriation for fiscal year 1999 may be used in combination with  
36 salary and benefit savings from faculty turnover to provide faculty  
37 salary increments and associated benefits. To the extent general  
38 salary increase funding is used to pay faculty increments, the general  
39 salary increase shall be reduced by the same amount.

1 (7) To address part-time faculty salary disparities and to increase  
2 the ratio of full-time to part-time faculty instructors, the board  
3 shall provide salary increases to part-time instructors or hire  
4 additional full-time instructional staff under the following conditions  
5 and limitations: (a) The amount used for such purposes shall not  
6 exceed an amount equivalent to an additional salary increase of 1.0  
7 percent on July 1, 1997, and an additional salary increase of 2.0  
8 percent on July 1, 1998, for instructional faculty as classified by the  
9 office of financial management; and (b) at least \$2,934,000 shall be  
10 spent for the purposes of this subsection.

11 (8) \$83,000 of the general fund--state appropriation for fiscal  
12 year 1998 and (~~(\$1,567,000)~~) \$867,000 of the general fund--state  
13 appropriation for fiscal year 1999 are provided for personnel and  
14 expenses to develop curricula, library resources, and operations of  
15 Cascadia Community College. It is the legislature's intent to use the  
16 opportunity provided by the establishment of the new institution to  
17 conduct a pilot project of budgeting based on instructional standards  
18 and outcomes. The college shall use a portion of the available funds  
19 to develop a set of measurable standards and outcomes as the basis for  
20 budget development in the 1999-01 biennium.

21 (9) The technical colleges may increase tuition and fees to conform  
22 with the percentage increase in community college operating fees  
23 enacted by the 1997 legislature. The community colleges may charge up  
24 to the maximum level authorized for services and activities fees in RCW  
25 28B.15.069.

26 (10) Community and technical colleges with below-average faculty  
27 salaries may use funds identified by the state board in the 1997-98 and  
28 1998-99 operating allocations to increase faculty salaries no higher  
29 than the system-wide average.

30 (11) \$1,000,000 of the general fund--state appropriation for fiscal  
31 year 1998 and \$1,000,000 of the general fund--state appropriation for  
32 fiscal year 1999 are provided solely for tuition support for students  
33 enrolled in work-based learning programs.

34 (12) \$700,000 of the general fund--state appropriation for fiscal  
35 year 1999 is provided solely for a technology equipment matching  
36 program for community and technical colleges. Each college district  
37 shall match its allocation of this appropriation with an equal amount  
38 of cash donations from private sources.



1       (13) \$125,000 of the general fund--state appropriation for fiscal  
2 year 1999 is provided solely to pay the increased employer funding rate  
3 resulting from the settlement in *Burbage et al. v. State of Washington*  
4 (Thurston county superior court cause no. 94-2-02560-8), as referenced  
5 in section 707(1)(c) of this act. If the stipulated settlement is not  
6 approved by the court by August 1, 1998, the amount provided in this  
7 subsection shall lapse.

8       (14) \$669,000 of the general fund--state appropriation for fiscal  
9 year 1999 is provided solely to pay the increased employer funding rate  
10 resulting from the settlement in *Retired State Employees et al. v.*  
11 *State of Washington* (Thurston county superior court cause no. 92-2-  
12 01294-1), as referenced in section 707(1)(d) of this act. If the  
13 stipulated settlement is not approved by the court by August 1, 1998,  
14 the amount provided in this subsection shall lapse.

15       **Sec. 604.** 1997 c 454 s 604 (uncodified) is amended to read as  
16 follows:

17 **FOR UNIVERSITY OF WASHINGTON**

18	General Fund Appropriation (FY 1998)	. . . . . \$	283,923,000
19	General Fund Appropriation (FY 1999)	. . . . . \$	((289,807,000))
20			<u>293,988,000</u>
21	Death Investigations Account Appropriation	. . . \$	((1,810,000))
22			<u>2,162,000</u>
23	Industrial Insurance Premium Refund Account		
24	Appropriation	. . . . . \$	514,000
25	Accident Account Appropriation	. . . . . \$	4,969,000
26	Medical Aid Account Appropriation	. . . . . \$	4,989,000
27	TOTAL APPROPRIATION	. . . . . \$	((586,012,000))
28			<u>590,545,000</u>

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

31       (1) \$2,019,000 of the general fund appropriation for fiscal year  
32 1998 and \$3,029,000 of the general fund appropriation for fiscal year  
33 1999 shall be placed in reserve. The office of financial management  
34 shall approve the allotment of amounts under this subsection upon  
35 notification by the higher education coordinating board. These amounts  
36 are provided for the preparation of plans and for the achievement of  
37 measurable and specific improvements towards performance and  
38 accountability goals as outlined in section 601(3) of this act.

1 (2) \$800,000 of the general fund appropriation for fiscal year 1998  
2 and \$1,896,000 of the general fund appropriation for fiscal year 1999  
3 are provided solely to support additional upper-division and graduate  
4 level enrollments at the Tacoma branch campus above the 1996-97  
5 budgeted FTE level.

6 (3) \$593,000 of the general fund appropriation for fiscal year 1998  
7 and \$1,547,000 of the general fund appropriation for fiscal year 1999  
8 are provided solely to support additional upper-division and graduate  
9 level enrollments at the Bothell branch campus above the 1996-97  
10 budgeted FTE level.

11 (4) \$186,000 of the general fund appropriation for fiscal year 1998  
12 and \$186,000 of the general fund appropriation for fiscal year 1999 are  
13 provided solely for assessment of student outcomes.

14 (5) \$324,000 of the general fund appropriation for fiscal year 1998  
15 and \$324,000 of the general fund appropriation for fiscal year 1999 are  
16 provided solely to recruit and retain minority students and faculty.

17 (6) \$130,000 of the general fund appropriation for fiscal year 1998  
18 and \$130,000 of the general fund appropriation for fiscal year 1999 are  
19 provided solely for the implementation of the Puget Sound work plan  
20 agency action item UW-01.

21 (7) \$1,200,000 of the general fund appropriation for fiscal year  
22 1998 and \$1,200,000 of the general fund appropriation for fiscal year  
23 1999 are provided solely for competitively offered faculty recruitment  
24 and retention salary adjustments. The university shall provide a  
25 report in their 1999-01 biennial operating budget request submittal on  
26 the effective expenditure of funds for the purposes of this subsection.

27 (8) \$47,000 of the fiscal year 1998 general fund appropriation and  
28 \$47,000 of the fiscal year 1999 general fund appropriation are provided  
29 solely to employ a fossil preparator/educator in the Burke Museum. The  
30 entire amounts provided in this subsection shall be provided directly  
31 to the Burke Museum.

32 (9) \$75,000 of the general fund appropriation for fiscal year 1998  
33 and \$75,000 of the general fund appropriation for fiscal year 1999 are  
34 provided solely for enhancements to research capabilities at the  
35 Olympic natural resources center.

36 (10) \$150,000 of the general fund appropriation for fiscal year  
37 1999 is provided solely for remodeling and equipment necessary to  
38 accommodate enrollment growth at the Bothell branch campus.

1       (11) \$560,000 of the general fund appropriation for fiscal year  
2 1999 is provided solely for the disabilities, opportunities,  
3 internetworking, and technology program.

4       (12) \$3,000,000 of the general fund appropriation for fiscal year  
5 1999 is provided solely to establish a high speed internet-2 hub.

6       (13) \$150,000 of the general fund appropriation for fiscal year  
7 1999 is provided solely to support the physicians assistant program in  
8 Spokane.

9       (14) \$352,000 of the death investigations account appropriation is  
10 provided solely for staff and equipment for the state toxicology  
11 laboratory to support implementation of quality control procedures and  
12 laboratory certification, and for enhanced screening of sexual assault  
13 victims, blood alcohol and volatile intoxicants analysis, and blood  
14 tests for marijuana in driving cases.

15       (15) \$74,000 of the general fund--state appropriation for fiscal  
16 year 1999 is provided solely to pay the increased employer funding rate  
17 resulting from the settlement in Burbage et al. v. State of Washington  
18 (Thurston county superior court cause no. 94-2-02560-8), as referenced  
19 in section 707(1)(c) of this act. If the stipulated settlement is not  
20 approved by the court by August 1, 1998, the amount provided in this  
21 subsection shall lapse.

22       (16) \$397,000 of the general fund--state appropriation for fiscal  
23 year 1999 is provided solely to pay the increased employer funding rate  
24 resulting from the settlement in Retired State Employees et al. v.  
25 State of Washington (Thurston county superior court cause no. 92-2-  
26 01294-1), as referenced in section 707(1)(d) of this act. If the  
27 stipulated settlement is not approved by the court by August 1, 1998,  
28 the amount provided in this subsection shall lapse.

29       **Sec. 605.** 1997 c 454 s 605 (uncodified) is amended to read as  
30 follows:

31 **FOR WASHINGTON STATE UNIVERSITY**

32	General Fund Appropriation (FY 1998)	. . . . . \$	(( <del>166,644,000</del> ))
33			169,894,000
34	General Fund Appropriation (FY 1999)	. . . . . \$	(( <del>172,819,000</del> ))
35			171,125,000
36	Air Pollution Control Account Appropriation	. . . \$	206,000
37	TOTAL APPROPRIATION	. . . . . \$	(( <del>339,669,000</del> ))
38			341,225,000

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

3 (1) \$1,204,000 of the general fund appropriation for fiscal year  
4 1998 and \$1,807,000 of the general fund appropriation for fiscal year  
5 1999 shall be placed in reserve. The office of financial management  
6 shall approve the allotment of amounts under this subsection upon  
7 notification by the higher education coordinating board. These amounts  
8 are provided for the preparation of plans and for the achievement of  
9 measurable and specific improvements towards performance and  
10 accountability goals as outlined in section 601(3) of this act.

11 (2) \$1,059,000 of the general fund appropriation for fiscal year  
12 1999 is provided solely to support additional upper-division and  
13 graduate level enrollments at the Vancouver branch campus above the  
14 1996-97 budgeted FTE level.

15 (3) \$263,000 of the general fund appropriation for fiscal year 1998  
16 and (~~(\$789,000)~~) \$263,000 of the general fund appropriation for fiscal  
17 year 1999 are provided solely to support additional upper-division and  
18 graduate level enrollments at the Tri-Cities branch campus above the  
19 1996-97 budgeted FTE level.

20 (4) \$971,000 of the general fund appropriation for fiscal year 1999  
21 is provided solely to support additional upper-division and graduate  
22 level enrollments at the Spokane branch campus above the 1996-97  
23 budgeted FTE level.

24 (5) \$186,000 of the general fund appropriation for fiscal year 1998  
25 and \$186,000 of the general fund appropriation for fiscal year 1999 are  
26 provided solely for assessment of student outcomes.

27 (6) \$140,000 of the general fund appropriation for fiscal year 1998  
28 and \$140,000 of the general fund appropriation for fiscal year 1999 are  
29 provided solely to recruit and retain minority students and faculty.

30 (7) \$157,000 of the general fund appropriation for fiscal year 1998  
31 and \$157,000 of the general fund appropriation for fiscal year 1999 are  
32 provided solely for the implementation of the Puget Sound work plan  
33 agency action item WSU-01.

34 (8) \$600,000 of the general fund appropriation for fiscal year 1998  
35 and \$600,000 of the general fund appropriation for fiscal year 1999 are  
36 provided solely for competitively offered faculty recruitment and  
37 retention salary adjustments. The university shall provide a report in  
38 their 1999-01 biennial operating budget request submittal on the  
39 effective expenditure of funds for the purposes of this subsection.

1 (9) \$50,000 of the general fund appropriation for fiscal year 1998  
2 and \$50,000 of the general fund appropriation for fiscal year 1999 are  
3 provided solely for yellow star thistle research.

4 (10) \$55,000 of the general fund appropriation for fiscal year 1998  
5 and \$55,000 of the general fund appropriation for fiscal year 1999 are  
6 provided solely for the Goldendale distance learning center.

7 (11) \$3,250,000 of the general fund appropriation for fiscal year  
8 1998 is provided solely for legal costs and settlement payments  
9 associated with construction claims for the Vancouver branch campus and  
10 the veterinary teaching hospital capital projects.

11 (12) \$590,000 of the general fund appropriation for fiscal year  
12 1999 is provided solely for the management of the Spokane riverpoint  
13 campus as provided in Substitute Senate Bill No. 6655.

14 (13) \$100,000 of the fiscal year 1999 general fund appropriation is  
15 provided solely for the aquatic animal health diagnostic center to  
16 accommodate an unanticipated caseload increase.

17 (14) \$43,000 of the general fund--state appropriation for fiscal  
18 year 1999 is provided solely to pay the increased employer funding rate  
19 resulting from the settlement in *Burbage et al. v. State of Washington*  
20 (Thurston county superior court cause no. 94-2-02560-8), as referenced  
21 in section 707(1)(c) of this act. If the stipulated settlement is not  
22 approved by the court by August 1, 1998, the amount provided in this  
23 subsection shall lapse.

24 (15) \$228,000 of the general fund--state appropriation for fiscal  
25 year 1999 is provided solely to pay the increased employer funding rate  
26 resulting from the settlement in *Retired State Employees et al. v.*  
27 *State of Washington* (Thurston county superior court cause no. 92-2-  
28 01294-1), as referenced in section 707(1)(d) of this act. If the  
29 stipulated settlement is not approved by the court by August 1, 1998,  
30 the amount provided in this subsection shall lapse.

31 **Sec. 606.** 1997 c 454 s 606 (uncodified) is amended to read as  
32 follows:

33 **FOR EASTERN WASHINGTON UNIVERSITY**

34	General Fund Appropriation (FY 1998)	. . . . . \$	39,211,000
35	General Fund Appropriation (FY 1999)	. . . . . \$	((39,489,000))
36			<u>39,563,000</u>
37	TOTAL APPROPRIATION	. . . . . \$	((78,700,000))
38			<u>78,774,000</u>

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

3       (1) \$285,000 of the general fund appropriation for fiscal year 1998  
4 and \$428,000 of the general fund appropriation for fiscal year 1999  
5 shall be placed in reserve. The office of financial management shall  
6 approve the allotment of amounts under this subsection upon  
7 notification by the higher education coordinating board. These amounts  
8 are provided for the preparation of plans and for the achievement of  
9 measurable and specific improvements towards performance and  
10 accountability goals as outlined in section 601(3) of this act.

11       (2) \$186,000 of the general fund appropriation for fiscal year 1998  
12 and \$186,000 of the general fund appropriation for fiscal year 1999 are  
13 provided solely for assessment of student outcomes.

14       (3) \$93,000 of the general fund appropriation for fiscal year 1998  
15 and \$93,000 of the general fund appropriation for fiscal year 1999 are  
16 provided solely to recruit and retain minority students and faculty.

17       (4) \$53,000 of the general fund--state appropriation for fiscal  
18 year 1998 and \$54,000 of the general fund--state appropriation for  
19 fiscal year 1999 are provided solely for competitively offered faculty  
20 recruitment and retention salary adjustments. The university shall  
21 provide a report in their 1999-01 biennial operating budget request  
22 submittal on the effective expenditure of funds for the purposes of  
23 this subsection.

24       (5) \$3,188,000 of the general fund appropriation for fiscal year  
25 1998 and \$3,188,000 of the general fund appropriation for fiscal year  
26 1999 shall be placed in reserve pending attainment of budgeted  
27 enrollments of 6,942 FTEs. The office of financial management shall  
28 approve the allotment of funds under this subsection at the annual rate  
29 of \$4,000 for annual student FTEs in excess of 6,942 based on tenth day  
30 quarterly enrollment and the office of financial management's quarterly  
31 budget driver report. In addition, allotments of reserve funds in this  
32 section shall be approved by the office of financial management upon  
33 approval by the higher education coordinating board for (a) actions  
34 that will result in additional enrollment growth, and (b) contractual  
35 obligations in fiscal year 1998 to the extent such funds are required.

36       (6) Pursuant to section 904 of this act and within current  
37 appropriation levels, the waiver limit for Eastern Washington  
38 University is increased from 11 percent to 14 percent during the 1997-  
39 99 fiscal biennium. Eastern Washington University shall report by

1 December 15, 1998, to the appropriate committees of the legislature,  
2 the office of financial management, and the higher education  
3 coordinating board on its implementation of the increased waiver limit.

4 (7) \$12,000 of the general fund--state appropriation for fiscal  
5 year 1999 is provided solely to pay the increased employer funding rate  
6 resulting from the settlement in *Burbage et al. v. State of Washington*  
7 (Thurston county superior court cause no. 94-2-02560-8), as referenced  
8 in section 707(1)(c) of this act. If the stipulated settlement is not  
9 approved by the court by August 1, 1998, the amount provided in this  
10 subsection shall lapse.

11 (8) \$62,000 of the general fund--state appropriation for fiscal  
12 year 1999 is provided solely to pay the increased employer funding rate  
13 resulting from the settlement in *Retired State Employees et al. v.*  
14 *State of Washington* (Thurston county superior court cause no. 92-2-  
15 01294-1), as referenced in section 707(1)(d) of this act. If the  
16 stipulated settlement is not approved by the court by August 1, 1998,  
17 the amount provided in this subsection shall lapse.

18 **Sec. 607.** 1997 c 454 s 607 (uncodified) is amended to read as  
19 follows:

20 **FOR CENTRAL WASHINGTON UNIVERSITY**

21	General Fund Appropriation (FY 1998)	. . . . . \$	((37,214,000))
22			<u>37,244,000</u>
23	General Fund Appropriation (FY 1999)	. . . . . \$	((38,616,000))
24			<u>38,749,000</u>
25	TOTAL APPROPRIATION	. . . . . \$	((75,830,000))
26			<u>75,993,000</u>

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

29 (1) \$269,000 of the general fund appropriation for fiscal year 1998  
30 and \$403,000 of the general fund appropriation for fiscal year 1999  
31 shall be placed in reserve. The office of financial management shall  
32 approve the allotment of amounts under this subsection upon  
33 notification by the higher education coordinating board. These amounts  
34 are provided for the preparation of plans and for the achievement of  
35 measurable and specific improvements towards performance and  
36 accountability goals as outlined in section 601(3) of this act.

1 (2) \$186,000 of the general fund appropriation for fiscal year 1998  
2 and \$186,000 of the general fund appropriation for fiscal year 1999 are  
3 provided solely for assessment of student outcomes.

4 (3) \$70,000 of the general fund appropriation for fiscal year 1998  
5 and \$70,000 of the general fund appropriation for fiscal year 1999 are  
6 provided solely to recruit and retain minority students and faculty.

7 (4) \$51,000 of the general fund appropriation for fiscal year 1998  
8 and \$51,000 of the general fund appropriation for fiscal year 1999 are  
9 provided solely for competitively offered faculty recruitment and  
10 retention salary adjustments. The college shall provide a report in  
11 their 1999-01 biennial operating budget request submittal on the  
12 effective expenditure of funds for the purposes of this subsection.

13 (5) \$11,000 of the general fund--state appropriation for fiscal  
14 year 1999 is provided solely to pay the increased employer funding rate  
15 resulting from the settlement in *Burbage et al. v. State of Washington*  
16 (Thurston county superior court cause no. 94-2-02560-8), as referenced  
17 in section 707(1)(c) of this act. If the stipulated settlement is not  
18 approved by the court by August 1, 1998, the amount provided in this  
19 subsection shall lapse.

20 (6) \$62,000 of the general fund--state appropriation for fiscal  
21 year 1999 is provided solely to pay the increased employer funding rate  
22 resulting from the settlement in *Retired State Employees et al. v.*  
23 *State of Washington* (Thurston county superior court cause no. 92-2-  
24 01294-1), as referenced in section 707(1)(d) of this act. If the  
25 stipulated settlement is not approved by the court by August 1, 1998,  
26 the amount provided in this subsection shall lapse.

27 **Sec. 608.** 1997 c 454 s 608 (uncodified) is amended to read as  
28 follows:

29 **FOR THE EVERGREEN STATE COLLEGE**

30	General Fund Appropriation (FY 1998)	. . . . . \$	((20,151,000))
31			<u>20,401,000</u>
32	General Fund Appropriation (FY 1999)	. . . . . \$	((20,518,000))
33			<u>20,596,000</u>
34	TOTAL APPROPRIATION	. . . . . \$	((40,669,000))
35			<u>40,997,000</u>

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



1 (1) \$144,000 of the general fund appropriation for fiscal year 1998  
2 and \$217,000 of the general fund appropriation for fiscal year 1999  
3 shall be placed in reserve. The office of financial management shall  
4 approve the allotment of amounts under this subsection upon  
5 notification by the higher education coordinating board. These amounts  
6 are provided for the preparation of plans and for the achievement of  
7 measurable and specific improvements towards performance and  
8 accountability goals as outlined in section 601(3) of this act.

9 (2) \$186,000 of the general fund appropriation for fiscal year 1998  
10 and \$186,000 of the general fund appropriation for fiscal year 1999 are  
11 provided solely for assessment of student outcomes.

12 (3) \$47,000 of the general fund appropriation for fiscal year 1998  
13 and \$47,000 of the general fund appropriation for fiscal year 1999 are  
14 provided solely to recruit and retain minority students and faculty.

15 (4) \$29,000 of the general fund appropriation for fiscal year 1998  
16 and \$29,000 of the general fund appropriation for fiscal year 1999 are  
17 provided solely for competitively offered faculty recruitment and  
18 retention salary adjustments. The college shall provide a report in  
19 their 1999-01 biennial operating budget request submittal on the  
20 effective expenditure of funds for the purposes of this subsection.

21 (5) \$35,000 of the general fund appropriation for fiscal year 1999  
22 is provided solely for the Washington institute for public policy to  
23 conduct a study of college students' employment. The study shall  
24 include, but need not be limited to, matching student enrollment  
25 information with unemployment insurance information. The office of  
26 financial management, higher education coordinating board, state board  
27 for community and technical colleges, and the employment security  
28 department shall assist the institute in the performance of the study.  
29 Results of the study are to be reported to the legislature by January  
30 15, 1999.

31 (6) \$250,000 of the general fund appropriation for fiscal year 1998  
32 is provided solely for equipment and expenses necessary to accommodate  
33 enrollment growth.

34 (7) \$7,000 of the general fund--state appropriation for fiscal year  
35 1999 is provided solely to pay the increased employer funding rate  
36 resulting from the settlement in *Burbage et al. v. State of Washington*  
37 (Thurston county superior court cause no. 94-2-02560-8), as referenced  
38 in section 707(1)(c) of this act. If the stipulated settlement is not

1 approved by the court by August 1, 1998, the amount provided in this  
2 subsection shall lapse.

3 (8) \$36,000 of the general fund--state appropriation for fiscal  
4 year 1999 is provided solely to pay the increased employer funding rate  
5 resulting from the settlement in *Retired State Employees et al. v.*  
6 *State of Washington* (Thurston county superior court cause no. 92-2-  
7 01294-1), as referenced in section 707(1)(d) of this act. If the  
8 stipulated settlement is not approved by the court by August 1, 1998,  
9 the amount provided in this subsection shall lapse.

10 **Sec. 609.** 1997 c 454 s 609 (uncodified) is amended to read as  
11 follows:

12 **FOR WESTERN WASHINGTON UNIVERSITY**

13	General Fund Appropriation (FY 1998)	. . . . . \$	47,822,000
14	General Fund Appropriation (FY 1999)	. . . . . \$	((48,855,000))
15			<u>48,951,000</u>
16	TOTAL APPROPRIATION	. . . . . \$	((96,677,000))
17			<u>96,773,000</u>

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

20 (1) \$342,000 of the general fund appropriation for fiscal year 1998  
21 and \$514,000 of the general fund appropriation for fiscal year 1999  
22 shall be placed in reserve. The office of financial management shall  
23 approve the allotment of amounts under this subsection upon  
24 notification by the higher education coordinating board. These amounts  
25 are provided for the preparation of plans and for the achievement of  
26 measurable and specific improvements towards performance and  
27 accountability goals as outlined in section 601(3) of this act.

28 (2) \$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 (3) \$93,000 of the general fund appropriation for fiscal year 1998  
32 and \$93,000 of the general fund appropriation for fiscal year 1999 are  
33 provided solely to recruit and retain minority students and faculty.

34 (4) \$66,000 of the general fund appropriation for fiscal year 1998  
35 and \$67,000 of the general fund appropriation for fiscal year 1999 are  
36 provided solely for competitively offered faculty recruitment and  
37 retention salary adjustments. The university shall provide a report

1 in their 1999-01 biennial operating budget request submittal on the  
2 effective expenditure of funds for the purposes of this subsection.

3 (5) \$15,000 of the general fund--state appropriation for fiscal  
4 year 1999 is provided solely to pay the increased employer funding rate  
5 resulting from the settlement in *Burbage et al. v. State of Washington*  
6 (Thurston county superior court cause no. 94-2-02560-8), as referenced  
7 in section 707(1)(c) of this act. If the stipulated settlement is not  
8 approved by the court by August 1, 1998, the amount provided in this  
9 subsection shall lapse.

10 (6) \$81,000 of the general fund--state appropriation for fiscal  
11 year 1999 is provided solely to pay the increased employer funding rate  
12 resulting from the settlement in *Retired State Employees et al. v.*  
13 *State of Washington* (Thurston county superior court cause no. 92-2-  
14 01294-1), as referenced in section 707(1)(d) of this act. If the  
15 stipulated settlement is not approved by the court by August 1, 1998,  
16 the amount provided in this subsection shall lapse.

17 **Sec. 610.** 1997 c 454 s 610 (uncodified) is amended to read as  
18 follows:

19 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**  
20 **ADMINISTRATION**

21	General Fund--State Appropriation (FY 1998) . . . . .	\$((2,734,000))
22		<u>2,809,000</u>
23	General Fund--State Appropriation (FY 1999) . . . . .	\$((2,615,000))
24		<u>3,604,000</u>
25	General Fund--Federal Appropriation . . . . .	\$ ((693,000))
26		<u>704,000</u>
27	TOTAL APPROPRIATION . . . . .	\$((6,042,000))
28		<u>7,117,000</u>

29 The appropriations in this section are provided to carry out the  
30 accountability, performance measurement, policy coordination, planning,  
31 studies and administrative functions of the board and are subject to  
32 the following conditions and limitations:

33 (1) The board shall set performance targets, review, recommend  
34 changes if necessary, and approve plans defined in section 601(3)(a) of  
35 this act for achieving measurable and specific improvements in academic  
36 years 1997-98 and 1998-99. By October 1, 1997, the board shall notify  
37 the office of financial management to allot institutions' fiscal year

1 1998 performance funds held in reserve, based upon the adequacy of  
2 plans prepared by the institutions.

3 (2) The board shall develop criteria to assess institutions'  
4 performance and shall use those criteria in determining the allotment  
5 of performance and accountability funds. The board shall evaluate each  
6 institution's achievement of performance targets for the 1997-98  
7 academic year and, by ~~((August 1))~~ November 15, 1998, the board shall  
8 notify the office of financial management to allot institutions' fiscal  
9 year 1999 performance funds held in reserve, based upon each  
10 institution's performance ~~((, except for performance funds held for  
11 achievement of the student retention measure. For the student  
12 retention measure, the board shall notify the office of financial  
13 management by November 1, 1998, to allot institutions' fiscal year 1999  
14 performance funds held in reserve, based upon each institution's  
15 performance))~~.

16 (3) By January, 1999, the board shall recommend to the office of  
17 financial management and appropriate legislative committees any  
18 recommended additions, deletions, or revisions to the performance and  
19 accountability measures in sections 601(3) of this act as part of the  
20 next master plan for higher education. The recommendations shall be  
21 developed in consultation with the institutions of higher education and  
22 may include additional performance indicators to measure successful  
23 student learning and other student outcomes for possible inclusion in  
24 the 1999-01 operating budget. The recommendations shall include  
25 measures of performance demonstrating specific and measurable  
26 improvements related to distance education and education provided  
27 primarily through technology, to be determined by the board, in  
28 consultation with the institutions of higher education.

29 (4) \$280,000 of the general fund--state appropriation for fiscal  
30 year 1998 and \$280,000 of the general fund--state appropriation for  
31 fiscal year 1999 are provided solely for enrollment to implement RCW  
32 28B.80.570 through 28B.80.585 (rural natural resources impact areas).  
33 The number of students served shall be 50 full-time equivalent students  
34 per fiscal year. The board shall ensure that enrollments reported  
35 under this subsection meet the criteria outlined in RCW 28B.80.570  
36 through 28B.80.585.

37 (5) \$70,000 of the general fund--state appropriation for fiscal  
38 year 1998 and \$70,000 of the general fund--state appropriation for  
39 fiscal year 1999 are provided to develop a competency based admissions

1 system for higher education institutions. The board shall complete the  
2 competency based admissions system and issue a report outlining the  
3 competency based admissions system by January 1999.

4 (6) \$500,000 of the general fund--state appropriation for fiscal  
5 year 1998 and \$500,000 of the general fund--state appropriation for  
6 fiscal year 1999 are provided solely for activities related to higher  
7 education facilities planning, project monitoring, and access issues  
8 related to capital facilities. Of this amount, \$50,000 is provided for  
9 a study of higher education needs of Okanogan county and surrounding  
10 communities with consideration given to alternative approaches to  
11 educational service delivery, facility expansion, relocation or  
12 partnership, and long-term growth and future educational demands of the  
13 region.

14 (7) \$150,000 of the general fund--state appropriation for fiscal  
15 year 1998 is provided solely as one-time funding for computer upgrades.

16 (8) \$75,000 of the general fund--state appropriation for fiscal  
17 year 1998 and \$175,000 of the general fund--state appropriation for  
18 fiscal year 1999 are provided solely to conduct a higher education and  
19 economic assessment of the Spokane area as described in Substitute  
20 Senate Bill No. 6655.

21 (9) \$810,000 of the general fund--state appropriation for fiscal  
22 year 1999 is provided solely to complete the cooperative library  
23 project for the four-year public higher education institutions. Funds  
24 shall be transferred to the University of Washington for one-time  
25 equipment acquisition, ongoing support of the system, and acquisition  
26 of shared electronic journals for use by all the member institutions.

27 (10) \$1,000 of the general fund--state appropriation for fiscal  
28 year 1999 is provided solely to pay the increased employer funding rate  
29 resulting from the settlement in *Burbage et al. v. State of Washington*  
30 (Thurston county superior court cause no. 94-2-02560-8), as referenced  
31 in section 707(1)(c) of this act. If the stipulated settlement is not  
32 approved by the court by August 1, 1998, the amount provided in this  
33 subsection shall lapse.

34 (11) \$3,000 of the general fund--state appropriation for fiscal  
35 year 1999 is provided solely to pay the increased employer funding rate  
36 resulting from the settlement in *Retired State Employees et al. v.*  
37 *State of Washington* (Thurston county superior court cause no. 92-2-  
38 01294-1), as referenced in section 707(1)(d) of this act. If the

1 stipulated settlement is not approved by the court by August 1, 1998,  
2 the amount provided in this subsection shall lapse.

3 **Sec. 611.** 1997 c 454 s 611 (uncodified) is amended to read as  
4 follows:

5 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**  
6 **PROGRAMS**

7	General Fund--State Appropriation (FY 1998) . . . \$	((89,369,000))
8		<u>89,606,000</u>
9	General Fund--State Appropriation (FY 1999) . . . \$	((96,209,000))
10		<u>97,232,000</u>
11	General Fund--Federal Appropriation . . . . . \$	((8,255,000))
12		<u>8,278,000</u>
13	<u>Advanced College Tuition Payment Program Account</u>	
14	<u>Appropriation</u> . . . . . \$	<u>1,198,000</u>
15	TOTAL APPROPRIATION . . . . . \$	((193,833,000))
16		<u>196,314,000</u>

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

19 (1) \$527,000 of the general fund--state appropriation for fiscal  
20 year 1998 and \$526,000 of the general fund--state appropriation for  
21 fiscal year 1999 are provided solely for the displaced homemakers  
22 program.

23 (2) \$216,000 of the general fund--state appropriation for fiscal  
24 year 1998 and \$220,000 of the general fund--state appropriation for  
25 fiscal year 1999 are provided solely for the western interstate  
26 commission for higher education.

27 (3) \$118,000 of the general fund--state appropriation for fiscal  
28 year 1998 and \$118,000 of the general fund--state appropriation for  
29 fiscal year 1999 are provided solely for the health personnel resources  
30 plan.

31 (4) \$1,000,000 of the general fund--state appropriation for fiscal  
32 year 1998 and \$1,000,000 of the general fund--state appropriation for  
33 fiscal year 1999 are provided solely for the scholarships and loans  
34 program under chapter 28B.115 RCW, the health professional conditional  
35 scholarship program. This amount shall be deposited to the health  
36 professional loan repayment and scholarship trust fund to carry out the  
37 purposes of the program.

1 (5) \$86,783,000 of the general fund--state appropriation for fiscal  
2 year 1998 and \$93,728,000 of the general fund--state appropriation for  
3 fiscal year 1999 are provided solely for student financial aid,  
4 including all administrative costs. The amounts in (a), (b), and (c)  
5 of this subsection are sufficient to implement Second Substitute House  
6 Bill No. 1851 (higher education financial aid). Of these amounts:

7 (a) \$67,266,000 of the general fund--state appropriation for fiscal  
8 year 1998 and \$73,968,000 of the general fund--state appropriation for  
9 fiscal year 1999 are provided solely for the state need grant program.  
10 ((+ii)) After April 1 of each fiscal year, up to one percent of the  
11 annual appropriation for the state need grant program may be  
12 transferred to the state work study program.

13 (b) \$15,350,000 of the general fund--state appropriation for fiscal  
14 year 1998 and \$15,350,000 of the general fund--state appropriation for  
15 fiscal year 1999 are provided solely for the state work study program.  
16 After April 1 of each fiscal year, up to one percent of the annual  
17 appropriation for the state work study program may be transferred to  
18 the state need grant program;

19 (c) \$2,420,000 of the general fund--state appropriation for fiscal  
20 year 1998 and \$2,420,000 of the general fund--state appropriation for  
21 fiscal year 1999 are provided solely for educational opportunity  
22 grants. For the purpose of establishing eligibility for the equal  
23 opportunity grant program for placebound students under RCW  
24 28B.101.020, Thurston county lies within the branch campus service area  
25 of the Tacoma branch campus of the University of Washington;

26 (d) A maximum of 2.1 percent of the general fund--state  
27 appropriation for fiscal year 1998 and 2.1 percent of the general  
28 fund--state appropriation for fiscal year 1999 may be expended for  
29 financial aid administration, excluding the four percent state work  
30 study program administrative allowance provision;

31 (e) \$230,000 of the general fund--state appropriation for fiscal  
32 year 1998 and \$201,000 of the general fund--state appropriation for  
33 fiscal year 1999 are provided solely for the educator's excellence  
34 awards. Any educator's excellence moneys not awarded by April 1st of  
35 each year may be transferred by the board to either the Washington  
36 scholars program or, in consultation with the workforce training and  
37 education coordinating board, to the Washington award for vocational  
38 excellence;

1 (f) \$1,011,000 of the general fund--state appropriation for fiscal  
2 year 1998 and \$1,265,000 of the general fund--state appropriation for  
3 fiscal year 1999 are provided solely to implement the Washington  
4 scholars program. Any Washington scholars program moneys not awarded  
5 by April 1st of each year may be transferred by the board to either the  
6 educator's excellence awards or, in consultation with the workforce  
7 training and education coordinating board, to the Washington award for  
8 vocational excellence;

9 (g) \$456,000 of the general fund--state appropriation for fiscal  
10 year 1998 and \$474,000 of the general fund--state appropriation for  
11 fiscal year 1999 are provided solely to implement Washington award for  
12 vocational excellence program. Any Washington award for vocational  
13 program moneys not awarded by April 1st of each year may be transferred  
14 by the board to either the educator's excellence awards or the  
15 Washington scholars program;

16 (h) \$51,000 of the general fund--state appropriation for fiscal  
17 year 1998 and \$51,000 of the general fund--state appropriation for  
18 fiscal year 1999 are provided solely for community scholarship matching  
19 grants of \$2,000 each. To be eligible for the matching grant, a  
20 nonprofit community organization organized under section 501(c)(3) of  
21 the internal revenue code must demonstrate that it has raised \$2,000 in  
22 new moneys for college scholarships after the effective date of this  
23 act. No organization may receive more than one \$2,000 matching grant;  
24 and

25 ~~(6) ((\$175,000 of the general fund--state appropriation for fiscal~~  
26 ~~year 1998 and \$175,000 of the general fund--state appropriation for~~  
27 ~~fiscal year 1999 are provided solely to implement Engrossed Second~~  
28 ~~Substitute House Bill No. 1372 or Second Substitute Senate Bill No.~~  
29 ~~5106 (Washington advanced college tuition payment program). If neither~~  
30 ~~Engrossed Second Substitute House Bill No. 1372 nor Second Substitute~~  
31 ~~Senate Bill No. 5106 is enacted by June 30, 1997, the amounts provided~~  
32 ~~in this subsection shall lapse.))~~ \$412,000 of the general fund--state  
33 appropriation for fiscal year 1998 and \$1,198,000 of the general fund--  
34 state appropriation for fiscal year 1999 are provided solely for  
35 working capital for the advanced tuition payment program. The funds  
36 provided in this subsection may be expended only to the extent that  
37 revenue from application fees and interest earnings deposited in the  
38 advanced college tuition payment program account are insufficient to  
39 support program operation. Prior to the end of fiscal year 1999,



1 expenditures shall be transferred between funds to the extent that  
2 program application fees and interest earnings are available to  
3 minimize the expenditure from the general fund.

4 (7) \$187,000 of the general fund--state appropriation for fiscal  
5 year 1998 and \$188,000 of the general fund--state appropriation for  
6 fiscal year 1999 are provided solely for a demonstration project in the  
7 1997-99 biennium to provide undergraduate fellowships based upon the  
8 graduate fellowship program.

9 (8) Funding is provided in this section for the development of  
10 three models for tuition charges for distance learning programs.  
11 Institutions involved in distance education or extended learning shall  
12 provide information to the board on the usage, cost, and revenue  
13 generated by such programs.

14 **Sec. 612.** 1997 c 149 s 612 (uncodified) is amended to read as  
15 follows:

16 **FOR THE JOINT CENTER FOR HIGHER EDUCATION**

17	General Fund Appropriation (FY 1998) . . . . .	\$	1,469,000
18	<del>((General Fund Appropriation (FY 1999) . . . . .</del>	<del>\$</del>	<del>1,470,000))</del>
19	TOTAL APPROPRIATION . . . . .	\$	<del>((2,939,000))</del>
20			<u>1,469,000</u>

21 **Sec. 613.** 1997 c 149 s 614 (uncodified) is amended to read as  
22 follows:

23 **FOR WASHINGTON STATE LIBRARY**

24	General Fund--State Appropriation (FY 1998) . . .	\$	<del>((7,483,000))</del>
25			<u>7,533,000</u>
26	General Fund--State Appropriation (FY 1999) . . .	\$	<del>((7,281,000))</del>
27			<u>7,631,000</u>
28	General Fund--Federal Appropriation . . . . .	\$	<del>((4,847,000))</del>
29			<u>6,817,000</u>
30	TOTAL APPROPRIATION . . . . .	\$	<del>((19,611,000))</del>
31			<u>21,981,000</u>

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

34 (1) At least \$2,524,000 shall be expended for a contract with the  
35 Seattle public library for library services for the Washington book and  
36 braille library.

1 (2) \$198,000 of the general fund--state appropriation for fiscal  
2 year 1998 (~~is~~) and \$200,000 of the general fund--state appropriation  
3 for fiscal year 1999 are provided solely for the state library to  
4 continue the government information locator service in accordance with  
5 chapter 171, Laws of 1996. The state library, in consultation with  
6 interested parties, shall prepare an evaluation of the government  
7 information locator service by October 1, 1997. The evaluation shall  
8 include a cost-benefit analysis, a determination of fiscal impacts to  
9 the state, and programmatic information. The evaluation report shall  
10 be provided to the appropriate legislative fiscal committees.

11 (3) \$100,000 of the general fund--state appropriation for fiscal  
12 year 1999 is provided solely for enhancement of the state library's  
13 collection.

14 **Sec. 614.** 1997 c 149 s 616 (uncodified) is amended to read as  
15 follows:

16 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

17	General Fund Appropriation (FY 1998)	. . . . .	\$((2,502,000))
18			<u>2,658,000</u>
19	General Fund Appropriation (FY 1999)	. . . . .	\$((2,531,000))
20			<u>2,745,000</u>
21	TOTAL APPROPRIATION	. . . . .	\$((5,033,000))
22			<u>5,403,000</u>

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

25 (1) \$216,200 of the general fund appropriation for fiscal year 1998  
26 and \$216,200 of the general fund appropriation for fiscal year 1999 are  
27 provided solely for exhibit and educational programming.

28 (2) \$156,000 of the general fund appropriation for fiscal year 1998  
29 and \$164,000 of the general fund appropriation for fiscal year 1999 are  
30 provided solely for the temporary relocation of research center  
31 operations.

32 (3) \$50,000 of the general fund appropriation for fiscal year 1999  
33 is provided solely for activities related to the Lewis and Clark  
34 Bicentennial.

35 **Sec. 615.** 1997 c 149 s 618 (uncodified) is amended to read as  
36 follows:

37 **FOR THE STATE SCHOOL FOR THE BLIND**

1	General Fund--State Appropriation (FY 1998) . . . . .	\$((3,714,000))
2		<u>3,723,000</u>
3	General Fund--State Appropriation (FY 1999) . . . . .	\$((3,738,000))
4		<u>3,747,000</u>
5	General Fund--Private/Local Appropriation . . . . .	\$ ((192,000))
6		<u>418,000</u>
7	TOTAL APPROPRIATION . . . . .	\$((7,644,000))
8		<u>7,888,000</u>

9       **Sec. 616.** 1997 c 149 s 619 (uncodified) is amended to read as  
10 follows:

11 **FOR THE STATE SCHOOL FOR THE DEAF**

12	General Fund Appropriation (FY 1998) . . . . .	\$ ((6,458,000))
13		<u>6,467,000</u>
14	General Fund Appropriation (FY 1999) . . . . .	\$ ((6,459,000))
15		<u>6,468,000</u>
16	TOTAL APPROPRIATION . . . . .	\$ ((12,917,000))
17		<u>12,935,000</u>

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**PART VII**  
**SPECIAL APPROPRIATIONS**

**Sec. 701.** 1997 c 149 s 701 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL FUND BOND DEBT**

General Fund Appropriation (FY 1998) . . . . .	\$	((447,283,000))
		<u>448,355,000</u>
General Fund Appropriation (FY 1999) . . . . .	\$	((485,077,000))
		<u>484,005,000</u>
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.

**Sec. 702.** 1997 c 149 s 703 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund Appropriation (FY 1998) . . . . .	\$	((23,096,000))
		<u>23,186,000</u>
General Fund Appropriation (FY 1999) . . . . .	\$	((25,603,000))
		<u>25,642,000</u>
General Fund Bonds Excluded from the Limit		
Bond Retirement Account Appropriation . . . . .	\$	((48,699,000))
		<u>48,828,000</u>
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))
		<u>2,264,000</u>
TOTAL APPROPRIATION . . . . .	\$	((202,733,000))

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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 excluded from the limit bond retirement account.

**Sec. 703.** 1997 c 149 s 705 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund Appropriation (FY 1998)	. . . . . \$	475,000
General Fund Appropriation (FY 1999)	. . . . . \$	475,000
Higher Education Construction Account		
Appropriation	. . . . . \$	((215,000))
		<u>440,000</u>
State Building Construction Account		
Appropriation	. . . . . \$	((6,374,000))
		<u>7,683,000</u>
Public Safety Reimbursable Bond Account		
Appropriation	. . . . . \$	((8,000))
		<u>23,000</u>
TOTAL APPROPRIATION	. . . . . \$	((7,547,000))
		<u>9,096,000</u>

Total Bond Retirement and Interest Appropriations contained in sections 701 through 705 of this act . . . . . \$ ((2,121,748,000))  
2,125,417,000

**Sec. 704.** 1997 c 149 s 710 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 ALLOCATIONS**

<del>General Fund--State Appropriation (FY 1998)</del>	. . . \$	<del>3,380,000</del>
<del>General Fund--State Appropriation (FY 1999)</del>	. . . \$	<del>1,960,000</del>
General Fund--Federal Appropriation	. . . . . \$	2,883,000
Liquor Revolving Account Appropriation	. . . . . \$	131,000
Health Care Authority Administrative Account		
Appropriation	. . . . . \$	631,000
Accident Account Appropriation	. . . . . \$	1,102,000

1	Medical Aid Account Appropriation . . . . .	\$	1,102,000
2	Unemployment Compensation Administration Account--		
3	Federal Appropriation . . . . .	\$	1,313,000
4	( <del>Administrative Contingency Account</del>		
5	<del>Appropriation . . . . .</del>	<del>\$</del>	<del>948,000</del> )
6	Employment Services Administrative Account		
7	Appropriation . . . . .	\$	((500,000))
8			<u>461,000</u>
9	Forest Development Account Appropriation . . . . .	\$	156,000
10	Off Road Vehicle Account Appropriation . . . . .	\$	7,000
11	Surveys and Maps Account Appropriation . . . . .	\$	1,000
12	Aquatic Lands Enhancement Account Appropriation . . . . .	\$	8,000
13	Resource Management Cost Account Appropriation . . . . .	\$	348,000
14	TOTAL APPROPRIATION . . . . .	\$	(( <del>14,470,000</del> ))
15			<u>8,143,000</u>

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

18       (1) The appropriations will be allocated by the office of financial  
19 management to agencies to complete Year 2000 date conversion  
20 maintenance on their computer systems. Agencies shall submit their  
21 estimated costs of conversion to the office of financial management by  
22 July 1, 1997.

23       (2) Up to \$10,000,000 of the cash balance of the data processing  
24 revolving account may be expended on agency Year 2000 date conversion  
25 costs. The \$10,000,000 will be taken from the cash balances of the  
26 data processing revolving account's two major users, as follows:  
27 \$7,000,000 from the department of information services and \$3,000,000  
28 from the office of financial management. The office of financial  
29 management in consultation with the department of information services  
30 shall allocate these funds as needed to complete the date conversion  
31 projects.

32       (3) Agencies receiving these allocations shall report at a minimum  
33 to the information services board and to the governor every six months  
34 on the progress of Year 2000 maintenance efforts.

35       NEW SECTION.   **Sec. 705.**   A new section is added to 1997 c 149  
36 (uncodified) to read as follows:

37 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 CONVERSION**

38	General Fund Appropriation (FY 1998) . . . . .	\$	233,000
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1	General Fund Appropriation (FY 1999)	\$	33,000
2	Hospital Commission Account Appropriation	\$	115,000
3	Architects' License Account Appropriation	\$	3,000
4	Professional Engineers' Account Appropriation	\$	9,000
5	Real Estate Commission Account Appropriation	\$	24,000
6	Health Professions Account Appropriation	\$	275,000
7	Master License Account Appropriation	\$	70,000
8	Safe Drinking Water Account Appropriation	\$	50,000
9	Uniform Commercial Code Account Appropriation	\$	11,000
10	Unemployment Compensation Administration Account--		
11	Federal Appropriation	\$	3,245,000
12	Department of Retirement Systems Expense Account		
13	Appropriation	\$	890,000
14	Health Services Account Appropriation	\$	254,000
15	TOTAL APPROPRIATION	\$	5,212,000

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

18       (1) The appropriations will be allocated by the office of financial  
19 management to agencies to perform Year 2000 date conversion maintenance  
20 on their computer systems and are provided solely for these purposes.

21       (2) Agencies receiving these allocations shall report at a minimum  
22 to the information services board and to the governor every six months  
23 on the progress of Year 2000 maintenance efforts.

24       NEW SECTION.   **Sec. 706.**   A new section is added to 1997 c 149  
25 (uncodified) to read as follows:

26	<b>FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 CONTINGENCY POOL</b>		
27	General Fund Appropriation (FY 1998)	\$	800,000
28	General Fund Appropriation (FY 1999)	\$	4,200,000
29	Year 2000 Contingency Revolving Account		
30	Appropriation	\$	5,000,000
31	TOTAL APPROPRIATION	\$	10,000,000

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

34       (1) The appropriations will be allocated by the office of financial  
35 management, in consultation with the department of information systems,  
36 to agencies to perform Year 2000 maintenance on their computer systems  
37 and are provided solely for these purposes.

1 (2) To facilitate the transfer of moneys from dedicated funds and  
2 accounts, the state treasurer is directed to transfer sufficient moneys  
3 from each dedicated fund or account to the Year 2000 contingency  
4 revolving account, hereby created in the state treasury, in accordance  
5 with schedules provided by the office of financial management for  
6 additional Year 2000 maintenance on their computer systems.

7 (3) All agencies that receive these allocations will report upon  
8 request throughout the biennium to the information services board and  
9 to the governor on the progress of Year 2000 maintenance efforts.

10 **Sec. 707.** 1997 c 149 s 712 (uncodified) is amended to read as  
11 follows:

12 **FOR THE GOVERNOR--COMPENSATION--INSURANCE BENEFITS**

13 General Fund--State Appropriation (FY 1998) . . . \$	823,000
14 General Fund--State Appropriation (FY 1999) . . . \$	((6,257,000))
15	<u>8,355,000</u>
16 General Fund--Federal Appropriation . . . . . \$	((2,431,000))
17	<u>3,152,000</u>
18 General Fund--Private/Local Appropriation . . . . . \$	((146,000))
19	<u>190,000</u>
20 Salary and Insurance Increase Revolving Account	
21 Appropriation . . . . . \$	((5,465,000))
22	<u>7,081,000</u>
23 TOTAL APPROPRIATION . . . . . \$	((15,122,000))
24	<u>19,601,000</u>

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

27 (1)(a) The monthly ((contribution)) employer funding rate for  
28 insurance benefit premiums shall not exceed \$312.35 per eligible  
29 employee for fiscal year 1998, and \$331.31 for fiscal year 1999.

30 (b) The monthly ((contribution)) employer funding rate for the  
31 operating costs of the health care authority shall not exceed \$4.99 per  
32 eligible employee for fiscal year 1998, and (((\$4.44)) \$4.67 for fiscal  
33 year 1999.

34 (c) An additional \$1.12 per eligible employee shall be included in  
35 the employer funding rate for fiscal year 1999 to increase life  
36 insurance coverage in accordance with the stipulated settlement in  
37 Burbage et al. v. State of Washington (Thurston county superior court  
38 cause no. 94-2-02560-8). \$330,000 of the fiscal year 1999 general



1 fund--state appropriation, \$113,000 of the general fund--federal  
2 appropriation, \$7,000 of the general fund--private/local appropriation,  
3 and \$254,000 of the salary and insurance increase revolving account  
4 appropriation are provided solely for the additional \$1.12 employer  
5 funding rate. If the stipulated settlement is not approved by August  
6 1, 1998, these amounts shall lapse.

7 (d) An additional \$5.77 per eligible employee shall be included in  
8 the employer funding rate for fiscal year 1999 to begin repaying the  
9 public employees' and retirees' insurance account for any claims paid  
10 as a result of a court-approved stipulated settlement in *Retired State*  
11 *Employees et al. v. State of Washington* (Thurston county superior court  
12 cause no. 92-2-01294-1). \$1,768,000 of the fiscal year 1999 general  
13 fund--state appropriation, \$608,000 of the general fund--federal  
14 appropriation, \$37,000 of the general fund--private/local  
15 appropriation, and \$1,362,000 of the salary and insurance increase  
16 revolving account appropriation are provided solely for the additional  
17 \$5.77 employer funding rate. If the stipulated settlement is not  
18 approved by August 1, 1998, these amounts shall lapse.

19 (e) Surplus moneys accruing to the public employees' and retirees'  
20 insurance account due to lower-than-projected insurance costs may not  
21 be reallocated by the health care authority to increase the actuarial  
22 value of public employee insurance plans. Such funds shall be held in  
23 reserve in the public employees' and retirees' insurance account and  
24 may not be expended without prior legislative authorization.

25 ~~((d))~~ (f) In order to achieve the level of funding provided for  
26 health benefits, the public employees' benefits board may require  
27 employee premium co-payments, increase point-of-service cost sharing,  
28 and/or implement managed competition.

29 (2) To facilitate the transfer of moneys from dedicated funds and  
30 accounts, the state treasurer is directed to transfer sufficient moneys  
31 from each dedicated fund or account to the special fund salary and  
32 insurance contribution increase revolving fund in accordance with  
33 schedules provided by the office of financial management.

34 (3) The health care authority, subject to the approval of the  
35 public employees' benefits board, shall provide subsidies for health  
36 benefit premiums to eligible retired or disabled public employees and  
37 school district employees who are eligible for parts A and B of  
38 medicare, pursuant to RCW 41.05.085. From January 1, 1998, through

1 December 31, 1998, the subsidy shall be \$41.26 per month. Starting  
2 January 1, 1999, the subsidy shall be \$43.16 per month.

3 (4) Technical colleges, school districts, and educational service  
4 districts shall remit to the health care authority for deposit in the  
5 public employees' and retirees' insurance account established in RCW  
6 41.05.120:

7 (a) For each full-time employee, \$14.80 per month beginning  
8 September 1, 1997;

9 (b) For each part-time employee who, at the time of the remittance,  
10 is employed in an eligible position as defined in RCW 41.32.010 or  
11 41.40.010 and is eligible for employer fringe benefit contributions for  
12 basic benefits, \$14.80 each month beginning September 1, 1997, prorated  
13 by the proportion of employer fringe benefit contributions for a full-  
14 time employee that the part-time employee receives.

15 The remittance requirements specified in this subsection shall not  
16 apply to employees of a technical college, school district, or  
17 educational service district who purchase insurance benefits through  
18 contracts with the health care authority.

19 (5) The salary and insurance increase revolving account  
20 appropriation includes amounts sufficient to fund health benefits for  
21 ferry workers at the premium levels specified in subsection (1) of this  
22 section, consistent with the 1997-99 transportation appropriations act.

23 NEW SECTION. **Sec. 708.** A new section is added to 1997 c 149  
24 (uncodified) to read as follows:

25 **FOR THE STATE TREASURER--FOR THE PUBLIC EMPLOYEES' AND RETIREES'**  
26 **INSURANCE ACCOUNT**

27 Pension Funding Account Appropriation (FY 1998) . . . \$ 25,000,000

28 The appropriation in this section shall be deposited in the public  
29 employees' and retirees' insurance account and is provided solely to  
30 pay claims resulting from a court-approved stipulated agreement in  
31 *Retired State Employees et al. v. State of Washington* (Thurston county  
32 superior court cause no. 92-2-01294-1).

33 NEW SECTION. **Sec. 709.** A new section is added to 1997 c 149  
34 (uncodified) to read as follows:

35 **COMMUNITY AND TECHNICAL COLLEGES CAPITAL PROJECTS ACCOUNT**

36 General Fund Appropriation (FY 1999) . . . . . \$ 5,200,000

1 The appropriation in this section is provided solely for deposit in  
2 the community and technical colleges capital projects account.

3 **Sec. 710.** 1997 c 454 s 704 (uncodified) is amended to read as  
4 follows:

5 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMPENSATION ACTIONS OF**  
6 **PERSONNEL RESOURCES BOARD**

7	General Fund-- <u>State</u> Appropriation (FY 1998) . . . . .	\$	5,289,000
8	General Fund-- <u>State</u> Appropriation (FY 1999) . . . . .	\$	10,642,000
9	<u>General Fund--Federal Appropriation</u> . . . . .	\$	<u>2,777,000</u>
10	Salary and Insurance Increase Revolving		
11	Account Appropriation . . . . .	\$	<del>((8,862,000))</del>
12			<u>6,085,000</u>
13	TOTAL APPROPRIATION . . . . .	\$	24,793,000

14 The appropriations in this section shall be expended solely for the  
15 purposes designated in this section and are subject to the conditions  
16 and limitations in this section.

17 (1) Funding is provided to fully implement the recommendations of  
18 the Washington personnel resources board consistent with the provisions  
19 of chapter 319, Laws of 1996.

20 (2) Implementation of the salary adjustments for the various  
21 clerical classes, physicians, dental classifications, pharmacists,  
22 maintenance custodians, medical records technicians, fish/wildlife  
23 biologists, fish/wildlife enforcement, habitat technicians, and fiscal  
24 technician classifications will be effective July 1, 1997.  
25 Implementation of the salary adjustments for safety classifications,  
26 park rangers, park aides, correctional officers/sergeants, community  
27 corrections specialists, tax information specialists, industrial  
28 relations specialists, electrical classifications at the department of  
29 labor and industries, fingerprint technicians, some labor relations  
30 classifications, health benefits specialists, foresters/land managers,  
31 and liquor enforcement officers will be effective July 1, 1998.

32 NEW SECTION. **Sec. 711. LEOFF RETIREMENT STUDY.** The joint  
33 committee on pension policy shall study (1) providing additional  
34 benefits to members of the law enforcement officers' and fire fighters'  
35 plan II retirement system and funding those benefit increases through  
36 the member contribution rate rather than the state and employer  
37 contribution rates, and (2) creating a new law enforcement officers'

1 and fire fighters' retirement plan that includes a defined benefit  
2 portion and a defined contribution portion. The joint committee on  
3 pension policy shall report its findings to the legislature by January  
4 15, 1999.

5 NEW SECTION. **Sec. 712.** A new section is added to 1997 c 149  
6 (uncodified) to read as follows:

7 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may  
8 be necessary, are appropriated from the general fund, unless otherwise  
9 indicated, for relief of various individuals, firms, and corporations  
10 for sundry claims. These appropriations are to be disbursed on  
11 vouchers approved by the director of general administration, except as  
12 otherwise provided, as follows:

13 (1) Reimbursement of criminal defendants acquitted on the basis of  
14 self-defense, pursuant to RCW 9A.16.110:

15	(a) Steven M. Lauritz, claim number SCJ 97-11	\$ 2,534
16	(b) George Greenland, claim number SCJ 97-13	\$ 16,235
17	(c) Edwin H. Evans, claim number SCJ 97-14	\$ 3,997
18	(d) Bryan E. Vance, claim number SCJ 97-16	\$ 14,866
19	(e) Jesse L. Smith, claim number SCJ 97-17	\$ 23,027
20	(f) Thomas N. Klein, claim number SCJ 97-18	\$ 14,338
21	(g) John F. Richards, claim number SCJ 97-19	\$ 7,335
22	(h) Anthony C. Otto, claim number SCJ 97-09	\$ 16,962
23	(i) Eric C. Swanson, claim number SCJ 97-21	\$ 86,152
24	(j) Mark J. Campbell, claim number SCJ 98-01	\$ 7,218

25 (2) Payment from the state wildlife account for damage to crops by  
26 wildlife, pursuant to RCW 77.36.040:

27	(a) D.F. Spurgeon, claim number SCG 97-03	\$ 980
28	(b) Kenneth Kunes, claim number SCG 97-06	\$ 2,288

29 NEW SECTION. **Sec. 713.** A new section is added to 1997 c 149  
30 (uncodified) to read as follows:

31 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**  
32 **ACCOUNT**

33 Impaired Driving Safety Account Appropriation . . . . \$ 720,000

34 The appropriation in this section is subject to the following  
35 conditions and limitations: The amount appropriated in this section  
36 shall be distributed in accordance with RCW 82.14.310. \$360,000 of the  
37 appropriation shall be distributed in January 1999 and the remaining

1 \$360,000 of the appropriation shall be distributed in April 1999. This  
2 funding is provided to counties for the costs of implementing criminal  
3 justice legislation including, but not limited to, Substitute House  
4 Bill No. 2885 (drunk driving penalties), Second Substitute House Bill  
5 No. 3070 (DUI penalties), Second Substitute House Bill No. 3089  
6 (deferred prosecution), Engrossed Senate Bill No. 6142 (DUI/license  
7 suspension), Engrossed Substitute Senate Bill No. 6165 (ignition  
8 interlock violations), Engrossed Substitute Senate Bill No. 6166 (DUI  
9 penalties), Engrossed Substitute Senate Bill No. 6187 (DUI penalties),  
10 Engrossed Senate Bill No. 6257 (intoxication levels lowered), and  
11 Engrossed Second Substitute Senate Bill No. 6293 (DUI penalties).

12 NEW SECTION. **Sec. 714.** A new section is added to 1997 c 149  
13 (uncodified) to read as follows:

14 **FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE**  
15 **ACCOUNT**

16 Impaired Driving Safety Account Appropriation . . . \$ 480,000

17 The appropriation in this section is subject to the following  
18 conditions and limitations: The amount appropriated in this section  
19 shall be distributed in accordance with RCW 82.14.320. \$240,000 of the  
20 appropriation shall be distributed in January 1999 and the remaining  
21 \$240,000 of the appropriation shall be distributed in April 1999. This  
22 funding is provided to cities for the costs of implementing criminal  
23 justice legislation including, but not limited to, Substitute House  
24 Bill No. 2885 (drunk driving penalties), Second Substitute House Bill  
25 No. 3070 (DUI penalties), Second Substitute House Bill No. 3089  
26 (deferred prosecution), Engrossed Senate Bill No. 6142 (DUI/license  
27 suspension), Engrossed Substitute Senate Bill No. 6165 (ignition  
28 interlock violations), Engrossed Substitute Senate Bill No. 6166 (DUI  
29 penalties), Engrossed Substitute Senate Bill No. 6187 (DUI penalties),  
30 Engrossed Senate Bill No. 6257 (intoxication levels lowered), and  
31 Engrossed Second Substitute Senate Bill No. 6293 (DUI penalties).

32 NEW SECTION. **Sec. 715.** A new section is added to 1997 c 149  
33 (uncodified) to read as follows:

34 **TRANSPORTATION FUND.** (1) The sum of three million dollars is  
35 appropriated from the general fund to the transportation fund for  
36 fiscal year 1998.

1 (2) The sum of nine million six hundred fifty thousand dollars is  
2 appropriated from the general fund to the transportation fund for  
3 fiscal year 1999.

4 **Sec. 716.** 1997 c 149 s 717 (uncodified) is amended to read as  
5 follows:

6 **INCENTIVE SAVINGS--FY 1998.** The sum of seventy-five million  
7 dollars or so much thereof as may be available on June 30, 1998, from  
8 the total amount of unspent fiscal year 1998 state general fund  
9 appropriations is appropriated for the purposes of House Bill No. 2240  
10 or Substitute Senate Bill No. 6045 in the manner provided in this  
11 section.

12 (1) Of the total appropriated amount, one-half of that portion that  
13 is attributable to incentive savings, not to exceed twenty-five million  
14 dollars, is appropriated to the savings incentive account for the  
15 purpose of improving the quality, efficiency, and effectiveness of  
16 agency services, and credited to the agency that generated the savings.

17 (2) The remainder of the total amount, not to exceed seventy  
18 million dollars, is appropriated to the education savings account (~~for~~  
19 ~~the purpose of common school construction projects and education~~  
20 ~~technology~~)).

21 (3) For purposes of this section, the total amount of unspent state  
22 general fund appropriations does not include the appropriations made in  
23 this section or any amounts included in across-the-board allotment  
24 reductions under RCW 43.88.110.

25 **Sec. 717.** 1997 c 149 s 718 (uncodified) is amended to read as  
26 follows:

27 **INCENTIVE SAVINGS--FY 1999.** The sum of seventy-five million  
28 dollars or so much thereof as may be available on June 30, 1999, from  
29 the total amount of unspent fiscal year 1999 state general fund  
30 appropriations is appropriated for the purposes of House Bill No. 2240  
31 or Substitute Senate Bill No. 6045 in the manner provided in this  
32 section.

33 (1) Of the total appropriated amount, one-half of that portion that  
34 is attributable to incentive savings, not to exceed twenty-five million  
35 dollars, is appropriated to the savings incentive account for the  
36 purpose of improving the quality, efficiency, and effectiveness of  
37 agency services, and credited to the agency that generated the savings.



PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 1997 c 454 s 801 (uncodified) is amended to read as follows:

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 . .	\$	((80,634,471))



1		<u>81,354,471</u>
2	Municipal Criminal Justice Account	
3	Appropriation . . . . .	\$ ((32,042,450))
4		<u>32,522,450</u>
5	County Public Health Account Appropriation . . .	\$ ((43,773,588))
6		<u>44,279,086</u>
7	TOTAL APPROPRIATION . . . . .	\$ ((923,196,222))
8		<u>924,901,720</u>

9           The total expenditures from the state treasury under the  
10 appropriations in this section shall not exceed the funds available  
11 under statutory distributions for the stated purposes.

12           NEW SECTION. Sec. 802. WILDLIFE ACCOUNT LOAN. On June 30, 1998,  
13 the state treasurer shall lend three million five hundred thousand  
14 dollars from the state general fund to the wildlife account.  
15 Expenditure of funds is dependent upon the following conditions:

16           (1) By April 17, 1998, the department of fish and wildlife shall  
17 submit an expenditure reduction plan for the 1997-99 biennium for the  
18 state wildlife account to the office of financial management, the  
19 senate ways and means committee, and the house of representatives  
20 appropriations committee. The plan shall specify positions to be  
21 eliminated by program. The reductions shall be limited to activities  
22 currently funded by the wildlife account.

23           (2) By April 17, 1998, the department of fish and wildlife shall  
24 submit a list of properties proposed for sale, with a site description  
25 of each property, to the office of financial management, the senate  
26 ways and means committee, and the house of representatives  
27 appropriations committee.

28           (3) Beginning with the fourth quarter of fiscal year 1998, the  
29 department of fish and wildlife shall submit quarterly revenue and  
30 expenditure reports for the wildlife account to the office of financial  
31 management, the senate ways and means committee, and the house of  
32 representatives appropriations committee.

33           (4) The department of fish and wildlife shall develop, with the  
34 office of financial management and the department of revenue, a model  
35 for forecasting revenues to the state wildlife account. This forecast  
36 shall be incorporated into the quarterly revenue and expenditure  
37 reports.

1 (5) By November 1, 1998, the department of fish and wildlife shall  
2 submit a six-year financial plan for the state wildlife account for  
3 fiscal years 1999-05 to the office of financial management, the senate  
4 ways and means committee, and the house of representatives  
5 appropriations committee. The plan shall include repayment of this  
6 loan by June 30, 2001.

7 Failure to comply with the terms and conditions of this section  
8 shall cause the loan to be immediately payable.

9 **Sec. 803.** 1997 c 454 s 802 (uncodified) is amended to read as  
10 follows:

11 **FOR THE STATE TREASURER--TRANSFERS**

12	General Fund: For transfer to the Water Quality	
13	Account . . . . .	\$ ((26,607,000))
14		<u>28,595,900</u>
15	General Fund: For transfer to the Flood Control	
16	Assistance Account . . . . .	\$ 4,000,000
17	State Convention and Trade Center Account: For	
18	transfer to the State Convention and Trade	
19	Center Operations Account . . . . .	\$ 3,877,000
20	Water Quality Account: For transfer to the Water	
21	Pollution Control Account. Transfers shall be	
22	made at intervals coinciding with deposits of	
23	federal capitalization grant money into the	
24	account. The amounts transferred shall not	
25	exceed the match required for each federal	
26	deposit . . . . .	\$ 21,688,000
27	State Treasurer's Service Account: For transfer to	
28	the general fund on or before June 30, 1999 an	
29	amount up to \$3,600,000 in excess of the cash	
30	requirements of the State Treasurer's Service	
31	Account . . . . .	\$ 3,600,000
32	Public Works Assistance Account: For transfer to	
33	the Drinking Water Assistance Account . . . . .	\$ 9,949,000
34	County Sales and Use Tax Equalization Account:	
35	For transfer to the County Public Health	
36	Account . . . . .	\$ ((1,686,000))
37		<u>2,191,498</u>



1 (2) \$2,000,000 of the reappropriation from the state building  
2 construction account is provided solely to promote development of safe  
3 and affordable housing units for persons eligible for services from the  
4 division of developmental disabilities within the department of social  
5 and health services.

6 (3) \$1,000,000 of the new appropriation from the state building  
7 construction account is provided solely for the development of housing  
8 for low-income temporary or migrant farm workers through grants awarded  
9 after the effective date of this act. The legislature finds that  
10 providing farm worker housing for low-income temporary or migrant  
11 workers is a public purpose. The department shall prioritize grants  
12 and shall award grants on a competitive basis to local governments,  
13 nonprofit corporations, or other nonprofit entities. Grant moneys  
14 awarded by the department under this subsection may be matched by  
15 nonstate sources on a dollar-for-dollar basis, in cash or in-kind. The  
16 amount in this subsection is contingent upon enactment of sections 1  
17 through 8 of Second Substitute Senate Bill No. 6168. If any of these  
18 sections of the bill are not enacted by June 30, 1998, this subsection  
19 is null and void.

20 **Reappropriation:**

21	St Bldg Constr Acct--State . . . . .	\$	25,000,000
22	Washington Housing Trust Acct--State	\$	400,000
23			-----
24	Subtotal Reappropriation . . . . .	\$	25,400,000

25 **Appropriation:**

26	St Bldg Constr Acct--State . . . . .	\$	50,000,000
27	Prior Biennia (Expenditures) . . . . .	\$	125,116,142
28	Future Biennia (Projected Costs) . . . . .	\$	200,000,000
29			-----
30	TOTAL . . . . .	\$	400,516,142

31 (End of part)



1 contributions under this section be terminated on the following January  
2 1st.

3 **Sec. 902.** 1997 c 149 s 902 (uncodified) is amended to read as  
4 follows:

5 **INFORMATION SYSTEMS PROJECTS.** Agencies shall comply with the  
6 following requirements regarding information systems projects when  
7 specifically directed to do so by this act.

8 ~~((1) The agency shall produce a feasibility study for each  
9 information systems project in accordance with published department of  
10 information services instructions. In addition to department of  
11 information services requirements, the study shall examine and evaluate  
12 the costs and benefits of maintaining the status quo and the costs and  
13 benefits of the proposed project. The study shall identify when and in  
14 what amount any fiscal savings will accrue, and what programs or fund  
15 sources will be affected.~~

16 ~~(2) The agency shall produce a project management plan for each  
17 project. The plan or plans shall address all factors critical to  
18 successful completion of each project. The plan shall include, but is  
19 not limited to, the following elements: A description of the problem  
20 or opportunity that the information systems project is intended to  
21 address; a statement of project objectives and assumptions; definition  
22 of phases, tasks, and activities to be accomplished and the estimated  
23 cost of each phase; a description of how the agency will facilitate  
24 responsibilities of oversight agencies; a description of key decision  
25 points in the project life cycle; a description of variance control  
26 measures; a definitive schedule that shows the elapsed time estimated  
27 to complete the project and when each task is to be started and  
28 completed; and a description of resource requirements to accomplish the  
29 activities within specified time, cost, and functionality constraints.~~

30 ~~(3) A copy of each feasibility study and project management plan  
31 shall be provided to the department of information services, the office  
32 of financial management, and legislative fiscal committees. Authority  
33 to expend any funds for individual information systems projects is  
34 conditioned on approval of the relevant feasibility study and project  
35 management plan by the department of information services and the  
36 office of financial management.~~

37 ~~(4) A project status report shall be submitted to the department of  
38 information services, the office of financial management, and~~

1 legislative fiscal committees for each project prior to reaching key  
2 decision points identified in the project management plan. Project  
3 status reports shall examine and evaluate project management,  
4 accomplishments, budget, action to address variances, risk management,  
5 costs and benefits analysis, and other aspects critical to completion  
6 of a project.

7 Work shall not commence on any task in a subsequent phase of a  
8 project until the status report for the preceding key decision point  
9 has been approved by the department of information services and the  
10 office of financial management.

11 (5) If a project review is requested in accordance with department  
12 of information services policies, the reviews shall examine and  
13 evaluate: System requirements specifications; scope; system  
14 architecture; change controls; documentation; user involvement;  
15 training; availability and capability of resources; programming  
16 languages and techniques; system inputs and outputs; plans for testing,  
17 conversion, implementation, and postimplementation; and other aspects  
18 critical to successful construction, integration, and implementation of  
19 automated systems. Copies of project review written reports shall be  
20 forwarded to the office of financial management and appropriate  
21 legislative committees by the agency.

22 (6) A written postimplementation review report shall be prepared by  
23 the agency for each information systems project in accordance with  
24 published department of information services instructions. In addition  
25 to the information requested pursuant to the department of information  
26 services instructions, the postimplementation report shall evaluate the  
27 degree to which a project accomplished its major objectives including,  
28 but not limited to, a comparison of original cost and benefit estimates  
29 to actual costs and benefits achieved. Copies of the  
30 postimplementation review report shall be provided to the department of  
31 information services, the office of financial management, and  
32 appropriate legislative committees.)) (1) Agency planning and decisions  
33 concerning information technology shall be made in the context of its  
34 information technology portfolio. "Information technology portfolio"  
35 means a strategic management approach in which the relationships  
36 between agency missions and information technology investments can be  
37 seen and understood, such that: Technology efforts are linked to  
38 agency objectives and business plans; the impact of new investments on  
39 existing infrastructure and business functions are assessed and

1 understood before implementation; and agency activities are consistent  
2 with the development of an integrated, nonduplicative state-wide  
3 infrastructure.

4 (2) Agencies shall use their information technology portfolios in  
5 making decisions on matters related to the following:

6 (a) System refurbishment, acquisitions, and development efforts;

7 (b) Setting goals and objectives for using information technology  
8 in meeting legislatively-mandated missions and business needs;

9 (c) Assessment of overall information processing performance,  
10 resources, and capabilities;

11 (d) Ensuring appropriate transfer of technological expertise for  
12 the operation of any new systems developed using external resources;  
13 and

14 (e) Progress toward enabling electronic access to public  
15 information.

16 (3) The agency shall produce a feasibility study for information  
17 technology projects at the direction of the information services board  
18 and in accordance with published department of information services  
19 policies and guidelines. At a minimum, such studies shall include a  
20 statement of: (a) The purpose or impetus for change; (b) the business  
21 value to the agency, including an examination and evaluation of  
22 benefits, advantages, and cost; (c) a comprehensive risk assessment  
23 based on the proposed project's impact on both citizens and state  
24 operations, its visibility, and the consequences of doing nothing; (d)  
25 the impact on agency and state-wide information infrastructure; and (e)  
26 the impact of the proposed enhancements to an agency's information  
27 technology capabilities on meeting service delivery demands.

28 (4) The agency shall produce a comprehensive management plan for  
29 each project. The plan or plans shall address all factors critical to  
30 successful completion of each project. The plan(s) shall include, but  
31 is not limited to, the following elements: A description of the  
32 problem or opportunity that the information technology project is  
33 intended to address; a statement of project objectives and assumptions;  
34 a definition and schedule of phases, tasks, and activities to be  
35 accomplished; and the estimated cost of each phase. The planning for  
36 the phased approach shall be such that the business case justification  
37 for a project needs to demonstrate how the project recovers cost or  
38 adds measurable value or positive cost benefit to the agency's business  
39 functions within each development cycle.



1       (5) The agency shall produce quality assurance plans for  
2 information technology projects. Consistent with the direction of the  
3 information services board and the published policies and guidelines of  
4 the department of information services, the quality assurance plan  
5 shall address all factors critical to successful completion of the  
6 project and successful integration with the agency and state  
7 information technology infrastructure. At a minimum, quality assurance  
8 plans shall provide time and budget benchmarks against which project  
9 progress can be measured, a specification of quality assurance  
10 responsibilities, and a statement of reporting requirements. The  
11 quality assurance plans shall set out the functionality requirements  
12 for each phase of a project.

13       (6) A copy of each feasibility study, project management plan, and  
14 quality assurance plan shall be provided to the department of  
15 information services, the office of financial management, and  
16 legislative fiscal committees. The plans and studies shall demonstrate  
17 a sound business case that justifies the investment of taxpayer funds  
18 on any new project, an assessment of the impact of the proposed system  
19 on the existing information technology infrastructure, the disciplined  
20 use of preventative measures to mitigate risk, and the leveraging of  
21 private-sector expertise as needed. Authority to expend any funds for  
22 individual information systems projects is conditioned on the approval  
23 of the relevant feasibility study, project management plan, and quality  
24 assurance plan by the department of information services and the office  
25 of financial management.

26       (7) Quality assurance status reports shall be submitted to the  
27 department of information services, the office of financial management,  
28 and legislative fiscal committees at intervals specified in the  
29 project's quality assurance plan.

30       **Sec. 903.** 1997 c 149 s 905 (uncodified) is amended to read as  
31 follows:

32       **STATUTORY APPROPRIATIONS.** In addition to the amounts appropriated  
33 in this act for revenues for distribution, state contributions to the  
34 law enforcement officers' and fire fighters' retirement system, and  
35 bond retirement and interest including ongoing bond registration and  
36 transfer charges, transfers, interest on registered warrants, and  
37 certificates of indebtedness, there is also appropriated such further  
38 amounts as may be required or available for these purposes under any

1 statutory formula or under chapters 39.94 and 39.96 RCW or any proper  
2 bond covenant made under law.

3 **Sec. 904.** RCW 28B.15.910 and 1997 c 433 s 5 are each amended to  
4 read as follows:

5 (1) Except for revenue waived under programs listed in subsection  
6 (3) of this section, and unless otherwise expressly provided in the  
7 omnibus state appropriations act, the total amount of operating fees  
8 revenue waived, exempted, or reduced by a state university, a regional  
9 university, The Evergreen State College, or the community colleges as  
10 a whole, shall not exceed the percentage of total gross authorized  
11 operating fees revenue set forth below. As used in this section,  
12 "gross authorized operating fees revenue" means the estimated gross  
13 operating fees revenue as estimated under RCW 82.33.020 or as revised  
14 by the office of financial management, before granting any waivers.  
15 This limitation applies to all tuition waiver programs established  
16 before or after July 1, 1992.

17	(a) University of Washington	21 percent
18	(b) Washington State University	20 percent
19	(c) Eastern Washington University	11 percent
20	(d) Central Washington University	8 percent
21	(e) Western Washington University	10 percent
22	(f) The Evergreen State College	6 percent
23	(g) Community colleges as a whole	35 percent

24 (2) The limitations in subsection (1) of this section apply to  
25 waivers, exemptions, or reductions in operating fees contained in the  
26 following:

- 27 (a) RCW 28B.10.265;
- 28 (b) RCW 28B.15.014;
- 29 (c) RCW 28B.15.100;
- 30 (d) RCW 28B.15.225;
- 31 (e) RCW 28B.15.380;
- 32 (f) (~~(Ungraded courses under RCW 28B.15.502(4));~~
- 33 ~~(g))~~) RCW 28B.15.520;
- 34 (~~(h))~~) (g) RCW 28B.15.526;
- 35 (~~(i))~~) (h) RCW 28B.15.527;
- 36 (~~(j))~~) (i) RCW 28B.15.543;
- 37 (~~(k))~~) (j) RCW 28B.15.545;
- 38 (~~(l))~~) (k) RCW 28B.15.555;

1       (~~(m)~~) (l) RCW 28B.15.556;  
2       (~~(n)~~) (m) RCW 28B.15.615;  
3       (~~(o)~~) (n) RCW 28B.15.620;  
4       (~~(p)~~) (o) RCW 28B.15.628;  
5       (~~(q)~~) (p) RCW 28B.15.730;  
6       (~~(r)~~) (q) RCW 28B.15.740;  
7       (~~(s)~~) (r) RCW 28B.15.750;  
8       (~~(t)~~) (s) RCW 28B.15.756;  
9       (~~(u)~~) (t) RCW 28B.50.259;  
10      (~~(v)~~) (u) RCW 28B.70.050; (~~and~~  
11      ~~(w)~~) (v) RCW 28B.80.580; and  
12      (w) During the 1997-99 fiscal biennium, the western interstate  
13      commission for higher education undergraduate exchange program for  
14      students attending Eastern Washington University.

15       (3) The limitations in subsection (1) of this section do not apply  
16 to waivers, exemptions, or reductions in services and activities fees  
17 contained in the following:

- 18       (a) RCW 28B.15.522;  
19       (b) (~~RCW 28B.15.535;~~  
20       ~~(e)~~) RCW 28B.15.540; and  
21       (~~(d)~~) (c) RCW 28B.15.558.

22       **Sec. 905.** RCW 70.105D.070 and 1997 c 406 s 5 are each amended to  
23 read as follows:

24       (1) The state toxics control account and the local toxics control  
25 account are hereby created in the state treasury.

26       (2) The following moneys shall be deposited into the state toxics  
27 control account: (a) Those revenues which are raised by the tax  
28 imposed under RCW 82.21.030 and which are attributable to that portion  
29 of the rate equal to thirty-three one-hundredths of one percent; (b)  
30 the costs of remedial actions recovered under this chapter or chapter  
31 70.105A RCW; (c) penalties collected or recovered under this chapter;  
32 and (d) any other money appropriated or transferred to the account by  
33 the legislature. Moneys in the account may be used only to carry out  
34 the purposes of this chapter, including but not limited to the  
35 following activities:

36       (i) The state's responsibility for hazardous waste planning,  
37 management, regulation, enforcement, technical assistance, and public  
38 education required under chapter 70.105 RCW;

1 (ii) The state's responsibility for solid waste planning,  
2 management, regulation, enforcement, technical assistance, and public  
3 education required under chapter 70.95 RCW;

4 (iii) The hazardous waste cleanup program required under this  
5 chapter;

6 (iv) State matching funds required under the federal cleanup law;

7 (v) Financial assistance for local programs in accordance with  
8 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

9 (vi) State government programs for the safe reduction, recycling,  
10 or disposal of hazardous wastes from households, small businesses, and  
11 agriculture;

12 (vii) Hazardous materials emergency response training;

13 (viii) Water and environmental health protection and monitoring  
14 programs;

15 (ix) Programs authorized under chapter 70.146 RCW;

16 (x) A public participation program, including regional citizen  
17 advisory committees;

18 (xi) Public funding to assist potentially liable persons to pay for  
19 the costs of remedial action in compliance with cleanup standards under  
20 RCW 70.105D.030(2)(e) but only when the amount and terms of such  
21 funding are established under a settlement agreement under RCW  
22 70.105D.040(4) and when the director has found that the funding will  
23 achieve both (A) a substantially more expeditious or enhanced cleanup  
24 than would otherwise occur, and (B) the prevention or mitigation of  
25 unfair economic hardship; and

26 (xii) Development and demonstration of alternative management  
27 technologies designed to carry out the top two hazardous waste  
28 management priorities of RCW 70.105.150.

29 (3) The following moneys shall be deposited into the local toxics  
30 control account: Those revenues which are raised by the tax imposed  
31 under RCW 82.21.030 and which are attributable to that portion of the  
32 rate equal to thirty-seven one-hundredths of one percent.

33 (a) Moneys deposited in the local toxics control account shall be  
34 used by the department for grants or loans to local governments for the  
35 following purposes in descending order of priority: (i) Remedial  
36 actions; (ii) hazardous waste plans and programs under chapter 70.105  
37 RCW; and (iii) solid waste plans and programs under chapters 70.95,  
38 70.95C, 70.95I, and 70.105 RCW. Funds for plans and programs shall be  
39 allocated consistent with the priorities and matching requirements

1 established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During  
2 the 1997-1999 fiscal biennium, moneys in the account may also be used  
3 for the following activities: Conducting a study of whether dioxins  
4 occur in fertilizers, soil amendments, and soils; reviewing  
5 applications for registration of fertilizers; and conducting a study of  
6 plant uptake of metals.

7 (b) Funds may also be appropriated to the department of health to  
8 implement programs to reduce testing requirements under the federal  
9 safe drinking water act for public water systems. The department of  
10 health shall reimburse the account from fees assessed under RCW  
11 70.119A.115 by June 30, 1995.

12 (4) Except for unanticipated receipts under RCW 43.79.260 through  
13 43.79.282, moneys in the state and local toxics control accounts may be  
14 spent only after appropriation by statute.

15 (5) One percent of the moneys deposited into the state and local  
16 toxics control accounts shall be allocated only for public  
17 participation grants to persons who may be adversely affected by a  
18 release or threatened release of a hazardous substance and to not-for-  
19 profit public interest organizations. The primary purpose of these  
20 grants is to facilitate the participation by persons and organizations  
21 in the investigation and remedying of releases or threatened releases  
22 of hazardous substances and to implement the state's solid and  
23 hazardous waste management priorities. No grant may exceed sixty  
24 thousand dollars. Grants may be renewed annually. Moneys appropriated  
25 for public participation from either account which are not expended at  
26 the close of any biennium shall revert to the state toxics control  
27 account.

28 (6) No moneys deposited into either the state or local toxics  
29 control account may be used for solid waste incinerator feasibility  
30 studies, construction, maintenance, or operation.

31 (7) The department shall adopt rules for grant or loan issuance and  
32 performance.

33 NEW SECTION. Sec. 906. During the 1997-99 fiscal biennium, the  
34 lottery commission shall conduct at least two, but not more than four,  
35 scratch games with agricultural fair themes per year. These games are  
36 intended to generate additional moneys sufficient to cover the  
37 distributions under RCW 67.70.240(6).

1       **Sec. 907.** RCW 67.70.240 and 1997 c 220 s 206 are each amended to  
2 read as follows:

3       The moneys in the state lottery account shall be used only:

4       (1) For the payment of prizes to the holders of winning lottery  
5 tickets or shares;

6       (2) For purposes of making deposits into the reserve account  
7 created by RCW 67.70.250 and into the lottery administrative account  
8 created by RCW 67.70.260;

9       (3) For purposes of making deposits into the state's general fund;

10       (4) For distribution to a county for the purpose of paying the  
11 principal and interest payments on bonds issued by the county to  
12 construct a baseball stadium, as defined in RCW 82.14.0485, including  
13 reasonably necessary preconstruction costs. Three million dollars  
14 shall be distributed under this subsection during calendar year 1996.  
15 During subsequent years, such distributions shall equal the prior  
16 year's distributions increased by four percent. Distributions under  
17 this subsection shall cease when the bonds issued for the construction  
18 of the baseball stadium are retired, but not more than twenty years  
19 after the tax under RCW 82.14.0485 is first imposed;

20       (5) For distribution to the stadium and exhibition center account,  
21 created in RCW 43.99N.060. Subject to the conditions of RCW  
22 43.99N.070, six million dollars shall be distributed under this  
23 subsection during the calendar year 1998. During subsequent years,  
24 such distribution shall equal the prior year's distributions increased  
25 by four percent. No distribution may be made under this subsection  
26 after December 31, 1999, unless the conditions for issuance of the  
27 bonds under RCW 43.99N.020(2) are met. Distributions under this  
28 subsection shall cease when the bonds are retired, but not later than  
29 December 31, 2020;

30       (6) For distribution to the fair fund, created in chapter 15.76  
31 RCW. Five hundred sixty-five thousand dollars shall be distributed  
32 under this subsection during the remainder of fiscal year 1998. Two  
33 million dollars shall be distributed under this subsection during  
34 fiscal year 1999.

35       (7) For the purchase and promotion of lottery games and game-  
36 related services; and

37       (~~(7)~~) (8) For the payment of agent compensation.

38       The office of financial management shall require the allotment of  
39 all expenses paid from the account and shall report to the ways and

1 means committees of the senate and house of representatives any changes  
2 in the allotments.

3 NEW SECTION. **Sec. 908.** If Engrossed Second Substitute Senate Bill  
4 No. 6562 is not enacted by June 30, 1998, sections 906 and 907 of this  
5 act are null and void.

6 **Sec. 909.** RCW 69.50.520 and 1997 c 451 s 2 and 1997 c 338 s 69 are  
7 each reenacted and amended to read as follows:

8 The violence reduction and drug enforcement account is created in  
9 the state treasury. All designated receipts from RCW 9.41.110(8),  
10 66.24.210(4), 66.24.290(2), 69.50.505(h)(1), 82.08.150(5),  
11 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989  
12 shall be deposited into the account. Expenditures from the account may  
13 be used only for funding services and programs under chapter 271, Laws  
14 of 1989 and chapter 7, Laws of 1994 sp. sess., including state  
15 incarceration costs. Funds from the account may also be appropriated  
16 to reimburse local governments for costs associated with implementing  
17 criminal justice legislation including chapter 338, Laws of 1997.  
18 During the 1997-1999 biennium, funds from the account may also be used  
19 for costs associated with conducting a feasibility study of the  
20 department of corrections' offender-based tracking system, providing  
21 grants to local governments in accordance with chapter 338, Laws of  
22 1997, and for multijurisdictional narcotics task forces. After July 1,  
23 1999, at least seven and one-half percent of expenditures from the  
24 account shall be used for providing grants to community networks under  
25 chapter 70.190 RCW by the family policy council.

26 **Sec. 910.** RCW 43.88.030 and 1997 c 168 s 5 and 1997 c 96 s 4 are  
27 each reenacted and amended to read as follows:

28 (1) The director of financial management shall provide all agencies  
29 with a complete set of instructions for submitting biennial budget  
30 requests to the director at least three months before agency budget  
31 documents are due into the office of financial management. The  
32 director shall provide agencies that are required under RCW 44.40.070  
33 to develop comprehensive six-year program and financial plans with a  
34 complete set of instructions for submitting these program and financial  
35 plans at the same time that instructions for submitting other budget  
36 requests are provided. The budget document or documents shall consist

1 of the governor's budget message which shall be explanatory of the  
2 budget and shall contain an outline of the proposed financial policies  
3 of the state for the ensuing fiscal period, as well as an outline of  
4 the proposed six-year financial policies where applicable, and shall  
5 describe in connection therewith the important features of the budget.  
6 The message shall set forth the reasons for salient changes from the  
7 previous fiscal period in expenditure and revenue items and shall  
8 explain any major changes in financial policy. Attached to the budget  
9 message shall be such supporting schedules, exhibits and other  
10 explanatory material in respect to both current operations and capital  
11 improvements as the governor shall deem to be useful to the  
12 legislature. The budget document or documents shall set forth a  
13 proposal for expenditures in the ensuing fiscal period, or six-year  
14 period where applicable, based upon the estimated revenues and  
15 caseloads as approved by the economic and revenue forecast council and  
16 caseload forecast council or upon the estimated revenues and caseloads  
17 of the office of financial management for those funds, accounts,  
18 sources, and programs for which the forecast councils do not prepare an  
19 official forecast, including those revenues anticipated to support the  
20 six-year programs and financial plans under RCW 44.40.070. In  
21 estimating revenues to support financial plans under RCW 44.40.070, the  
22 office of financial management shall rely on information and advice  
23 from the interagency revenue task force. Revenues shall be estimated  
24 for such fiscal period from the source and at the rates existing by law  
25 at the time of submission of the budget document, including the  
26 supplemental budgets submitted in the even-numbered years of a  
27 biennium. However, the estimated revenues and caseloads for use in the  
28 governor's budget document may be adjusted to reflect budgetary revenue  
29 transfers and revenue and caseload estimates dependent upon budgetary  
30 assumptions of enrollments, workloads, and caseloads. All adjustments  
31 to the approved estimated revenues and caseloads must be set forth in  
32 the budget document. The governor may additionally submit, as an  
33 appendix to each supplemental, biennial, or six-year agency budget or  
34 to the budget document or documents, a proposal for expenditures in the  
35 ensuing fiscal period from revenue sources derived from proposed  
36 changes in existing statutes.

37 Supplemental and biennial documents shall reflect a six-year  
38 expenditure plan consistent with estimated revenues from existing  
39 sources and at existing rates for those agencies required to submit



1 six-year program and financial plans under RCW 44.40.070. Any  
2 additional revenue resulting from proposed changes to existing statutes  
3 shall be separately identified within the document as well as related  
4 expenditures for the six-year period.

5 The budget document or documents shall also contain:

6 (a) Revenues classified by fund and source for the immediately past  
7 fiscal period, those received or anticipated for the current fiscal  
8 period, those anticipated for the ensuing biennium, and those  
9 anticipated for the ensuing six-year period to support the six-year  
10 programs and financial plans required under RCW 44.40.070;

11 (b) The undesignated fund balance or deficit, by fund;

12 (c) Such additional information dealing with expenditures,  
13 revenues, workload, performance, and personnel as the legislature may  
14 direct by law or concurrent resolution;

15 (d) Such additional information dealing with revenues and  
16 expenditures as the governor shall deem pertinent and useful to the  
17 legislature;

18 (e) Tabulations showing expenditures classified by fund, function,  
19 activity, and ((object)) agency;

20 (f) A delineation of each agency's activities, including those  
21 activities funded from nonbudgeted, nonappropriated sources, including  
22 funds maintained outside the state treasury;

23 (g) Identification of all proposed direct expenditures to implement  
24 the Puget Sound water quality plan under chapter 90.71 RCW, shown by  
25 agency and in total; and

26 (h) Tabulations showing each postretirement adjustment by  
27 retirement system established after fiscal year 1991, to include, but  
28 not be limited to, estimated total payments made to the end of the  
29 previous biennial period, estimated payments for the present biennium,  
30 and estimated payments for the ensuing biennium.

31 (2) The budget document or documents shall include detailed  
32 estimates of all anticipated revenues applicable to proposed operating  
33 or capital expenditures and shall also include all proposed operating  
34 or capital expenditures. The total of beginning undesignated fund  
35 balance and estimated revenues less working capital and other reserves  
36 shall equal or exceed the total of proposed applicable expenditures.  
37 The budget document or documents shall further include:

38 (a) Interest, amortization and redemption charges on the state  
39 debt;

1 (b) Payments of all reliefs, judgments and claims;  
2 (c) Other statutory expenditures;  
3 (d) Expenditures incident to the operation for each agency;  
4 (e) Revenues derived from agency operations;  
5 (f) Expenditures and revenues shall be given in comparative form  
6 showing those incurred or received for the immediately past fiscal  
7 period and those anticipated for the current biennium and next ensuing  
8 biennium, as well as those required to support the six-year programs  
9 and financial plans required under RCW 44.40.070;  
10 (g) A showing and explanation of amounts of general fund and other  
11 funds obligations for debt service and any transfers of moneys that  
12 otherwise would have been available for appropriation;  
13 (h) Common school expenditures on a fiscal-year basis;  
14 (i) A showing, by agency, of the value and purpose of financing  
15 contracts for the lease/purchase or acquisition of personal or real  
16 property for the current and ensuing fiscal periods; and  
17 (j) A showing and explanation of anticipated amounts of general  
18 fund and other funds required to amortize the unfunded actuarial  
19 accrued liability of the retirement system specified under chapter  
20 41.45 RCW, and the contributions to meet such amortization, stated in  
21 total dollars and as a level percentage of total compensation.  
22 (3) A separate capital budget document or schedule shall be  
23 submitted that will contain the following:  
24 (a) A statement setting forth a long-range facilities plan for the  
25 state that identifies and includes the highest priority needs within  
26 affordable spending levels;  
27 (b) A capital program consisting of proposed capital projects for  
28 the next biennium and the two biennia succeeding the next biennium  
29 consistent with the long-range facilities plan. Inasmuch as is  
30 practical, and recognizing emergent needs, the capital program shall  
31 reflect the priorities, projects, and spending levels proposed in  
32 previously submitted capital budget documents in order to provide a  
33 reliable long-range planning tool for the legislature and state  
34 agencies;  
35 (c) A capital plan consisting of proposed capital spending for at  
36 least four biennia succeeding the next biennium;  
37 (d) A strategic plan for reducing backlogs of maintenance and  
38 repair projects. The plan shall include a prioritized list of specific  
39 facility deficiencies and capital projects to address the deficiencies

1 for each agency, cost estimates for each project, a schedule for  
2 completing projects over a reasonable period of time, and  
3 identification of normal maintenance activities to reduce future  
4 backlogs;

5 (e) A statement of the reason or purpose for a project;

6 (f) Verification that a project is consistent with the provisions  
7 set forth in chapter 36.70A RCW;

8 (g) A statement about the proposed site, size, and estimated life  
9 of the project, if applicable;

10 (h) Estimated total project cost;

11 (i) For major projects valued over five million dollars, estimated  
12 costs for the following project components: Acquisition, consultant  
13 services, construction, equipment, project management, and other costs  
14 included as part of the project. Project component costs shall be  
15 displayed in a standard format defined by the office of financial  
16 management to allow comparisons between projects;

17 (j) Estimated total project cost for each phase of the project as  
18 defined by the office of financial management;

19 (k) Estimated ensuing biennium costs;

20 (l) Estimated costs beyond the ensuing biennium;

21 (m) Estimated construction start and completion dates;

22 (n) Source and type of funds proposed;

23 (o) Estimated ongoing operating budget costs or savings resulting  
24 from the project, including staffing and maintenance costs;

25 (p) For any capital appropriation requested for a state agency for  
26 the acquisition of land or the capital improvement of land in which the  
27 primary purpose of the acquisition or improvement is recreation or  
28 wildlife habitat conservation, the capital budget document, or an  
29 omnibus list of recreation and habitat acquisitions provided with the  
30 governor's budget document, shall identify the projected costs of  
31 operation and maintenance for at least the two biennia succeeding the  
32 next biennium. Omnibus lists of habitat and recreation land  
33 acquisitions shall include individual project cost estimates for  
34 operation and maintenance as well as a total for all state projects  
35 included in the list. The document shall identify the source of funds  
36 from which the operation and maintenance costs are proposed to be  
37 funded;

38 (q) Such other information bearing upon capital projects as the  
39 governor deems to be useful;

1 (r) Standard terms, including a standard and uniform definition of  
2 normal maintenance, for all capital projects;

3 (s) Such other information as the legislature may direct by law or  
4 concurrent resolution.

5 For purposes of this subsection (3), the term "capital project"  
6 shall be defined subsequent to the analysis, findings, and  
7 recommendations of a joint committee comprised of representatives from  
8 the house capital appropriations committee, senate ways and means  
9 committee, legislative transportation committee, legislative evaluation  
10 and accountability program committee, and office of financial  
11 management.

12 (4) No change affecting the comparability of agency or program  
13 information relating to expenditures, revenues, workload, performance  
14 and personnel shall be made in the format of any budget document or  
15 report presented to the legislature under this section or RCW  
16 43.88.160(1) relative to the format of the budget document or report  
17 which was presented to the previous regular session of the legislature  
18 during an odd-numbered year without prior legislative concurrence.  
19 Prior legislative concurrence shall consist of (a) a favorable majority  
20 vote on the proposal by the standing committees on ways and means of  
21 both houses if the legislature is in session or (b) a favorable  
22 majority vote on the proposal by members of the legislative evaluation  
23 and accountability program committee if the legislature is not in  
24 session.

25 NEW SECTION. **Sec. 911.** Sections 27, 50, and 57, chapter . . .  
26 (Second Substitute Senate Bill No. 6214), Laws of 1998 are each  
27 repealed.

28 NEW SECTION. **Sec. 912.** This act shall not be construed as  
29 affecting any right or cause of action asserted in *Washington State*  
30 *Legislature v. State of Washington* (Thurston county superior court  
31 cause no. 98-2-00105-1).

32 NEW SECTION. **Sec. 913.** A new section is added to 1997 c 149  
33 (uncodified) to read as follows:

34 Amounts provided in this act are sufficient to implement Engrossed  
35 Senate Bill No. 6325 (ferry vessels authorized). If the bill is not  
36 enacted by June 30, 1998, this section is null and void.



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