
SUBSTITUTE HOUSE BILL 2359

State of Washington

56th Legislature

2000 Regular Session

By House Committee on Health Care (originally sponsored by Representatives Parlette, Cody, Edmonds, Rockefeller, B. Chandler, Schoesler, Kenney, Conway, McDonald and Van Luven)

Read first time 02/04/2000. Referred to Committee on .

1 AN ACT Relating to the nursing facility payment system; amending
2 RCW 74.46.020 and 74.46.421; amending 1999 c 376 s 3 (uncodified);
3 repealing RCW 74.46.908; providing an effective date; and declaring an
4 emergency.

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

6 **Sec. 1.** RCW 74.46.020 and 1999 c 353 s 1 are each amended to read
7 as follows:

8 Unless the context clearly requires otherwise, the definitions in
9 this section apply throughout this chapter.

10 (1) "Accrual method of accounting" means a method of accounting in
11 which revenues are reported in the period when they are earned,
12 regardless of when they are collected, and expenses are reported in the
13 period in which they are incurred, regardless of when they are paid.

14 (2) "Appraisal" means the process of estimating the fair market
15 value or reconstructing the historical cost of an asset acquired in a
16 past period as performed by a professionally designated real estate
17 appraiser with no pecuniary interest in the property to be appraised.
18 It includes a systematic, analytic determination and the recording and

1 analyzing of property facts, rights, investments, and values based on
2 a personal inspection and inventory of the property.

3 (3) "Arm's-length transaction" means a transaction resulting from
4 good-faith bargaining between a buyer and seller who are not related
5 organizations and have adverse positions in the market place. Sales or
6 exchanges of nursing home facilities among two or more parties in which
7 all parties subsequently continue to own one or more of the facilities
8 involved in the transactions shall not be considered as arm's-length
9 transactions for purposes of this chapter. Sale of a nursing home
10 facility which is subsequently leased back to the seller within five
11 years of the date of sale shall not be considered as an arm's-length
12 transaction for purposes of this chapter.

13 (4) "Assets" means economic resources of the contractor, recognized
14 and measured in conformity with generally accepted accounting
15 principles.

16 (5) "Audit" or "department audit" means an examination of the
17 records of a nursing facility participating in the medicaid payment
18 system, including but not limited to: The contractor's financial and
19 statistical records, cost reports and all supporting documentation and
20 schedules, receivables, and resident trust funds, to be performed as
21 deemed necessary by the department and according to department rule.

22 (6) "Bad debts" means amounts considered to be uncollectible from
23 accounts and notes receivable.

24 (7) "Beneficial owner" means:

25 (a) Any person who, directly or indirectly, through any contract,
26 arrangement, understanding, relationship, or otherwise has or shares:

27 (i) Voting power which includes the power to vote, or to direct the
28 voting of such ownership interest; and/or

29 (ii) Investment power which includes the power to dispose, or to
30 direct the disposition of such ownership interest;

31 (b) Any person who, directly or indirectly, creates or uses a
32 trust, proxy, power of attorney, pooling arrangement, or any other
33 contract, arrangement, or device with the purpose or effect of
34 divesting himself or herself of beneficial ownership of an ownership
35 interest or preventing the vesting of such beneficial ownership as part
36 of a plan or scheme to evade the reporting requirements of this
37 chapter;

1 (c) Any person who, subject to (b) of this subsection, has the
2 right to acquire beneficial ownership of such ownership interest within
3 sixty days, including but not limited to any right to acquire:

4 (i) Through the exercise of any option, warrant, or right;

5 (ii) Through the conversion of an ownership interest;

6 (iii) Pursuant to the power to revoke a trust, discretionary
7 account, or similar arrangement; or

8 (iv) Pursuant to the automatic termination of a trust,
9 discretionary account, or similar arrangement;

10 except that, any person who acquires an ownership interest or power
11 specified in (c)(i), (ii), or (iii) of this subsection with the purpose
12 or effect of changing or influencing the control of the contractor, or
13 in connection with or as a participant in any transaction having such
14 purpose or effect, immediately upon such acquisition shall be deemed to
15 be the beneficial owner of the ownership interest which may be acquired
16 through the exercise or conversion of such ownership interest or power;

17 (d) Any person who in the ordinary course of business is a pledgee
18 of ownership interest under a written pledge agreement shall not be
19 deemed to be the beneficial owner of such pledged ownership interest
20 until the pledgee has taken all formal steps necessary which are
21 required to declare a default and determines that the power to vote or
22 to direct the vote or to dispose or to direct the disposition of such
23 pledged ownership interest will be exercised; except that:

24 (i) The pledgee agreement is bona fide and was not entered into
25 with the purpose nor with the effect of changing or influencing the
26 control of the contractor, nor in connection with any transaction
27 having such purpose or effect, including persons meeting the conditions
28 set forth in (b) of this subsection; and

29 (ii) The pledgee agreement, prior to default, does not grant to the
30 pledgee:

31 (A) The power to vote or to direct the vote of the pledged
32 ownership interest; or

33 (B) The power to dispose or direct the disposition of the pledged
34 ownership interest, other than the grant of such power(s) pursuant to
35 a pledge agreement under which credit is extended and in which the
36 pledgee is a broker or dealer.

37 (8) "Capital portion of the rate" means the sum of the property and
38 financing allowance rate allocations, as established in part E of this
39 chapter.

1 (9) "Capitalization" means the recording of an expenditure as an
2 asset.

3 (10) "Case mix" means a measure of the intensity of care and
4 services needed by the residents of a nursing facility or a group of
5 residents in the facility.

6 (11) "Case mix index" means a number representing the average case
7 mix of a nursing facility.

8 (12) "Case mix weight" means a numeric score that identifies the
9 relative resources used by a particular group of a nursing facility's
10 residents.

11 (13) "Contractor" means a person or entity licensed under chapter
12 18.51 RCW to operate a medicare and medicaid certified nursing
13 facility, responsible for operational decisions, and contracting with
14 the department to provide services to medicaid recipients residing in
15 the facility.

16 (14) "Default case" means no initial assessment has been completed
17 for a resident and transmitted to the department by the cut-off date,
18 or an assessment is otherwise past due for the resident, under state
19 and federal requirements.

20 (15) "Department" means the department of social and health
21 services (DSHS) and its employees.

22 (16) "Depreciation" means the systematic distribution of the cost
23 or other basis of tangible assets, less salvage, over the estimated
24 useful life of the assets.

25 (17) "Direct care" means nursing care and related care provided to
26 nursing facility residents. Therapy care shall not be considered part
27 of direct care.

28 (18) "Direct care supplies" means medical, pharmaceutical, and
29 other supplies required for the direct care of a nursing facility's
30 residents.

31 (19) "Entity" means an individual, partnership, corporation,
32 limited liability company, or any other association of individuals
33 capable of entering enforceable contracts.

34 (20) "Equity" means the net book value of all tangible and
35 intangible assets less the recorded value of all liabilities, as
36 recognized and measured in conformity with generally accepted
37 accounting principles.

38 (21) "Facility" or "nursing facility" means a nursing home licensed
39 in accordance with chapter 18.51 RCW, excepting nursing homes certified

1 as institutions for mental diseases, or that portion of a multiservice
2 facility licensed as a nursing home, or that portion of a hospital
3 licensed in accordance with chapter 70.41 RCW which operates as a
4 nursing home.

5 (22) "Fair market value" means the replacement cost of an asset
6 less observed physical depreciation on the date for which the market
7 value is being determined.

8 (23) "Financial statements" means statements prepared and presented
9 in conformity with generally accepted accounting principles including,
10 but not limited to, balance sheet, statement of operations, statement
11 of changes in financial position, and related notes.

12 (24) "Generally accepted accounting principles" means accounting
13 principles approved by the financial accounting standards board (FASB).

14 (25) "Goodwill" means the excess of the price paid for a nursing
15 facility business over the fair market value of all net identifiable
16 tangible and intangible assets acquired, as measured in accordance with
17 generally accepted accounting principles.

18 (26) "Grouper" means a computer software product that groups
19 individual nursing facility residents into case mix classification
20 groups based on specific resident assessment data and computer logic.

21 (27) "Historical cost" means the actual cost incurred in acquiring
22 and preparing an asset for use, including feasibility studies,
23 architect's fees, and engineering studies.

24 (28) "Imprest fund" means a fund which is regularly replenished in
25 exactly the amount expended from it.

26 (29) "Joint facility costs" means any costs which represent
27 resources which benefit more than one facility, or one facility and any
28 other entity.

29 (30) "Lease agreement" means a contract between two parties for the
30 possession and use of real or personal property or assets for a
31 specified period of time in exchange for specified periodic payments.
32 Elimination (due to any cause other than death or divorce) or addition
33 of any party to the contract, expiration, or modification of any lease
34 term in effect on January 1, 1980, or termination of the lease by
35 either party by any means shall constitute a termination of the lease
36 agreement. An extension or renewal of a lease agreement, whether or
37 not pursuant to a renewal provision in the lease agreement, shall be
38 considered a new lease agreement. A strictly formal change in the
39 lease agreement which modifies the method, frequency, or manner in

1 which the lease payments are made, but does not increase the total
2 lease payment obligation of the lessee, shall not be considered
3 modification of a lease term.

4 (31) "Medical care program" or "medicaid program" means medical
5 assistance, including nursing care, provided under RCW 74.09.500 or
6 authorized state medical care services.

7 (32) "Medical care recipient," "medicaid recipient," or "recipient"
8 means an individual determined eligible by the department for the
9 services provided under chapter 74.09 RCW.

10 (33) "Minimum data set" means the overall data component of the
11 resident assessment instrument, indicating the strengths, needs, and
12 preferences of an individual nursing facility resident.

13 (34) "Net book value" means the historical cost of an asset less
14 accumulated depreciation.

15 (35) "Net invested funds" means the net book value of tangible
16 fixed assets employed by a contractor to provide services under the
17 medical care program, including land, buildings, and equipment as
18 recognized and measured in conformity with generally accepted
19 accounting principles, plus an allowance of working capital which shall
20 be five percent of the product of the per patient day rate multiplied
21 by the prior calendar year adjusted total patient days of each
22 contractor.

23 (36) "Noncapital portion of the rate" means the sum of the direct
24 care, therapy care, operations, support services, and variable return
25 rate allocations, as established in part E of this chapter.

26 (37) "Operating lease" means a lease under which rental or lease
27 expenses are included in current expenses in accordance with generally
28 accepted accounting principles.

29 (38) "Owner" means a sole proprietor, general or limited partners,
30 members of a limited liability company, and beneficial interest holders
31 of five percent or more of a corporation's outstanding stock.

32 (39) "Ownership interest" means all interests beneficially owned by
33 a person, calculated in the aggregate, regardless of the form which
34 such beneficial ownership takes.

35 (40) "Patient day" or "resident day" means a calendar day of care
36 provided to a nursing facility resident, regardless of payment source,
37 which will include the day of admission and exclude the day of
38 discharge; except that, when admission and discharge occur on the same
39 day, one day of care shall be deemed to exist. A "medicaid day" or

1 "recipient day" means a calendar day of care provided to a medicaid
2 recipient determined eligible by the department for services provided
3 under chapter 74.09 RCW, subject to the same conditions regarding
4 admission and discharge applicable to a patient day or resident day of
5 care.

6 (41) "Professionally designated real estate appraiser" means an
7 individual who is regularly engaged in the business of providing real
8 estate valuation services for a fee, and who is deemed qualified by a
9 nationally recognized real estate appraisal educational organization on
10 the basis of extensive practical appraisal experience, including the
11 writing of real estate valuation reports as well as the passing of
12 written examinations on valuation practice and theory, and who by
13 virtue of membership in such organization is required to subscribe and
14 adhere to certain standards of professional practice as such
15 organization prescribes.

16 (42) "Qualified therapist" means:

17 (a) A mental health professional as defined by chapter 71.05 RCW;

18 (b) A mental retardation professional who is a therapist approved
19 by the department who has had specialized training or one year's
20 experience in treating or working with the mentally retarded or
21 developmentally disabled;

22 (c) A speech pathologist who is eligible for a certificate of
23 clinical competence in speech pathology or who has the equivalent
24 education and clinical experience;

25 (d) A physical therapist as defined by chapter 18.74 RCW;

26 (e) An occupational therapist who is a graduate of a program in
27 occupational therapy, or who has the equivalent of such education or
28 training; and

29 (f) A respiratory care practitioner certified under chapter 18.89
30 RCW.

31 (43) "Rate" or "rate allocation" means the medicaid per-patient-day
32 payment amount for medicaid patients calculated in accordance with the
33 allocation methodology set forth in part E of this chapter.

34 (44) "Real property," whether leased or owned by the contractor,
35 means the building, allowable land, land improvements, and building
36 improvements associated with a nursing facility.

37 (45) "Rebased rate" or "cost-rebased rate" means a facility-
38 specific component rate assigned to a nursing facility for a particular
39 rate period established on desk-reviewed, adjusted costs reported for

1 that facility covering at least six months of a prior calendar year
2 designated as a year to be used for cost-rebasing payment rate
3 allocations under the provisions of this chapter.

4 (46) "Records" means those data supporting all financial statements
5 and cost reports including, but not limited to, all general and
6 subsidiary ledgers, books of original entry, and transaction
7 documentation, however such data are maintained.

8 (47) "Related organization" means an entity which is under common
9 ownership and/or control with, or has control of, or is controlled by,
10 the contractor.

11 (a) "Common ownership" exists when an entity is the beneficial
12 owner of five percent or more ownership interest in the contractor and
13 any other entity.

14 (b) "Control" exists where an entity has the power, directly or
15 indirectly, significantly to influence or direct the actions or
16 policies of an organization or institution, whether or not it is
17 legally enforceable and however it is exercisable or exercised.

18 (48) "Related care" means only those services that are directly
19 related to providing direct care to nursing facility residents. These
20 services include, but are not limited to, nursing direction and
21 supervision, medical direction, medical records, pharmacy services,
22 activities, and social services.

23 (49) "Resident assessment instrument," including federally approved
24 modifications for use in this state, means a federally mandated,
25 comprehensive nursing facility resident care planning and assessment
26 tool, consisting of the minimum data set and resident assessment
27 protocols.

28 (50) "Resident assessment protocols" means those components of the
29 resident assessment instrument that use the minimum data set to trigger
30 or flag a resident's potential problems and risk areas.

31 (51) "Resource utilization groups" means a case mix classification
32 system that identifies relative resources needed to care for an
33 individual nursing facility resident.

34 (52) "Restricted fund" means those funds the principal and/or
35 income of which is limited by agreement with or direction of the donor
36 to a specific purpose.

37 (53) "Secretary" means the secretary of the department of social
38 and health services.

1 (54) "Support services" means food, food preparation, dietary,
2 housekeeping, and laundry services provided to nursing facility
3 residents.

4 (55) "Therapy care" means those services required by a nursing
5 facility resident's comprehensive assessment and plan of care, that are
6 provided by qualified therapists, or support personnel under their
7 supervision, including related costs as designated by the department.

8 (56) "Title XIX" or "medicaid" means the 1965 amendments to the
9 social security act, P.L. 89-07, as amended and the medicaid program
10 administered by the department.

11 **Sec. 2.** RCW 74.46.421 and 1999 c 353 s 3 are each amended to read
12 as follows:

13 (1) The purpose of part E of this chapter is to determine nursing
14 facility medicaid payment rates that, in the aggregate for all
15 participating nursing facilities, are in accordance with the biennial
16 appropriations act.

17 (2)(a) The department shall use the nursing facility medicaid
18 payment rate methodologies described in this chapter to determine
19 initial component rate allocations for each medicaid nursing facility.

20 (b) The initial component rate allocations shall be subject to
21 adjustment as provided in this section in order to assure that the
22 state-wide average payment rate to nursing facilities is less than or
23 equal to the state-wide average payment rate specified in the biennial
24 appropriations act.

25 (3) Nothing in this chapter shall be construed as creating a legal
26 right or entitlement to any payment that (a) has not been adjusted
27 under this section or (b) would cause the state-wide average payment
28 rate to exceed the state-wide average payment rate specified in the
29 biennial appropriations act.

30 (4)(a) The state-wide average payment rate for the capital portion
31 of the rate for any state fiscal year under the nursing facility
32 medicaid payment system, weighted by patient days, shall not exceed the
33 annual state-wide weighted average nursing facility payment rate for
34 the capital portion of the rate identified for that fiscal year in the
35 biennial appropriations act.

36 (b) If the department determines that the weighted average nursing
37 facility payment rate for the capital portion of the rate calculated in
38 accordance with this chapter is likely to exceed the weighted average

1 nursing facility payment rate for the capital portion of the rate
2 identified in the biennial appropriations act, then the department
3 shall adjust all nursing facility property and financing allowance
4 payment rates proportional to the amount by which the weighted average
5 rate allocations would otherwise exceed the budgeted capital portion of
6 the rate amount. Any such adjustments shall only be made
7 prospectively, not retrospectively, and shall be applied
8 proportionately to each component rate allocation for each facility.

9 (c) Any rate adjustments made under (b) of this subsection that are
10 in excess of the amount necessary to comply with (a) of this subsection
11 shall be refunded to each nursing facility.

12 (5)(a) The state-wide average payment rate for the noncapital
13 portion of the rate for any state fiscal year under the nursing
14 facility payment system, weighted by patient days, shall not exceed the
15 annual state-wide weighted average nursing facility payment rate for
16 the noncapital portion of the rate identified for that fiscal year in
17 the biennial appropriations act.

18 (b) If the department determines that the weighted average nursing
19 facility payment rate for the noncapital portion of the rate calculated
20 in accordance with this chapter is likely to exceed the weighted
21 average nursing facility payment rate for the noncapital portion of the
22 rate identified in the biennial appropriations act, then the department
23 shall adjust all nursing facility direct care, therapy care, support
24 services, operations, and variable return payment rates proportional to
25 the amount by which the weighted average rate allocations would
26 otherwise exceed the budgeted noncapital portion of the rate amount.
27 Any such adjustments shall only be made prospectively, not
28 retrospectively, and shall be applied proportionately to each direct
29 care, therapy care, support services, operations, and variable return
30 rate allocation for each facility.

31 (c) Any rate adjustments made under (b) of this subsection that are
32 in excess of the amount necessary to comply with (a) of this subsection
33 shall be refunded to each nursing facility.

34 **Sec. 3.** 1999 c 376 s 3 (uncodified) is amended to read as follows:
35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
36 **SERVICES PROGRAM**

37 General Fund--State Appropriation (FY 2000) . . . \$ ((452,044,000))
38 453,227,000

1	General Fund--State Appropriation (FY 2001) . . . \$	((476,761,000))
2		<u>479,584,000</u>
3	General Fund--Federal Appropriation \$	((1,001,629,000))
4		<u>1,005,816,000</u>
5	General Fund--Private/Local Appropriation \$	4,274,000
6	Health Services Account--State Appropriation . . \$	2,104,000
7	TOTAL APPROPRIATION \$	((1,936,812,000))
8		<u>1,945,005,000</u>

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

11 (1) The entire health services account appropriation, \$2,118,000 of
12 the general fund--federal appropriation, \$923,000 of the general fund--
13 state appropriation for fiscal year 2000, and \$958,000 of the general
14 fund--state appropriation for fiscal year 2001 are provided solely for
15 health care benefits for home care workers who are employed through
16 state contracts for at least twenty hours per week. Premium payments
17 for individual provider home care workers shall be made only to the
18 subsidized basic health plan. Home care agencies may obtain coverage
19 either through the basic health plan or through an alternative plan
20 with substantially equivalent benefits.

21 (2) \$1,640,000 of the general fund--state appropriation for fiscal
22 year 2000 and \$1,640,000 of the general fund--state appropriation for
23 fiscal year 2001, plus the associated vendor rate increase for each
24 year, are provided solely for operation of the volunteer chore services
25 program.

26 (3) For purposes of implementing Engrossed Second Substitute House
27 Bill No. 1484 (nursing home payment rates), the weighted average
28 nursing facility payment rate for fiscal year 2000 shall be no more
29 than ((~~\$10.36~~)) \$10.85 for the capital portion of the rate and no more
30 than \$108.20 for the noncapital portion of the rate. For fiscal year
31 2001, the weighted average nursing facility payment rate shall be no
32 more than ((~~\$10.57~~)) \$12.00 for the capital portion of the rate and no
33 more than \$110.91 for the noncapital portion of the rate. These rates
34 include vendor rate increases, but exclude nurse's aide training.

35 (4) In addition to the rates set forth in subsection (3), \$286,000
36 of the general fund--state appropriation for fiscal year 2000(~~(,~~
37 ~~\$574,000 of the general fund--state appropriation for fiscal year~~
38 ~~2001,)~~) and ((~~\$928,000~~)) \$310,000 of the general fund--federal
39 appropriation are provided solely for supplemental rate adjustments for

1 certain nursing facilities. In accordance with RCW 74.46.431, the
2 department shall use these funds to apply an additional economic trends
3 and conditions adjustment factor to the rate of any facility whose
4 total rate allocation would otherwise be less than its April 1, 1999,
5 total rate, adjusted for case-mix changes. This supplemental
6 adjustment factor shall be the percentage by which the facility's April
7 1, 1999, rate would otherwise exceed the rate calculated in accordance
8 with chapter 74.46 RCW and subsection (3) of this section, except that
9 (a) no adjustment shall be provided for any amounts by which a
10 facility's rate is lower due to a reduction in its facility-average
11 medicaid case-mix score; and (b) the adjustment factor shall be reduced
12 proportionately for all facilities by the percentage by which total
13 supplemental payments would otherwise exceed the funds provided for
14 such payments in this subsection. This subsection applies only to
15 rates paid for services provided between July 1, 1999, and March 31,
16 2000.

17 (5) \$50,000 of the general fund--state appropriation for fiscal
18 year 2000 and \$50,000 of the general fund--state appropriation for
19 fiscal year 2001 are provided solely for payments to any nursing
20 facility licensed under chapter 18.51 RCW which meets all of the
21 following criteria: (a) The nursing home entered into an arm's length
22 agreement for a facility lease prior to January 1, 1980; (b) the lessee
23 purchased the leased nursing home after January 1, 1980; and (c) the
24 lessor defaulted on its loan or mortgage for the assets of the home
25 after January 1, 1991, and prior to January 1, 1992. Payments provided
26 pursuant to this subsection shall not be subject to the settlement,
27 audit, or rate-setting requirements contained in chapter 74.46 RCW.

28 (6) \$6,264,000 of the general fund--state appropriation for fiscal
29 year 2000, \$13,860,000 of the general fund--state appropriation for
30 fiscal year 2001, and \$21,795,000 of the general fund--federal
31 appropriation are provided solely to increase compensation for
32 individual and for agency home care providers. Payments to individual
33 home care providers are to be increased from \$6.18 per hour to \$6.68
34 per hour on July 1, 1999, and to \$7.18 per hour on July 1, 2000.
35 Payments to agency providers are to increase to \$11.97 per hour on July
36 1, 1999, and to \$12.62 per hour on July 1, 2000. All but 14 cents per
37 hour of the July 1, 1999, increase to agency providers, and all but 15
38 cents per hour of the additional July 1, 2000, increase is to be used
39 to increase wages for direct care workers. The appropriations in this

1 subsection also include the funds needed for the employer share of
2 unemployment and social security taxes on the amount of the increase.

3 (7) \$200,000 of the general fund--state appropriation for fiscal
4 year 2000, \$80,000 of the general fund--state appropriation for fiscal
5 year 2001, and \$280,000 of the general fund--federal appropriation are
6 provided solely for enhancement and integration of existing management
7 information systems to (a) provide data at the local office level on
8 service utilization, costs, and recipient characteristics; and (b)
9 reduce the staff time devoted to data entry.

10 (8) The department of social and health services shall provide
11 access and choice to consumers of adult day health services for the
12 purposes of nursing services, physical therapy, occupational therapy,
13 and psychosocial therapy. Adult day health services shall not be
14 considered a duplication of services for persons receiving care in
15 long-term care settings licensed under chapter 18.20, 72.36, or 70.128
16 RCW.

17 (9) \$1,452,000 of the general fund--state appropriation for fiscal
18 year 2000, \$1,528,000 of the general fund--state appropriation for
19 fiscal year 2001, and \$2,980,000 of the general fund--federal
20 appropriation are provided solely for implementation of Second
21 Substitute House Bill No. 1546 (in-home care services). If Second
22 Substitute House Bill No. 1546 is not enacted by June 30, 1999, the
23 amounts provided in this subsection shall lapse.

24 NEW SECTION. **Sec. 4.** RCW 74.46.908 (Repealer) and 1999 c 353 s 17
25 are each repealed.

26 NEW SECTION. **Sec. 5.** (1) Section 1 of this act takes effect July
27 1, 2000.

28 (2) Sections 2, 3, and 4 of this act are necessary for the
29 immediate preservation of the public peace, health, or safety, or
30 support of the state government and its existing public institutions,
31 and take effect immediately.

--- END ---