

SSB 5403 - CONF REPT  
By Conference Committee

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

3 "PART I  
4 GENERAL GOVERNMENT

5 **Sec. 101.** 2002 c 371 s 112 (uncodified) is amended to read as  
6 follows:

7 **FOR THE ADMINISTRATOR FOR THE COURTS**

8	General Fund--State Appropriation (FY 2002) . . . . .	\$14,900,000
9	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$15,388,000</del> ))
10		<u>\$17,430,000</u>
11	Public Safety and Education Account--State	
12	Appropriation . . . . .	\$27,468,000
13	Judicial Information Systems Account--State	
14	Appropriation . . . . .	\$27,758,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$85,514,000</del> ))
16		<u>\$87,556,000</u>

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

19 (1) Funding provided in the judicial information systems account  
20 appropriation shall be used for the operations and maintenance of  
21 technology systems that improve services provided by the supreme court,  
22 the court of appeals, the office of public defense, and the  
23 administrator for the courts.

24 (2) (~~No moneys appropriated in this section may be expended by the~~  
25 ~~administrator for the courts for payments in excess of fifty percent of~~  
26 ~~the employer contribution on behalf of superior court judges for~~  
27 ~~insurance and health care plans and federal social security and~~

1 medicare and medical aid benefits. As required by Article IV, section  
2 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,  
3 it is the intent of the legislature that the costs of these employer  
4 contributions shall be shared equally between the state and county or  
5 counties in which the judges serve. The administrator for the courts  
6 shall continue to implement procedures for the collection and  
7 disbursement of these employer contributions. During each fiscal year  
8 in the 2001-03 biennium, the office of the administrator for the courts  
9 shall send written notice to the office of community development in the  
10 department of community, trade, and economic development when each  
11 county pays its fifty percent share for the year.

12 ~~(+3))~~ \$223,000 of the public safety and education account  
13 appropriation is provided solely for the gender and justice commission.

14 ~~((+4))~~ (3) \$308,000 of the public safety and education account  
15 appropriation is provided solely for the minority and justice  
16 commission.

17 ~~((+5))~~ (4) \$278,000 of the general fund--state appropriation for  
18 fiscal year 2002, \$285,000 of the general fund--state appropriation for  
19 fiscal year 2003, and \$263,000 of the public safety and education  
20 account appropriation are provided solely for the workload associated  
21 with tax warrants and other state cases filed in Thurston county.

22 ~~((+6))~~ (5) \$750,000 of the general fund--state appropriation for  
23 fiscal year 2002 and \$750,000 of the general fund--state appropriation  
24 for fiscal year 2003 are provided solely for court-appointed special  
25 advocates in dependency matters. The administrator for the courts,  
26 after consulting with the association of juvenile court administrators  
27 and the association of court-appointed special advocate/guardian ad  
28 litem programs, shall distribute the funds to volunteer court-appointed  
29 special advocate/guardian ad litem programs. The distribution of  
30 funding shall be based on the number of children who need volunteer  
31 court-appointed special advocate representation and shall be equally  
32 accessible to all volunteer court-appointed special advocate/guardian  
33 ad litem programs. The administrator for the courts shall not retain  
34 more than six percent of total funding to cover administrative or any  
35 other agency costs.

36 ~~((+7))~~ (6) \$750,000 of the public safety and education account--  
37 state appropriation is provided solely for judicial program  
38 enhancements. Within the funding provided in this subsection, the

1 administrator for the courts, in consultation with the supreme court,  
2 shall determine the program or programs to receive an enhancement.  
3 Among the programs that may be funded from the amount provided in this  
4 subsection are unified family courts.

5 ~~((+8))~~ (7) \$1,800,000 of the judicial information systems  
6 account--state appropriation is provided solely for improvements and  
7 enhancements to the judicial information systems. This funding shall  
8 only be expended after the office of the administrator for the courts  
9 certifies to the office of financial management that there will be at  
10 least a \$1,000,000 ending fund balance in the judicial information  
11 systems account at the end of the 2001-03 biennium.

12 **Sec. 102.** 2002 c 371 s 113 (uncodified) is amended to read as  
13 follows:

14 **FOR THE OFFICE OF PUBLIC DEFENSE**

15	General Fund--State Appropriation (FY 2002) . . . . .	\$600,000
16	<u>General Fund--State Appropriation (FY 2003) . . . . .</u>	<u>\$170,000</u>
17	<u>General Fund--Private/Local Appropriation (FY 2003) . . . . .</u>	<u>\$5,000</u>
18	Public Safety and Education Account--State	
19	Appropriation . . . . .	\$12,344,000
20	TOTAL APPROPRIATION . . . . .	<del>(( \$13,444,000 ))</del>
21		<u>\$13,119,000</u>

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

24 (1) \$204,000 of the public safety and education account  
25 appropriation is provided solely to increase the reimbursement for  
26 private attorneys providing constitutionally mandated indigent defense  
27 in nondeath penalty cases.

28 (2) \$51,000 of the public safety and education account  
29 appropriation is provided solely for the implementation of chapter 303,  
30 Laws of 1999 (court funding).

31 (3) Amounts provided from the public safety and education account  
32 appropriation in this section include funding for investigative  
33 services in death penalty personal restraint petitions.

34 (4) The general fund--state appropriations are provided solely for  
35 the continuation of a dependency and termination legal representation  
36 funding pilot program.

1 (a) The goal of the pilot program shall be to enhance the quality  
2 of legal representation in dependency and termination hearings, thereby  
3 reducing the number of continuances requested by contract attorneys,  
4 including those based on the unavailability of defense counsel. To  
5 meet the goal, the pilot shall include the following components:

6 (i) A maximum caseload requirement of 90 dependency and termination  
7 cases per full-time attorney;

8 (ii) Implementation of enhanced defense attorney practice  
9 standards, including but not limited to those related to reasonable  
10 case preparation and the delivery of adequate client advice, as  
11 developed by Washington state public defense attorneys and included in  
12 the office of public defense December 1999 report *Costs of Defense and*  
13 *Children's Representation in Dependency and Termination Hearings*;

14 (iii) Use of investigative and expert services in appropriate  
15 cases; and

16 (iv) Effective implementation of indigency screening of all  
17 dependency and termination parents, guardians, and legal custodians  
18 represented by appointed counsel.

19 (b) The pilot program shall be established in one eastern and one  
20 western Washington juvenile court.

21 (c) The director shall contract for an independent evaluation of  
22 the pilot program benefits and costs. A final evaluation shall be  
23 submitted to the governor and the fiscal committees of the legislature  
24 no later than February 1, 2002.

25 (d) The chair of the office of public defense advisory committee  
26 shall appoint an implementation committee to:

27 (i) Develop criteria for a statewide program to improve dependency  
28 and termination defense;

29 (ii) Examine caseload impacts to the courts resulting from improved  
30 defense practices; and

31 (iii) Identify methods for the efficient use of expert services and  
32 means by which parents may effectively access services.

33 If sufficient funds are available, the office of public defense  
34 shall contract with the Washington state institute for public policy to  
35 research how reducing dependency and termination case delays affects  
36 foster care and to identify factors that are reducing the number of  
37 family reunifications that occur in dependency and termination cases.

1 (5) \$50,000 of the public safety and education account--state  
2 appropriation is provided solely for the evaluation required in chapter  
3 92, Laws of 2000 (DNA testing).

4 (6) \$235,000 of the public safety and education account--state  
5 appropriation is provided solely for the office of public defense to  
6 contract with an existing public defender association to establish a  
7 capital defense assistance center.

8 **Sec. 103.** 2002 c 371 s 114 (uncodified) is amended to read as  
9 follows:

10 **FOR THE OFFICE OF THE GOVERNOR**

11	General Fund--State Appropriation (FY 2002) . . . . .	\$4,497,000
12	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$4,028,000</del> ))
13		<u>\$3,970,000</u>
14	General Fund--Federal Appropriation . . . . .	\$219,000
15	Water Quality Account--State	
16	Appropriation . . . . .	(( <del>\$3,908,000</del> ))
17		<u>\$3,882,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$12,652,000</del> ))
19		<u>\$12,568,000</u>

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

22 (1) ((~~\$3,908,000~~)) \$3,882,000 of the water quality account  
23 appropriation and \$219,000 of the general fund--federal appropriation  
24 are provided solely for the Puget Sound water quality action team to  
25 implement the Puget Sound work plan and agency action items PSAT-01  
26 through PSAT-05.

27 (2) \$100,000 of the general fund--state appropriation for fiscal  
28 year 2002 is provided solely for the salmon recovery office to support  
29 the efforts of the independent science panel.

30 **Sec. 104.** 2002 c 371 s 118 (uncodified) is amended to read as  
31 follows:

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

33	General Fund--State Appropriation (FY 2002) . . . . .	\$269,000
34	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$274,000</del> ))
35		<u>\$279,000</u>
36	TOTAL APPROPRIATION . . . . .	(( <del>\$543,000</del> ))

1 \$548,000

2 **Sec. 105.** 2002 c 371 s 119 (uncodified) is amended to read as  
3 follows:

4 **FOR THE COMMISSION ON ASIAN-AMERICAN AFFAIRS**

5	General Fund--State Appropriation (FY 2002) . . . . .	\$233,000
6	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$201,000)</del>
7		<u>\$184,000</u>
8	TOTAL APPROPRIATION . . . . .	<del>(\$434,000)</del>
9		<u>\$417,000</u>

10 **Sec. 106.** 2002 c 371 s 122 (uncodified) is amended to read as  
11 follows:

12 **FOR THE ATTORNEY GENERAL**

13	General Fund--State Appropriation (FY 2002) . . . . .	\$4,811,000
14	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$4,070,000)</del>
15		<u>\$4,073,000</u>
16	General Fund--Federal Appropriation . . . . .	\$2,868,000
17	Public Safety and Education Account--State	
18	Appropriation . . . . .	\$1,753,000
19	Tobacco Prevention and Control Account	
20	Appropriation . . . . .	\$277,000
21	New Motor Vehicle Arbitration Account--State	
22	Appropriation . . . . .	\$1,163,000
23	Legal Services Revolving Account--State	
24	Appropriation . . . . .	\$147,422,000
25	TOTAL APPROPRIATION . . . . .	<del>(\$162,364,000)</del>
26		<u>\$162,367,000</u>

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

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

35 (2) The attorney general and the office of financial management  
36 shall modify the attorney general billing system to meet the needs of

1 user agencies for greater predictability, timeliness, and explanation  
2 of how legal services are being used by the agency. The attorney  
3 general shall provide the following information each month to agencies  
4 receiving legal services: (a) The full-time equivalent attorney  
5 services provided for the month; (b) the full-time equivalent  
6 investigator services provided for the month; (c) the full-time  
7 equivalent paralegal services provided for the month; and (d) direct  
8 legal costs, such as filing and docket fees, charged to the agency for  
9 the month.

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

15 (4)(a) \$87,000 of the general fund--state appropriation for fiscal  
16 year 2003 is provided solely for the office of the attorney general to  
17 prepare a report by October 1, 2002, on federal and Indian reserved  
18 water rights, and to submit the report to the standing committees of  
19 the legislature having jurisdiction over water resources. The  
20 objectives of the report shall be to:

21 (i) Examine and characterize the types of water rights issues  
22 involved;

23 (ii) Examine the approaches of other states to such issues and  
24 their results;

25 (iii) Examine methods for addressing such issues including, but not  
26 limited to, administrative, judicial, or other methods, or any  
27 combinations thereof; and

28 (iv) Examine implementation and funding requirements.

29 (b) Following receipt of the report, the standing committees of the  
30 legislature having jurisdiction over water resources shall seek and  
31 consider the recommendations of the relevant departments and agencies  
32 of the United States, the federally recognized Indian tribes with  
33 water-related interests in the state, and water users in the state and  
34 shall develop recommendations.

35 **Sec. 107.** 2002 c 371 s 125 (uncodified) is amended to read as  
36 follows:

1	<b>FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT</b>	
2	General Fund--State Appropriation (FY 2002) . . . . .	\$70,893,000
3	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$60,499,000)</del>
4		<u>\$59,723,000</u>
5	General Fund--Federal Appropriation . . . . .	<del>(\$173,342,000)</del>
6		<u>\$201,965,000</u>
7	General Fund--Private/Local Appropriation . . . . .	\$7,980,000
8	Public Safety and Education Account--State	
9	Appropriation . . . . .	\$10,094,000
10	Public Works Assistance Account--State	
11	Appropriation . . . . .	\$1,911,000
12	Salmon Recovery Account--State Appropriation . . . . .	\$1,500,000
13	Film and Video Promotion Account--State	
14	Appropriation . . . . .	\$25,000
15	Building Code Council Account--State	
16	Appropriation . . . . .	<del>(\$1,226,000)</del>
17		<u>\$1,061,000</u>
18	Administrative Contingency Account--State	
19	Appropriation . . . . .	\$1,777,000
20	Low-Income Weatherization Assistance Account--State	
21	Appropriation . . . . .	\$3,292,000
22	Violence Reduction and Drug Enforcement Account--	
23	State Appropriation . . . . .	\$7,513,000
24	Manufactured Home Installation Training Account--	
25	State Appropriation . . . . .	\$256,000
26	Community Economic Development Account--	
27	State Appropriation . . . . .	\$113,000
28	Washington Housing Trust Account--State	
29	Appropriation . . . . .	\$10,368,000
30	Public Facility Construction Loan Revolving	
31	Account--State Appropriation . . . . .	\$586,000
32	TOTAL APPROPRIATION . . . . .	<del>(\$351,375,000)</del>
33		<u>\$379,057,000</u>

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

36 (1) It is the intent of the legislature that the department of  
37 community, trade, and economic development receive separate  
38 programmatic allotments for the office of community development and the



1 office of trade and economic development. Any appropriation made to  
2 the department of community, trade, and economic development for  
3 carrying out the powers, functions, and duties of either office shall  
4 be credited to the appropriate office.

5 (2) \$3,085,000 of the general fund--state appropriation for fiscal  
6 year 2002 and \$2,838,000 of the general fund--state appropriation for  
7 fiscal year 2003 are provided solely for a contract with the Washington  
8 technology center. For work essential to the mission of the Washington  
9 technology center and conducted in partnership with universities, the  
10 center shall not pay any increased indirect rate nor increases in other  
11 indirect charges above the absolute amount paid during the 1995-97  
12 fiscal biennium.

13 (3) \$61,000 of the general fund--state appropriation for fiscal  
14 year 2002 and \$62,000 of the general fund--state appropriation for  
15 fiscal year 2003 are provided solely for the implementation of the  
16 Puget Sound work plan and agency action item OCD-01.

17 (4) \$10,804,156 of the general fund--federal appropriation is  
18 provided solely for the drug control and system improvement formula  
19 grant program, to be distributed in state fiscal year 2002 as follows:

20 (a) \$3,603,250 to local units of government to continue  
21 multijurisdictional narcotics task forces;

22 (b) \$620,000 to the department to continue the drug prosecution  
23 assistance program in support of multijurisdictional narcotics task  
24 forces;

25 (c) \$1,363,000 to the Washington state patrol for coordination,  
26 investigative, and supervisory support to the multijurisdictional  
27 narcotics task forces and for methamphetamine education and response;

28 (d) \$200,000 to the department for grants to support tribal law  
29 enforcement needs;

30 (e) \$991,000 to the department of social and health services,  
31 division of alcohol and substance abuse, for drug courts in eastern and  
32 western Washington;

33 (f) \$302,551 to the department for training and technical  
34 assistance of public defenders representing clients with special needs;

35 (g) \$88,000 to the department to continue a substance abuse  
36 treatment in jails program, to test the effect of treatment on future  
37 criminal behavior;

1 (h) \$697,075 to the department to continue domestic violence legal  
2 advocacy;

3 (i) \$903,000 to the department of social and health services,  
4 juvenile rehabilitation administration, to continue youth violence  
5 prevention and intervention projects;

6 (j) \$60,000 to the Washington association of sheriffs and police  
7 chiefs to complete the state and local components of the national  
8 incident-based reporting system;

9 (k) \$60,000 to the department for community-based advocacy services  
10 to victims of violent crime, other than sexual assault and domestic  
11 violence;

12 (l) \$91,000 to the department to continue the governor's council on  
13 substance abuse;

14 (m) \$99,000 to the department to continue evaluation of Byrne  
15 formula grant programs;

16 (n) \$901,180 to the office of financial management for criminal  
17 history records improvement; and

18 (o) \$825,100 to the department for required grant administration,  
19 monitoring, and reporting on Byrne formula grant programs.

20 These amounts represent the maximum Byrne grant expenditure  
21 authority for each program. No program may expend Byrne grant funds in  
22 excess of the amounts provided in this subsection. If moneys in excess  
23 of those appropriated in this subsection become available, whether from  
24 prior or current fiscal year Byrne grant distributions, the department  
25 shall hold these moneys in reserve and may not expend them without  
26 specific appropriation. These moneys shall be carried forward and  
27 applied to the pool of moneys available for appropriation for programs  
28 and projects in the succeeding fiscal year. As part of its budget  
29 request for the succeeding year, the department shall estimate and  
30 request authority to spend any funds remaining in reserve as a result  
31 of this subsection.

32 (5) \$320,000 of the general fund--state appropriation for fiscal  
33 year 2002 and \$320,000 of the general fund--state appropriation for  
34 fiscal year 2003 are provided solely for the rural economic opportunity  
35 fund.

36 (6) \$1,250,000 of the general fund--state appropriation for fiscal  
37 year 2002 and \$1,250,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for grants to operate, repair, and  
2 staff shelters for homeless families with children.

3 (7) \$2,500,000 of the general fund--state appropriation for fiscal  
4 year 2002 and \$2,500,000 of the general fund--state appropriation for  
5 fiscal year 2003 are provided solely for grants to operate transitional  
6 housing for homeless families with children. The grants may also be  
7 used to make partial payments for rental assistance.

8 (8) \$1,250,000 of the general fund--state appropriation for fiscal  
9 year 2002 and \$1,250,000 of the general fund--state appropriation for  
10 fiscal year 2003 are provided solely for consolidated emergency  
11 assistance to homeless families with children.

12 (9) \$205,000 of the general fund--state appropriation for fiscal  
13 year 2002 and \$205,000 of the general fund--state appropriation for  
14 fiscal year 2003 are provided solely for grants to Washington Columbia  
15 river gorge counties to implement their responsibilities under the  
16 national scenic area management plan. Of this amount, \$390,000 is  
17 provided for Skamania county and \$20,000 is provided for Clark county.

18 (10) \$698,000 of the general fund--state appropriation for fiscal  
19 year 2002, \$698,000 of the general fund--state appropriation for fiscal  
20 year 2003, and \$1,101,000 of the administrative contingency account  
21 appropriation are provided solely for contracting with associate  
22 development organizations to maintain existing programs.

23 (11) \$600,000 of the public safety and education account  
24 appropriation is provided solely for sexual assault prevention and  
25 treatment programs.

26 (12) \$680,000 of the Washington housing trust account appropriation  
27 is provided solely to conduct a pilot project designed to lower  
28 infrastructure costs for residential development.

29 (13) \$50,000 of the general fund--state appropriation for fiscal  
30 year 2002 and \$50,000 of the general fund--state appropriation for  
31 fiscal year 2003 are provided to the department solely for providing  
32 technical assistance to developers of housing for farmworkers.

33 (14) \$370,000 of the general fund--state appropriation for fiscal  
34 year 2002, \$371,000 of the general fund--state appropriation for fiscal  
35 year 2003, and \$25,000 of the film and video promotion account  
36 appropriation are provided solely for the film office to bring film and  
37 video production to Washington state.

1 (15) \$22,000 of the general fund--state appropriation for fiscal  
2 year 2002 is provided solely as a matching grant to support the  
3 Washington state senior games. State funding shall be matched with at  
4 least an equal amount of private or local governmental funds.

5 (16) \$500,000 of the general fund--state appropriation for fiscal  
6 year 2002 and \$500,000 of the general fund--state appropriation for  
7 fiscal year 2003 are provided solely for grants to food banks and food  
8 distribution centers to increase their ability to accept, store, and  
9 deliver perishable food.

10 (17) \$230,000 of the general fund--state appropriation for fiscal  
11 year 2002, \$230,000 of the general fund--state appropriation for fiscal  
12 year 2003, and the entire community economic development account  
13 appropriation are provided solely for support of the developmental  
14 disabilities endowment governing board and startup costs of the  
15 endowment program. Startup costs are a loan from the state general  
16 fund and will be repaid from funds within the program as determined by  
17 the governing board. The governing board may use state appropriations  
18 to implement a sliding-scale fee waiver for families earning below 150  
19 percent of the state median family income. The director of the  
20 department, or the director of the subsequent department of community  
21 development, may implement fees to support the program as provided  
22 under RCW 43.330.152.

23 (18) \$880,000 of the public safety and education account  
24 appropriation is provided solely for community-based legal advocates to  
25 assist sexual assault victims with both civil and criminal justice  
26 issues. If Senate Bill No. 5309 is not enacted by June 30, 2001, the  
27 amount provided in this subsection shall lapse.

28 (19) \$65,000 of the general fund--state appropriation for fiscal  
29 year 2002 and \$65,000 of the general fund--state appropriation for  
30 fiscal year 2003 are provided solely for a contract with a food  
31 distribution program for communities in the southwestern portion of the  
32 state and for workers impacted by timber and salmon fishing closures  
33 and reductions. The department may not charge administrative overhead  
34 or expenses to the funds provided in this subsection.

35 (20) \$120,000 of the general fund--state appropriation for fiscal  
36 year 2002 and \$120,000 of the Washington housing trust account  
37 appropriation for fiscal year 2003 are provided solely as one-time  
38 pass-through funding to currently licensed overnight youth shelters.

1 If Substitute House Bill No. 2060 (low-income housing) is not enacted  
2 by June 30, 2002, the fiscal year 2003 appropriation shall be made from  
3 the state general fund.

4 (21) \$1,868,000 of the Washington housing trust account  
5 appropriation for fiscal year 2003 is provided solely for emergency  
6 shelter assistance. If Substitute House Bill No. 2060 (low-income  
7 housing) is not enacted by June 30, 2002, the fiscal year 2003  
8 appropriation shall be made from the state general fund.

9 (22) Repayments of outstanding loans granted under RCW 43.63A.600,  
10 the mortgage and rental assistance program, shall be remitted to the  
11 department, including any current revolving account balances. The  
12 department shall contract with a lender or contract collection agent to  
13 act as a collection agent of the state. The lender or contract  
14 collection agent shall collect payments on outstanding loans, and  
15 deposit them into an interest-bearing account. The funds collected  
16 shall be remitted to the department quarterly. Interest earned in the  
17 account may be retained by the lender or contract collection agent, and  
18 shall be considered a fee for processing payments on behalf of the  
19 state. Repayments of loans granted under this chapter shall be made to  
20 the lender or contract collection agent as long as the loan is  
21 outstanding, notwithstanding the repeal of the chapter.

22 (23) \$75,000 of the general fund--state appropriation for fiscal  
23 year 2002 is provided solely for the community connections program in  
24 Walla Walla.

25 (24) \$100,000 of the general fund--state appropriation for fiscal  
26 year 2002 and \$100,000 of the general fund--state appropriation for  
27 fiscal year 2003 are provided to the office of community development  
28 solely for the purposes of providing assistance to industrial workers  
29 who have been displaced by energy cost-related industrial plant  
30 closures in rural counties. For purposes of this subsection, "rural  
31 county" is as defined in RCW 82.14.370(5). The office of community  
32 development shall distribute the amount in this subsection to community  
33 agencies that assist the displaced industrial workers in meeting basic  
34 needs including, but not limited to, emergency medical and dental  
35 services, family and mental health counseling, food, energy costs,  
36 mortgage, and rental costs. The department shall not retain more than  
37 two percent of the amount provided in this subsection for  
38 administrative costs.

1 (25) \$91,500 of the general fund--state appropriation for fiscal  
2 year 2002 and \$91,500 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely for services related to the  
4 foreign representative contract for Japan.

5 (26) \$81,000 of the general fund--state appropriation for fiscal  
6 year 2002 is provided solely for business finance and loan programs.

7 (27) \$150,000 of the general fund--state appropriation for fiscal  
8 year 2002 is provided solely for the quick sites initiative program.

9 (28) \$120,000 of the general fund--state appropriation for fiscal  
10 year 2002 is provided solely for operating a business information  
11 hotline.

12 (29) \$29,000 of the general fund--state appropriation for fiscal  
13 year 2002 is provided solely for travel expenses associated with the  
14 office of trade and economic development's provision of outreach and  
15 technical assistance services to businesses and local economic  
16 development associations.

17 (30) \$100,000 of the general fund--state appropriation for fiscal  
18 year 2002 and \$100,000 of the general fund--state appropriation for  
19 fiscal year 2003 are provided solely for information technology  
20 enhancements designed to improve the delivery of agency services to  
21 customers.

22 (~~(+32+)~~) (31) \$10,111,682 of the general fund--federal  
23 appropriation is provided solely for the drug control and system  
24 improvement formula grant program, to be distributed in state fiscal  
25 year 2003 as follows:

26 (a) \$3,551,972 to local units of government to continue  
27 multijurisdictional narcotics task forces;

28 (b) \$611,177 to the department to continue the drug prosecution  
29 assistance program in support of multijurisdictional narcotics task  
30 forces;

31 (c) \$1,343,603 to the Washington state patrol for coordination,  
32 investigative, and supervisory support to the multijurisdictional  
33 narcotics task forces and for methamphetamine education and response;

34 (d) \$197,154 to the department for grants to support tribal law  
35 enforcement needs;

36 (e) \$976,897 to the department of social and health services,  
37 division of alcohol and substance abuse, for drug courts in eastern and  
38 western Washington;

1 (f) \$298,246 to the department for training and technical  
2 assistance of public defenders representing clients with special needs;

3 (g) \$687,155 to the department to continue domestic violence legal  
4 advocacy;

5 (h) \$890,150 to the department of social and health services,  
6 juvenile rehabilitation administration, to continue youth violence  
7 prevention and intervention projects;

8 (i) \$89,705 to the department to continue the governor's council on  
9 substance abuse;

10 (j) \$97,591 to the department to continue evaluation of Byrne  
11 formula grant programs;

12 (k) \$494,675 to the office of financial management for criminal  
13 history records improvement;

14 (l) \$60,000 to the department for community-based advocacy services  
15 to victims of violent crime, other than sexual assault and domestic  
16 violence; and

17 (m) \$813,358 to the department for required grant administration,  
18 monitoring, and reporting on Byrne formula grant programs.

19 These amounts represent the maximum Byrne grant expenditure  
20 authority for each program. No program may expend Byrne grant funds in  
21 excess of the amounts provided in this subsection. If moneys in excess  
22 of those appropriated in this subsection become available, whether from  
23 prior or current fiscal year Byrne grant distributions, the department  
24 shall hold these moneys in reserve and may not expend them without  
25 specific appropriation. These moneys shall be carried forward and  
26 applied to the pool of moneys available for appropriation for programs  
27 and projects in the succeeding fiscal year. As part of its budget  
28 request for the succeeding year, the department shall estimate and  
29 request authority to spend any funds remaining in reserve as a result  
30 of this subsection.

31 ~~((33) \$165,000 of the building code council account appropriation  
32 for fiscal year 2003 is provided solely for the state building code  
33 council pursuant to Senate Bill No. 5352 (building code council fee  
34 increase). If the bill is not enacted by June 30, 2002, the amount  
35 provided in this subsection shall lapse.~~

36 ~~(35))~~ (32) The appropriations in this section reflect a reduction  
37 of \$504,000 from the general fund--state appropriation for fiscal year  
38 2003. To implement this reduction, the office of trade and economic

1 development shall take actions consistent with its mission, goals, and  
2 objectives to reduce operating costs. Such action, to the greatest  
3 extent possible, shall maintain direct payments to service providers,  
4 grants to other entities, and other pass-through funds. Examples of  
5 actions that may be taken to effect this reduction include hiring  
6 freezes, employee furloughs, staffing reductions, restricted travel and  
7 training, delaying purchases of equipment, and limiting personal  
8 service contracts.

9 ~~((+36+))~~ (33) \$40,000 of the general fund--state appropriation for  
10 fiscal year 2003 is provided solely to implement the state task force  
11 on funding for community-based services to victims of crime as provided  
12 in Senate Bill No. 6763. If the bill is not enacted by June 30, 2002,  
13 the amount provided in this subsection shall lapse.

14 ~~((+37+))~~ (34) The appropriations in this section reflect a  
15 reduction of \$1,641,000 from the general fund--state appropriation for  
16 fiscal year 2003. To implement this reduction, the office of community  
17 development shall take actions consistent with its mission, goals, and  
18 objectives to reduce operating costs. Such action, to the greatest  
19 extent possible, shall maintain direct payments to service providers,  
20 grants to other entities, and other pass-through funds. Examples of  
21 actions that may be taken to effect this reduction include hiring  
22 freezes, employee furloughs, staffing reductions, restricted travel and  
23 training, delaying purchases of equipment, and limiting personal  
24 service contracts.

25 **Sec. 108.** 2002 c 371 s 127 (uncodified) is amended to read as  
26 follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

28	General Fund--State Appropriation (FY 2002) . . . . .	\$12,456,000
29	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$12,508,000 ))</del>
30		<u>\$12,488,000</u>
31	General Fund--Federal Appropriation . . . . .	<del>(( \$23,657,000 ))</del>
32		<u>\$35,657,000</u>
33	Violence Reduction and Drug Enforcement	
34	Account--State Appropriation . . . . .	\$226,000
35	State Auditing Services Revolving	
36	Account--State Appropriation . . . . .	\$25,000
37	TOTAL APPROPRIATION . . . . .	<del>(( \$48,872,000 ))</del>



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

(1) The office of financial management shall review policies and procedures regarding purchasing of information technology upgrades by state agencies. Information technology upgrades include replacement workstations, network equipment, operating systems and application software. The review shall document existing policies and procedures, and shall compare alternative upgrade policies that reduce the overall cost to state government for maintaining adequate information technology to meet the existing business needs of state agencies. Findings and recommendations from this review shall be reported to appropriate committees of the legislature by December 1, 2001.

(2) State agencies that provide services to other state agencies are expected to reduce their expenditures and to share the savings with their clients. The office of financial management shall achieve a reduction of \$339,000 in its billings for financial system services purchased by state agencies in fiscal year 2003. The reduction is expected to result from both reduced demand for services and reduced rates.

(3) \$500,000 of the general fund--state appropriation for fiscal year 2003 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2671 (permit assistance center). If the bill is not enacted by June 30, 2002, the amount provided in this subsection shall lapse.

(4) \$350,000 of the general fund--state appropriation for fiscal year 2003 is provided solely for an assessment and performance scoring of state agencies and separate systemwide performance audits of two governmental functions: State capital construction practices and state contracting practices.

(a) The scorecard on state agencies shall include, but not be limited to, the following:

- (i) Quality and process management practices;
- (ii) Independent and internal audit functions;
- (iii) Internal and external customer satisfaction;
- (iv) Program effectiveness;
- (v) Fiscal productivity and efficiency; and
- (vi) Statutory and regulatory compliance.

1 Each agency shall be graded on the categories selected for the  
2 scorecard. The office of financial management shall submit the results  
3 of the performance scoring, forward recommendations for legislation to  
4 the governor and the appropriate committees of the legislature by  
5 November 30, 2002, and release the results of the performance scoring  
6 to the public.

7 (b)(i) The office of financial management shall conduct separate  
8 systemwide performance audits on the state's capital construction and  
9 contracting practices using generally accepted government auditing  
10 standards. Each performance audit shall include, but not be limited  
11 to, a review of the following:

12 (A) Validity and reliability of management's performance measures;

13 (B) A review of internal controls and internal audits;

14 (C) The adequacy of systems used for measuring, reporting, and  
15 monitoring performance;

16 (D) The extent to which legislative, regulatory, and organizational  
17 goals and objectives are being achieved; and

18 (E) Identification and recognition of best practices.

19 (ii) The performance audit on state capital construction practices  
20 shall include building projects, highway projects, and architectural  
21 and engineering services. The following state agencies, at a minimum,  
22 shall be subject to audit sampling: Department of transportation,  
23 department of general administration, and state higher education  
24 agencies.

25 (iii) The performance audit on state contracting practices shall  
26 include state agencies with sufficient activity with personal services  
27 contracts and other types of contracts to evaluate the state's  
28 contracting practices.

29 (iv) The office of financial management shall grade the results of  
30 the performance audits to indicate agencies' performance regarding  
31 capital construction and contracting practices. The office of  
32 financial management shall report findings from the performance audits  
33 to the governor and appropriate legislative committees by November 30,  
34 2002.

35 (c) The office of financial management may contract for consulting  
36 services in completing requirements under this subsection.

1       **Sec. 109.** 2002 c 371 s 128 (uncodified) is amended to read as  
2 follows:

3       **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

4	Administrative Hearings Revolving Account--State	
5	Appropriation . . . . .	(( <del>\$22,394,000</del> ))
6		<u>\$23,473,000</u>

7       **Sec. 110.** 2002 c 371 s 132 (uncodified) is amended to read as  
8 follows:

9       **FOR THE COMMISSION ON HISPANIC AFFAIRS**

10	General Fund--State Appropriation (FY 2002) . . . . .	\$226,000
11	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$210,000</del> ))
12		<u>\$215,000</u>
13	TOTAL APPROPRIATION . . . . .	(( <del>\$436,000</del> ))
14		<u>\$441,000</u>

15       **Sec. 111.** 2002 c 371 s 133 (uncodified) is amended to read as  
16 follows:

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

18	General Fund--State Appropriation (FY 2002) . . . . .	\$211,000
19	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$207,000</del> ))
20		<u>\$212,000</u>
21	TOTAL APPROPRIATION . . . . .	(( <del>\$418,000</del> ))
22		<u>\$423,000</u>

23       **Sec. 112.** 2002 c 371 s 135 (uncodified) is amended to read as  
24 follows:

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

26	Dependent Care Administrative Account--State	
27	Appropriation . . . . .	\$378,000
28	Department of Retirement Systems Expense Account--	
29	State Appropriation . . . . .	(( <del>\$49,183,000</del> ))
30		<u>\$49,044,000</u>
31	TOTAL APPROPRIATION . . . . .	(( <del>\$49,561,000</del> ))
32		<u>\$49,422,000</u>

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

1 (1) \$1,000,000 of the department of retirement systems expense  
2 account appropriation is provided solely for support of the information  
3 systems project known as the electronic document image management  
4 system.

5 (2) \$120,000 of the department of retirement systems expense  
6 account appropriation is provided solely for locating inactive members  
7 entitled to retirement benefits.

8 (3) \$117,000 of the department of retirement systems expense  
9 account appropriation is provided solely for modifications to the  
10 retirement information systems to accommodate tracking of  
11 postretirement employment on an hourly basis.

12 (4) \$440,000 of the department of retirement systems expense  
13 account appropriation is provided solely for the implementation of  
14 Engrossed Senate Bill No. 5143 (Washington state patrol retirement  
15 systems plan 2).

16 (5) \$6,420,000 of the department of retirement systems expense  
17 account appropriation is provided solely for the implementation of  
18 public employees' retirement system plan 3 (chapter 247, Laws of 2000).

19 (6) \$96,000 of the department of retirement systems expense account  
20 appropriation is provided solely for the implementation of Senate Bill  
21 No. 6376 (PERS plan 3 transfer payment). If the bill is not enacted by  
22 June 30, 2002, the amount provided in this subsection shall lapse.

23 ~~(7) ((\$9,000 of the department of retirement systems expense~~  
24 ~~account appropriation is provided solely for the implementation of~~  
25 ~~Senate Bill No. 6377 (TRS plan 1 extended school year). If the bill is~~  
26 ~~not enacted by June 30, 2002, the amount provided in this subsection~~  
27 ~~shall lapse.~~

28 ~~(8))~~ \$12,000 of the department of retirement systems expense  
29 account appropriation is provided solely for the implementation of  
30 Senate Bill No. 6378 (LEOFF plan 2 part-time leave of absence). If the  
31 bill is not enacted by June 30, 2002, the amount provided in this  
32 subsection shall lapse.

33 ~~((9))~~ (8) \$122,000 of the department of retirement systems  
34 expense account appropriation is provided solely for the implementation  
35 of Senate Bill No. 6379 (transferring service credit to WSPRS). If the  
36 bill is not enacted by June 30, 2002, the amount provided in this  
37 subsection shall lapse.

1        ~~((10))~~ (9) \$651,000 of the department of retirement systems  
2 expense account appropriation is provided solely for the implementation  
3 of Engrossed Senate Bill No. 6380 (survivor benefits). If the bill is  
4 not enacted by June 30, 2002, the amount provided in this subsection  
5 shall lapse.

6        ~~((11))~~ (10) \$53,000 of the department of retirement systems  
7 expense account appropriation is provided solely for the implementation  
8 of Senate Bill No. 6381 (PERS plan 1 terminated vested). If the bill  
9 is not enacted by June 30, 2002, the amount provided in this subsection  
10 shall lapse.

11        ~~((12) \$130,000 of the department of retirement systems expense  
12 account appropriation for fiscal year 2003 is provided solely for the  
13 implementation of House Bill No. 2896 (EMT service credit transfer).  
14 If the bill is not enacted by June 30, 2002, the amount provided in  
15 this subsection shall lapse.~~

16        ~~(13))~~ (11) The appropriations in this section are reduced to  
17 reflect savings resulting from a 0.01 percent reduction of the  
18 department of retirement systems administrative expense rate, effective  
19 May 1, 2002, from 0.23 to 0.22 for the remainder of the 2001-03  
20 biennium.

21        **Sec. 113.** 2002 c 371 s 137 (uncodified) is amended to read as  
22 follows:

23 **FOR THE DEPARTMENT OF REVENUE**

24	General Fund--State Appropriation (FY 2002) . . . . .	<del>(( \$72,823,000 ))</del>
25		<u>\$72,820,000</u>
26	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$78,149,000 ))</del>
27		<u>\$77,118,000</u>
28	Timber Tax Distribution Account--State	
29	Appropriation . . . . .	\$5,131,000
30	Waste Education/Recycling/Litter Control--State	
31	Appropriation . . . . .	\$101,000
32	State Toxics Control Account--State	
33	Appropriation . . . . .	\$67,000
34	Oil Spill Administration Account--State	
35	Appropriation . . . . .	\$14,000
36	Multimodal Transportation Account--State	
37	Appropriation . . . . .	<del>(( \$109,000 ))</del>

1		<u>\$9,000</u>
2	TOTAL APPROPRIATION . . . . .	(( <del>\$156,394,000</del> ))
3		<u>\$155,260,000</u>

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

6 (1) \$269,000 of the general fund--state appropriation for fiscal  
7 year 2002 and \$49,000 of the general fund--state appropriation for  
8 fiscal year 2003 are provided solely to establish and provide staff  
9 support to a committee on taxation to study the elasticity, equity, and  
10 adequacy of the state's tax system.

11 (a) The committee shall consist of eleven members. The department  
12 shall appoint six academic scholars from the fields of economics,  
13 taxation, business administration, public administration, public  
14 policy, and other relevant disciplines as determined by the department,  
15 after consulting with the majority and minority leaders in the senate,  
16 the co-speakers in the house of representatives, the chair of the ways  
17 and means committee in the senate, and the co-chairs of the finance  
18 committee in the house of representatives. The governor and the chairs  
19 of the majority and minority caucuses in each house of the legislature  
20 shall each appoint one member to the committee. These appointments may  
21 be legislative members. The members of the committee shall either  
22 elect a voting chair from among their membership or a nonvoting chair  
23 who is not a member of the committee. Members of the committee shall  
24 serve without compensation but shall be reimbursed for travel expenses  
25 under RCW 43.03.050 and 43.03.060.

26 (b) The purpose of the study is to determine how well the current  
27 tax system functions and how it might be changed to better serve the  
28 citizens of the state in the twenty-first century. In reviewing  
29 options for changes to the tax system, the committee shall develop  
30 multiple alternatives to the existing tax system. To the extent  
31 possible, the alternatives shall be designed to increase the harmony  
32 between the tax system of this state and the surrounding states,  
33 encourage commerce and business creation, and encourage home ownership.  
34 In developing alternatives, the committee shall examine and consider  
35 the effects of tax incentives, including exemptions, deferrals, and  
36 credits. The alternatives shall range from incremental improvements in  
37 the current tax structure to complete replacement of the tax structure.  
38 In conducting the study, the committee shall examine the tax structures

1 of other states and review previous studies regarding tax reform in  
2 this state. In developing alternatives, the committee shall be guided  
3 by administrative simplicity, economic neutrality, fairness, stability,  
4 and transparency. Most of the alternatives presented by the committee  
5 to the legislature shall be revenue neutral and contain no income tax.

6 (c) The department shall create an advisory group to include, but  
7 not be limited to, representatives of business, state agencies, local  
8 governments, labor, taxpayers, and other advocacy groups. The group  
9 shall provide advice and assistance to the committee.

10 (d) The committee shall present a final report of its findings and  
11 alternatives to the ways and means committee in the senate and the  
12 finance committee in the house of representatives by November 30, 2002.

13 ((~~3~~)\$109,000)) (2) \$9,000 of the multimodal transportation  
14 account--state appropriation for fiscal year 2003 is provided solely  
15 for the department to implement the provisions of House Bill No. 2969  
16 (transportation). If the bill is not enacted by January 1, 2003, the  
17 amount provided in this subsection shall lapse. Further, the amount  
18 provided in this subsection shall lapse to the extent that funds are  
19 provided for this purpose in the transportation appropriations act.

20 **Sec. 114.** 2002 c 371 s 139 (uncodified) is amended to read as  
21 follows:

22 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

23	General Fund--State Appropriation (FY 2002) . . . . .	\$549,000
24	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$655,000</del> ))
25		<u>\$646,000</u>
26	General Fund--Federal Appropriation . . . . .	\$1,930,000
27	General Fund--Private/Local Appropriation . . . . .	\$223,000
28	State Capitol Vehicle Parking Account--	
29	State Appropriation . . . . .	\$154,000
30	General Administration Services Account--State	
31	Appropriation . . . . .	\$39,546,000
32	TOTAL APPROPRIATION . . . . .	(( <del>\$43,057,000</del> ))
33		<u>\$43,048,000</u>

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

36 (1) The department shall conduct a review of the ultimate  
37 purchasing system to evaluate the following: (a) The degree to which

1 program objectives and assumptions were achieved; (b) the degree to  
2 which planned schedule of phases, tasks, and activities were  
3 accomplished; (c) an assessment of estimated and actual costs of each  
4 phase; (d) an assessment of project cost recovery/cost avoidance,  
5 return on investment, and measurable outcomes as each relate to the  
6 agency's business functions and other agencies' business functions; and  
7 (e) the degree to which integration with the agency and state  
8 information technology infrastructure was achieved. The department  
9 will receive written input from participating pilot agencies that  
10 describes measurable organizational benefits and cost avoidance  
11 opportunities derived from use of the ultimate purchasing system. The  
12 performance review shall be submitted to the office of financial  
13 management and the appropriate legislative fiscal committees by July 1,  
14 2002.

15 (2) \$60,000 of the general administration services account  
16 appropriation is provided solely for costs associated with the  
17 development of the information technology architecture to link the risk  
18 management information system and the tort division's case management  
19 system, and the reconciliation of defense cost reimbursement  
20 information.

21 (3) \$44,000 of the general fund--state appropriation for fiscal  
22 year 2003 is provided solely for the department to implement the waste  
23 management and recycling provisions of Substitute House Bill No. 2308  
24 (encouraging recycling and waste reduction). If the bill is not  
25 enacted by June 30, 2002, the amount provided in this subsection shall  
26 lapse.

27 (4) State agencies that provide services to other state agencies  
28 are expected to reduce their expenditures and to share the savings with  
29 their clients. The department of general administration shall achieve  
30 a reduction of \$1,302,000 in its billings for motor pool, consolidated  
31 mail, and other services that state agencies purchase in fiscal year  
32 2003. The reduction is expected to result from both reduced demand for  
33 services and reduced rates.

34 (5) Beginning on the effective date of this act, the department of  
35 general administration shall not purchase or lease any additional  
36 automobiles for the state motor pool, unless the director of general  
37 administration determines that the purchase or lease is necessary for  
38 the safety of state personnel.



1       **Sec. 115.** 2002 c 371 s 143 (uncodified) is amended to read as  
2 follows:

3 **FOR THE LIQUOR CONTROL BOARD**

4	General Fund--State Appropriation (FY 2002) . . . . .	\$1,483,000
5	General Fund--State Appropriation (FY 2003) . . . . .	\$1,439,000
6	General Fund--Federal Appropriation (FY 2003) . . . . .	\$99,000
7	Liquor Control Board Construction and Maintenance	
8	Account--State Appropriation . . . . .	\$9,684,000
9	Liquor Revolving Account--State	
10	Appropriation . . . . .	<del>(\$125,927,000)</del>
11		<u>\$126,407,000</u>
12	TOTAL APPROPRIATION . . . . .	<del>(\$138,632,000)</del>
13		<u>\$139,112,000</u>

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

16       (1) \$1,573,000 of the liquor revolving account appropriation is  
17 provided solely for the agency information technology upgrade. This  
18 amount provided in this subsection is conditioned upon satisfying the  
19 requirements of section 902 of this act.

20       (2) \$4,803,000 of the liquor revolving account appropriation is  
21 provided solely for the costs associated with the development and  
22 implementation of a merchandising business system. Expenditures of any  
23 funds for this system are conditioned upon the approval of the  
24 merchandising business system's feasibility study by the information  
25 services board. The amount provided in this subsection is also  
26 conditioned upon satisfying the requirements of section 902 of this  
27 act.

28       (3) \$84,000 of the liquor control board construction and  
29 maintenance account appropriation for fiscal year 2003 is provided  
30 solely for the liquor control board to employ additional staff during  
31 the holiday season to handle the expected increase in sales volume at  
32 the Seattle distribution center.

33       **Sec. 116.** 2002 c 371 s 145 (uncodified) is amended to read as  
34 follows:

35 **FOR THE MILITARY DEPARTMENT**

36	General Fund--State Appropriation (FY 2002) . . . . .	\$9,165,000
37	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$8,710,000)</del>

1		<u>\$8,740,000</u>
2	General Fund--Federal Appropriation . . . . .	(( <del>\$22,509,000</del> ))
3		<u>\$28,003,000</u>
4	General Fund--Private/Local Appropriation . . . . .	\$234,000
5	Enhanced 911 Account--State Appropriation . . . . .	\$20,269,000
6	Disaster Response Account--State Appropriation . . . . .	(( <del>\$2,010,000</del> ))
7		<u>\$1,531,000</u>
8	Disaster Response Account--Federal Appropriation . . . . .	(( <del>\$6,510,000</del> ))
9		<u>\$3,243,000</u>
10	Worker and Community Right to Know Fund--State	
11	Appropriation . . . . .	\$283,000
12	Nisqually Earthquake Account--State	
13	Appropriation . . . . .	(( <del>\$29,027,000</del> ))
14		<u>\$24,101,000</u>
15	Nisqually Earthquake Account--Federal	
16	Appropriation . . . . .	(( <del>\$49,641,000</del> ))
17		<u>\$48,153,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$148,358,000</del> ))
19		<u>\$143,722,000</u>

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

22       (1) ((~~\$1,906,000~~)) \$1,427,000 of the disaster response account--  
23 state appropriation is provided solely for the state share of response  
24 and recovery costs associated with federal emergency management agency  
25 (FEMA) disasters approved in the 1999-01 biennium budget. The military  
26 department may, upon approval of the director of financial management,  
27 use portions of the disaster response account--state appropriation to  
28 offset costs of new disasters occurring before June 30, 2003. The  
29 military department shall submit a report quarterly to the office of  
30 financial management and the legislative fiscal committees detailing  
31 disaster costs, including: (a) Estimates of total costs; (b)  
32 incremental changes from the previous estimate; (c) actual  
33 expenditures; (d) estimates of total remaining costs to be paid; and  
34 (d) estimates of future payments by biennium. This information shall  
35 be displayed by individual disaster, by fund, and by type of  
36 assistance. The military department shall also submit a report  
37 quarterly to the office of financial management and the legislative  
38 fiscal committees detailing information on the disaster response

1 account, including: (a) The amount and type of deposits into the  
2 account; (b) the current available fund balance as of the reporting  
3 date; and (c) the projected fund balance at the end of the 2001-03  
4 biennium based on current revenue and expenditure patterns.

5 (2) \$100,000 of the general fund--state fiscal year 2002  
6 appropriation and \$100,000 of the general fund--state fiscal year 2003  
7 appropriation are provided solely for implementation of the conditional  
8 scholarship program pursuant to chapter 28B.103 RCW.

9 (3) \$60,000 of the general fund--state appropriation for fiscal  
10 year 2002 and \$60,000 of the general fund--state appropriation for  
11 fiscal year 2003 are provided solely for the implementation of Senate  
12 Bill No. 5256 (emergency management compact). If the bill is not  
13 enacted by June 30, 2001, the amounts provided in this subsection shall  
14 lapse.

15 (4) \$35,000 of the general fund--state fiscal year 2002  
16 appropriation and \$35,000 of the general fund--state fiscal year 2003  
17 appropriation are provided solely for the north county emergency  
18 medical service.

19 (5) (~~(\$2,145,000)~~) \$1,967,000 of the Nisqually earthquake account--  
20 state appropriation and (~~(\$4,174,000)~~) \$3,305,000 of the Nisqually  
21 earthquake account--federal appropriation are provided solely for the  
22 military department's costs associated with coordinating the state's  
23 response to the February 28, 2001, earthquake.

24 (6) (~~(\$678,000)~~) \$641,000 of the Nisqually earthquake account--  
25 state appropriation and (~~(\$3,420,000)~~) \$3,797,000 of the Nisqually  
26 earthquake account--federal appropriation are provided solely for  
27 mitigation costs associated with the earthquake for state and local  
28 agencies. Of the amount from the Nisqually earthquake account--state  
29 appropriation, (~~(\$217,000)~~) \$227,000 is provided for the state matching  
30 share for state agencies and (~~(\$462,000)~~) \$414,000 is provided for one-  
31 half of the local matching share for local entities. The amount  
32 provided for the local matching share constitutes a revenue  
33 distribution for purposes of RCW 43.135.060(1).

34 (7) (~~(\$8,970,000)~~) \$10,493,000 of the Nisqually earthquake  
35 account--state appropriation and (~~(\$42,047,000)~~) \$41,051,000 of the  
36 Nisqually earthquake account--federal appropriation are provided solely  
37 for public assistance costs associated with the earthquake for state  
38 and local agencies. Of the amount from the Nisqually earthquake

1 account--state appropriation, (~~(\$3,924,000)~~) \$5,237,000 is provided for  
2 the state matching share for state agencies and (~~(\$5,046,000)~~)  
3 \$5,256,000 is provided for one-half of the local matching share for  
4 local entities. The amount provided for the local matching share  
5 constitutes a revenue distribution for purposes of RCW 43.135.060(1).

6 (8) (~~(\$17,234,000)~~) \$11,000,000 of the Nisqually earthquake  
7 account--state appropriation is provided solely to cover other response  
8 and recovery costs associated with the Nisqually earthquake that are  
9 not eligible for federal emergency management agency reimbursement.  
10 Prior to expending funds provided in this subsection, the military  
11 department shall obtain prior approval of the director of financial  
12 management. Prior to approving any single project of over \$1,000,000,  
13 the office of financial management shall notify the fiscal committees  
14 of the legislature. The military department is to submit a quarterly  
15 report detailing the costs authorized under this subsection to the  
16 office of financial management and the legislative fiscal committees.

17 (9) \$2,818,000 of the enhanced 911 account--state appropriation is  
18 provided solely for the implementation of Engrossed Second Substitute  
19 Senate Bill No. 6034 or House Bill No. 2595 (enhanced 911 excise tax).  
20 If neither bill is enacted by June 30, 2002, the amount provided in  
21 this subsection shall lapse.

(End of part)



1 1, 2003, the department may transfer general fund--state appropriations  
2 for fiscal year 2003 among programs after such approval. However, the  
3 department shall not transfer state moneys that are provided solely for  
4 a specified purpose except as expressly provided in subsection (3)(b)  
5 of this section.

6 (b) To the extent that transfers under subsection (3)(a) of this  
7 section are insufficient to fund actual expenditures in excess of  
8 fiscal year 2002 or fiscal year 2003 caseload forecasts and utilization  
9 assumptions in the medical assistance, long-term care, foster care,  
10 adoption support, and child support programs, the department may  
11 transfer state moneys that are provided solely for a specified purpose  
12 after approval by the director of financial management.

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

17 (4) In the event the department receives additional unrestricted  
18 federal funds or achieves savings in excess of that anticipated in this  
19 act, the department shall use up to \$5,000,000 of such funds to  
20 initiate a pilot project providing integrated support services to  
21 homeless individuals needing mental health services, alcohol or  
22 substance abuse treatment, medical care, or who demonstrate community  
23 safety concerns. Before such a pilot project is initiated, the  
24 department shall notify the fiscal committees of the legislature of the  
25 plans for such a pilot project including the source of funds to be  
26 used.

27 **Sec. 202.** 2002 c 371 s 202 (uncodified) is amended to read as  
28 follows:

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

31	General Fund--State Appropriation (FY 2002) . . . . .	\$225,104,000
32	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$231,042,000</del> ))
33		<u>\$227,238,000</u>
34	General Fund--Federal Appropriation . . . . .	(( <del>\$369,403,000</del> ))
35		<u>\$376,136,000</u>
36	General Fund--Private/Local Appropriation . . . . .	\$400,000
37	Public Safety and Education Account--	

1	State Appropriation . . . . .	\$964,000
2	Violence Reduction and Drug Enforcement Account--	
3	State Appropriation . . . . .	\$5,639,000
4	TOTAL APPROPRIATION . . . . .	<del>(\$832,552,000)</del>
5		<u>\$835,481,000</u>

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

8 (1) \$2,237,000 of the fiscal year 2002 general fund--state  
9 appropriation, \$2,271,000 of the fiscal year 2003 general fund--state  
10 appropriation, and \$1,584,000 of the general fund--federal  
11 appropriation are provided solely for the category of services titled  
12 "intensive family preservation services."

13 (2) \$685,000 of the general fund--state fiscal year 2002  
14 appropriation and \$701,000 of the general fund--state fiscal year 2003  
15 appropriation are provided to contract for the operation of one  
16 pediatric interim care facility. The facility shall provide  
17 residential care for up to thirteen children through two years of age.  
18 Seventy-five percent of the children served by the facility must be in  
19 need of special care as a result of substance abuse by their mothers.  
20 The facility shall also provide on-site training to biological,  
21 adoptive, or foster parents. The facility shall provide at least three  
22 months of consultation and support to parents accepting placement of  
23 children from the facility. The facility may recruit new and current  
24 foster and adoptive parents for infants served by the facility. The  
25 department shall not require case management as a condition of the  
26 contract.

27 (3) \$524,000 of the general fund--state fiscal year 2002  
28 appropriation, \$375,000 of the general fund--state fiscal year 2003  
29 appropriation, and \$161,000 of the general fund--federal appropriation  
30 are provided for up to three nonfacility-based programs for the  
31 training, consultation, support, and recruitment of biological, foster,  
32 and adoptive parents of children through age three in need of special  
33 care as a result of substance abuse by their mothers, except that each  
34 program may serve up to three medically fragile nonsubstance-abuse-  
35 affected children. In selecting nonfacility-based programs, preference  
36 shall be given to programs whose federal or private funding sources  
37 have expired or that have successfully performed under the existing  
38 pediatric interim care program.

1 (4) \$1,260,000 of the fiscal year 2002 general fund--state  
2 appropriation, \$1,248,000 of the fiscal year 2003 general fund--state  
3 appropriation, and \$4,150,000 of the violence reduction and drug  
4 enforcement account appropriation are provided solely for the family  
5 policy council and community public health and safety networks. The  
6 funding level for the family policy council and community public health  
7 and safety networks represents a 25 percent reduction below the funding  
8 level for the 1999-2001 biennium. Funding levels shall be reduced 25  
9 percent for both the family policy council and network grants.  
10 Reductions to network grants shall be allocated so as to maintain  
11 current funding levels, to the greatest extent possible, for projects  
12 with the strongest evidence of positive outcomes and for networks with  
13 substantial compliance with contracts for network grants.

14 (5) \$2,215,000 of the fiscal year 2002 general fund--state  
15 appropriation, \$4,394,000 of the fiscal year 2003 general fund--state  
16 appropriation, and \$5,604,000 of the general fund--federal  
17 appropriation are provided solely for reducing the average caseload  
18 level per case-carrying social worker. Average caseload reductions are  
19 intended to increase the amount of time social workers spend in direct  
20 contact with the children, families, and foster parents involved with  
21 their open cases. The department shall use some of the funds provided  
22 in several local offices to increase staff that support case-carrying  
23 social workers in ways that will allow social workers to increase  
24 direct contact time with children, families, and foster parents. To  
25 achieve the goal of reaching an average caseload ratio of 1:24 by the  
26 end of fiscal year 2003, the department shall develop a plan for  
27 redeploying 30 FTEs to case-carrying social worker and support  
28 positions from other areas in the children and family services budget.  
29 The FTE redeployment plan shall be submitted to the fiscal committees  
30 of the legislature by December 1, 2001.

31 (6) \$1,000,000 of the fiscal year 2002 general fund--state  
32 appropriation and \$1,000,000 of the fiscal year 2003 general fund--  
33 state appropriation are provided solely for increasing foster parent  
34 respite care services that improve the retention of foster parents and  
35 increase the stability of foster placements. The department shall  
36 report quarterly to the appropriate committees of the legislature  
37 progress against appropriate baseline measures for foster parent  
38 retention and stability of foster placements.



1 (7) \$1,050,000 of the general fund--federal appropriation is  
2 provided solely for increasing kinship care placements for children who  
3 otherwise would likely be placed in foster care. These funds shall be  
4 used for extraordinary costs incurred by relatives at the time of  
5 placement, or for extraordinary costs incurred by relatives after  
6 placement if such costs would likely cause a disruption in the kinship  
7 care placement. \$50,000 of the funds provided shall be contracted to  
8 the Washington institute for public policy to conduct a study of  
9 kinship care placements. The study shall examine the prevalence and  
10 needs of families who are raising related children and shall compare  
11 services and policies of Washington state with other states that have  
12 a higher rate of kinship care placements in lieu of foster care  
13 placements. The study shall identify possible changes in services and  
14 policies that are likely to increase appropriate kinship care  
15 placements.

16 (8) \$3,386,000 of the fiscal year 2002 general fund--state  
17 appropriation, \$5,710,000 of the fiscal year 2003 general fund--state  
18 appropriation, and \$19,819,000 of the general fund--federal  
19 appropriation are provided solely for increases in the cost per case  
20 for foster care and adoption support. \$16,000,000 of the general  
21 fund--federal amount shall remain unallotted until the office of  
22 financial management approves a plan submitted by the department to  
23 achieve a higher rate of federal earnings in the foster care program.  
24 That plan shall also be submitted to the fiscal committees of the  
25 legislature and shall indicate projected federal revenue compared to  
26 actual fiscal year 2001 levels. Within the amounts provided for foster  
27 care, the department shall increase the basic rate for foster care to  
28 an average of \$420 per month on July 1, 2001. The department shall use  
29 the remaining funds provided in this subsection to pay for increases in  
30 the cost per case for foster care and adoption support. The department  
31 shall seek to control rate increases and reimbursement decisions for  
32 foster care and adoption support cases such that the cost per case for  
33 family foster care, group care, receiving homes, and adoption support  
34 does not exceed the amount assumed in the projected caseload  
35 expenditures plus the amounts provided in this subsection. By April  
36 2003, the department shall adjust adoption support benefits to account  
37 for the availability of the new federal adoption support tax credit for  
38 special needs children.

1 (9) \$1,767,000 of the general fund--state appropriation for fiscal  
 2 year 2002, \$1,767,000 of the general fund--state appropriation for  
 3 fiscal year 2003, and \$1,241,000 of the general fund--federal  
 4 appropriation are provided solely for rate and capacity increases for  
 5 child placing agencies. Child placing agencies shall increase their  
 6 capacity by 15 percent in fiscal year 2002.

7 (10) The department shall provide secure crisis residential  
 8 facilities across the state in a manner that: (a) Retains geographic  
 9 provision of these services; and (b) retains beds in high use areas.

10 (11) \$125,000 of the general fund--state appropriation for fiscal  
 11 year 2002 and \$125,000 of the general fund--state appropriation for  
 12 fiscal year 2003 are provided solely for a foster parent retention  
 13 program. This program is directed at foster parents caring for  
 14 children who act out sexually, as described in House Bill No. 1525  
 15 (foster parent retention program).

16 **Sec. 203.** 2002 c 371 s 203 (uncodified) is amended to read as  
 17 follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**  
 19 **REHABILITATION PROGRAM**

20	General Fund--State Appropriation (FY 2002) . . . . .	\$83,151,000
21	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$79,107,000)</del>
22		<u>\$78,281,000</u>
23	General Fund--Federal Appropriation . . . . .	<del>(\$13,803,000)</del>
24		<u>\$13,645,000</u>
25	General Fund--Private/Local Appropriation . . . . .	\$1,110,000
26	Juvenile Accountability Incentive	
27	Account--Federal Appropriation . . . . .	\$10,461,000
28	Public Safety and Education	
29	Account--State Appropriation . . . . .	\$6,047,000
30	Violence Reduction and Drug Enforcement Account--	
31	State Appropriation . . . . .	\$37,174,000
32	TOTAL APPROPRIATION . . . . .	<del>(\$230,853,000)</del>
33		<u>\$229,869,000</u>

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

36 (1) \$686,000 of the violence reduction and drug enforcement account  
 37 appropriation is provided solely for deposit in the county criminal

1 justice assistance account for costs to the criminal justice system  
2 associated with the implementation of chapter 338, Laws of 1997  
3 (juvenile code revisions). The amounts provided in this subsection are  
4 intended to provide funding for county adult court costs associated  
5 with the implementation of chapter 338, Laws of 1997 and shall be  
6 distributed in accordance with RCW 82.14.310.

7 (2) \$5,980,000 of the violence reduction and drug enforcement  
8 account appropriation is provided solely for the implementation of  
9 chapter 338, Laws of 1997 (juvenile code revisions). The amounts  
10 provided in this subsection are intended to provide funding for county  
11 impacts associated with the implementation of chapter 338, Laws of 1997  
12 and shall be distributed to counties as prescribed in the current  
13 consolidated juvenile services (CJS) formula.

14 (3) \$1,161,000 of the general fund--state appropriation for fiscal  
15 year 2002, \$1,162,000 of the general fund--state appropriation for  
16 fiscal year 2003, and \$5,190,000 of the violence reduction and drug  
17 enforcement account appropriation are provided solely to implement  
18 community juvenile accountability grants pursuant to chapter 338, Laws  
19 of 1997 (juvenile code revisions). Funds provided in this subsection  
20 may be used solely for community juvenile accountability grants,  
21 administration of the grants, and evaluations of programs funded by the  
22 grants.

23 (4) \$2,515,000 of the violence reduction and drug enforcement  
24 account appropriation is provided solely to implement alcohol and  
25 substance abuse treatment programs for locally committed offenders.  
26 The juvenile rehabilitation administration shall award these moneys on  
27 a competitive basis to counties that submitted a plan for the provision  
28 of services approved by the division of alcohol and substance abuse.  
29 The juvenile rehabilitation administration shall develop criteria for  
30 evaluation of plans submitted and a timeline for awarding funding and  
31 shall assist counties in creating and submitting plans for evaluation.

32 (5) \$100,000 of the general fund--state appropriation for fiscal  
33 year 2002 and \$100,000 of the general fund--state appropriation for  
34 fiscal year 2003 are provided solely for juvenile rehabilitation  
35 administration to contract with the institute for public policy for  
36 responsibilities assigned in chapter 338, Laws of 1997 (juvenile code  
37 revisions).

1 (6) \$100,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$100,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely for a contract for expanded  
4 services of the teamchild project.

5 (7) \$423,000 of the general fund--state appropriation for fiscal  
6 year 2002, \$754,100 of the general fund--state appropriation for fiscal  
7 year 2003, \$152,000 of the general fund--federal appropriation,  
8 \$172,000 of the public safety and education assistance account  
9 appropriation, and \$604,000 of the violence reduction and drug  
10 enforcement account appropriation are provided solely to increase  
11 payment rates for contracted service providers.

12 (8) \$16,000 of the general fund--state appropriation for fiscal  
13 year 2002 and \$16,000 of the general fund--state appropriation for  
14 fiscal year 2003 are provided solely for the implementation of chapter  
15 167, Laws of 1999 (firearms on school property). The amounts provided  
16 in this subsection are intended to provide funding for county impacts  
17 associated with the implementation of chapter 167, Laws of 1999, and  
18 shall be distributed to counties as prescribed in the current  
19 consolidated juvenile services (CJS) formula.

20 (9) \$3,441,000 of the general fund--state appropriation for fiscal  
21 year 2002 and \$3,441,000 of the general fund--state appropriation for  
22 fiscal year 2003 are provided solely for distribution to county  
23 juvenile court administrators to fund the costs of processing truancy,  
24 children in need of services, and at-risk youth petitions. The  
25 department shall not retain any portion of these funds to cover  
26 administrative or any other departmental costs. The department, in  
27 conjunction with the juvenile court administrators, shall develop an  
28 equitable funding distribution formula. The formula shall neither  
29 reward counties with higher than average per-petition processing costs  
30 nor shall it penalize counties with lower than average per-petition  
31 processing costs.

32 (10) \$6,000,000 of the public safety and education account--state  
33 appropriation is provided solely for distribution to county juvenile  
34 court administrators to fund the costs of processing truancy, children  
35 in need of services, and at-risk youth petitions. The department shall  
36 not retain any portion of these funds to cover administrative or any  
37 other departmental costs. The department, in conjunction with the  
38 juvenile court administrators, shall develop an equitable funding

1 distribution formula. The formula shall neither reward counties with  
2 higher than average per-petition processing costs nor shall it penalize  
3 counties with lower than average per-petition processing costs.

4 (11) The distributions made under (9) and (10) of this subsection  
5 and distributions from the county criminal justice assistance account  
6 made pursuant to section 801 of this act constitute appropriate  
7 reimbursement for costs for any new programs or increased level of  
8 service for purposes of RCW 43.135.060.

9 (12) Each quarter during the 2001-03 fiscal biennium, each county  
10 shall report the number of petitions processed and the total actual  
11 costs of processing the petitions in each of the following categories:  
12 Truancy, children in need of services, and at-risk youth. Counties  
13 shall submit the reports to the department no later than 45 days after  
14 the end of the quarter. The department shall forward this information  
15 to the chair and ranking minority member of the house of  
16 representatives appropriations committee and the senate ways and means  
17 committee no later than 60 days after a quarter ends. These reports  
18 are deemed informational in nature and are not for the purpose of  
19 distributing funds.

20 (13) \$1,692,000 of the juvenile accountability incentive account--  
21 federal appropriation is provided solely for the continued  
22 implementation of a pilot program to provide for postrelease planning  
23 and treatment of juvenile offenders with co-occurring disorders.

24 (14) \$22,000 of the violence reduction and drug enforcement account  
25 appropriation is provided solely for the evaluation of the juvenile  
26 offender co-occurring disorder pilot program implemented pursuant to  
27 (m) of this subsection.

28 (15) \$900,000 of the general fund--state appropriation for fiscal  
29 year 2002 and \$900,000 of the general fund--state appropriation for  
30 fiscal year 2003 are provided solely for the continued implementation  
31 of the juvenile violence prevention grant program established in  
32 section 204, chapter 309, Laws of 1999.

33 (16) \$33,000 of the general fund--state appropriation for fiscal  
34 year 2002 and \$29,000 of the general fund--state appropriation for  
35 fiscal year 2003 are provided solely for the implementation of House  
36 Bill No. 1070 (juvenile offender basic training). If the bill is not  
37 enacted by June 30, 2001, the amounts provided in this subsection shall  
38 lapse.

1 (17) \$21,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$42,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely for the implementation of Senate  
4 Bill No. 5468 (chemical dependency). If the bill is not enacted by  
5 June 30, 2001, the amounts provided in this subsection shall lapse.

6 (18) The juvenile rehabilitation administration, in consultation  
7 with the juvenile court administrators, may agree on a formula to allow  
8 the transfer of funds among amounts appropriated for consolidated  
9 juvenile services, community juvenile accountability act grants, the  
10 chemically dependent disposition alternative, and the special sex  
11 offender disposition alternative.

12 (19) \$40,000 of the general fund--state appropriation for fiscal  
13 year 2002 and \$68,000 of the general fund--state appropriation for  
14 fiscal year 2003 are provided solely to increase payment rates for  
15 contracted service providers.

16 (20) \$945,000 of the general fund--state appropriation for fiscal  
17 year 2003 is provided solely for providing additional research-based  
18 services to the juvenile parole population. The juvenile  
19 rehabilitation administration shall consult with the institute for  
20 public policy in deciding which interventions to provide to the parole  
21 population.

22 (21) The juvenile rehabilitation administration shall continue to  
23 allot and expend funds provided in this section by the category and  
24 budget unit structure submitted to the legislative evaluation and  
25 accountability program committee.

26 **Sec. 204.** 2002 c 371 s 204 (uncodified) is amended to read as  
27 follows:

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

30 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

31	General Fund--State Appropriation (FY 2002) . . . . .	\$194,566,000
32	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$177,206,000)</del>
33		<u>\$179,547,000</u>
34	General Fund--Federal Appropriation . . . . .	<del>(\$358,377,000)</del>
35		<u>\$360,727,000</u>
36	General Fund--Local Appropriation . . . . .	\$25,596,000
37	Health Services Account--State	

1	Appropriation . . . . .	\$2,450,000
2	TOTAL APPROPRIATION . . . . .	(( <del>\$758,195,000</del> ))
3		<u>\$762,886,000</u>

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

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

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

16 (c) \$388,000 of the general fund--state appropriation for fiscal  
17 year 2002, \$2,829,000 of the general fund--state appropriation for  
18 fiscal year 2003, and \$3,157,000 of the general fund--federal  
19 appropriation are provided solely for development and operation of  
20 community residential and support services for persons whose treatment  
21 needs constitute substantial barriers to community placement and who no  
22 longer require active psychiatric treatment at an inpatient hospital  
23 level of care, no longer meet the criteria for inpatient involuntary  
24 commitment, and who are clinically ready for discharge from a state  
25 psychiatric hospital. In the event that enough patients are not  
26 transitioned or diverted from the state hospitals to close at least two  
27 hospital wards by July 2002, and four additional wards by April 2003,  
28 a proportional share of these funds shall be transferred to the  
29 appropriations in subsection (2) of this section to support continued  
30 care of the patients in the state hospitals. Primary responsibility  
31 and accountability for provision of appropriate community support for  
32 persons placed with these funds shall reside with the mental health  
33 program and the regional support networks, with partnership and active  
34 support from the alcohol and substance abuse and from the aging and  
35 adult services programs. The department shall negotiate performance-  
36 based incentive contracts to provide appropriate community support  
37 services for individuals leaving the state hospitals under this  
38 subsection. The department shall first seek to contract with regional

1 support networks before offering a contract to any other party. The  
2 funds appropriated in this subsection shall not be considered  
3 "available resources" as defined in RCW 71.24.025 and are not subject  
4 to the standard allocation formula applied in accordance with RCW  
5 71.24.035(13)(a).

6 (d) At least \$1,000,000 of the federal block grant funding  
7 appropriated in this subsection shall be used for (i) initial  
8 development, training, and operation of the community support teams  
9 which will work with long-term state hospital residents prior and  
10 subsequent to their return to the community; and (ii) development of  
11 support strategies which will reduce the unnecessary and excessive use  
12 of state and local hospitals for short-term crisis stabilization  
13 services. Such strategies may include training and technical  
14 assistance to community long-term care and substance abuse providers;  
15 the development of diversion beds and stabilization support teams;  
16 examination of state hospital policies regarding admissions; and the  
17 development of new contractual standards to assure that the statutory  
18 requirement that 85 percent of short-term detentions be managed locally  
19 is being fulfilled. The department shall report to the fiscal and  
20 policy committees of the legislature on the results of these efforts by  
21 November 1, 2001, and again by November 1, 2002.

22 (e) The department is authorized to implement a new formula for  
23 allocating available resources among the regional support networks.  
24 The distribution formula shall use the number of persons eligible for  
25 the state medical programs funded under chapter 74.09 RCW as the  
26 measure of the requirement for the number of acutely mentally ill,  
27 chronically mentally ill, severely emotionally disturbed children, and  
28 seriously disturbed in accordance with RCW 71.24.035(13)(a). The new  
29 formula shall be phased in over a period of no less than six years.  
30 Furthermore, the department shall increase the medicaid capitation  
31 rates which a regional support network would otherwise receive under  
32 the formula by an amount sufficient to assure that total funding  
33 allocated to the regional support network in fiscal year 2002 increases  
34 by up to 3.5 percent over the amount actually paid to that regional  
35 support network in fiscal year 2001, and by up to an additional 5.0  
36 percent in fiscal year 2003, if total funding to the regional support  
37 network would otherwise increase by less than those percentages under



1 the new formula, and provided that the nonfederal share of the higher  
2 medicaid payment rate is provided by the regional support network from  
3 local funds.

4 (f) Within funds appropriated in this subsection, the department  
5 shall contract with the Clark county regional support network for  
6 development and operation of a project demonstrating collaborative  
7 methods for providing intensive mental health services in the school  
8 setting for severely emotionally disturbed children who are medicaid  
9 eligible. Project services are to be delivered by teachers and  
10 teaching assistants who qualify as, or who are under the supervision  
11 of, mental health professionals meeting the requirements of chapter  
12 275-57 WAC. The department shall increase medicaid payments to the  
13 regional support network by the amount necessary to cover the necessary  
14 and allowable costs of the demonstration, not to exceed the upper  
15 payment limit specified for the regional support network in the  
16 department's medicaid waiver agreement with the federal government  
17 after meeting all other medicaid spending requirements assumed in this  
18 subsection. The regional support network shall provide the department  
19 with (i) periodic reports on project service levels, methods, and  
20 outcomes; and (ii) an intergovernmental transfer equal to the state  
21 share of the increased medicaid payment provided for operation of this  
22 project.

23 (g) The health services account appropriation is provided solely  
24 for implementation of strategies which the department and the affected  
25 regional support networks conclude will best assure continued  
26 availability of community-based inpatient psychiatric services in all  
27 areas of the state. Such strategies may include, but are not limited  
28 to, emergency contracts for continued operation of inpatient facilities  
29 otherwise at risk of closure because of demonstrated uncompensated  
30 care; start-up grants for development of evaluation and treatment  
31 facilities; and increases in the rate paid for inpatient psychiatric  
32 services for medically indigent and/or general assistance for the  
33 unemployed patients. The funds provided in this subsection must be:  
34 (i) Prioritized for use in those areas of the state which are at  
35 greatest risk of lacking sufficient inpatient psychiatric treatment  
36 capacity, rather than being distributed on a formula basis; (ii)  
37 prioritized for use by those hospitals which do not receive low-income  
38 disproportionate share hospital payments as of the date of application

1 for funding; and (iii) matched on a one-quarter local, three-quarters  
 2 state basis by funding from the regional support network or networks in  
 3 the area in which the funds are expended. Payments from the amount  
 4 provided in this subsection shall not be made to any provider that has  
 5 not agreed that, except for prospective rate increases, the payment  
 6 shall offset, on a dollar-for-dollar basis, any liability that may be  
 7 established against, or any settlement that may be agreed to by the  
 8 state, regarding the rate of state reimbursement for inpatient  
 9 psychiatric care. The funds provided in this subsection shall not be  
 10 considered "available resources" as defined in RCW 71.24.025 and are  
 11 not subject to the distribution formula established pursuant to RCW  
 12 71.24.035.

13 ((+i)) (h) The department shall assure that each regional support  
 14 network increases spending on direct client services in fiscal years  
 15 2002 and 2003 by at least the same percentage as the total state,  
 16 federal, and local funds allocated to the regional support network in  
 17 those years exceeds the amounts allocated to it in fiscal year 2001.

18 ((+j)) (i) The department shall reduce state funding otherwise  
 19 payable to a regional support network in fiscal years 2002 and 2003 by  
 20 the full amount by which the regional support network's reserves and  
 21 fund balances as of December 31, 2001, exceed the required risk reserve  
 22 for that regional support network. The required reserve amount shall  
 23 be calculated by applying the risk reserve percentage specified in the  
 24 department's contract with the regional support network to the total  
 25 state and federal revenues for which the regional support network would  
 26 otherwise be eligible in accordance with this subsection. As used in  
 27 this subsection, "reserves" does not include capital project reserves  
 28 established in accordance with state accounting and reporting standards  
 29 before January 1, 2002.

30 (2) INSTITUTIONAL SERVICES

31	General Fund--State Appropriation (FY 2002) . . . . .	\$84,878,000
32	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$80,784,000)</del>
33		<u>\$88,187,000</u>
34	General Fund--Federal Appropriation . . . . .	<del>(\$139,821,000)</del>
35		<u>\$134,120,000</u>
36	General Fund--Private/Local Appropriation . . . . .	<del>(\$29,532,000)</del>
37		<u>\$29,680,000</u>
38	TOTAL APPROPRIATION . . . . .	<del>(\$335,015,000)</del>

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

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

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

(c) The department shall seek to reduce the census of the two state psychiatric hospitals by 178 beds by April 2003 by arranging and providing community residential, mental health, and other support services for long-term state hospital patients whose treatment needs constitute substantial barriers to community placement and who no longer require active psychiatric treatment at an inpatient hospital level of care, no longer meet the criteria for inpatient involuntary commitment, and who are clinically ready for discharge from a state psychiatric hospital. No such patient is to move from the hospital until a team of community professionals has become familiar with the person and their treatment plan; assessed their strengths, preferences, and needs; arranged a safe, clinically-appropriate, and stable place for them to live; assured that other needed medical, behavioral, and social services are in place; and is contracted to monitor the person's progress on an ongoing basis. The department and the regional support networks shall endeavor to assure that hospital patients are able to return to their area of origin, and that placements are not concentrated in proximity to the hospitals.

(d) For each month subsequent to the month in which a state hospital bed has been closed in accordance with (c) of this subsection, the mental health program shall transfer to the medical assistance program state funds equal to the state share of the monthly per capita expenditure amount estimated for categorically needy-disabled persons in the most recent forecast of medical assistance expenditures.

(e) The department shall report to the appropriate committees of the legislature by November 1, 2001, and by November 1, 2002, on its plans for and progress toward achieving the objectives set forth in (c) of this subsection.

(3) CIVIL COMMITMENT

1	General Fund--State Appropriation (FY 2002) . . . . .	\$18,267,000
2	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$20,934,000)</del>
3		<u>\$21,320,000</u>
4	TOTAL APPROPRIATION . . . . .	<del>(\$39,201,000)</del>
5		<u>\$39,587,000</u>

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

8 (a) \$1,587,000 of the general fund--state appropriation for fiscal  
9 year 2002 and \$2,646,000 of the general fund--state appropriation for  
10 fiscal year 2003 are provided solely for operational costs associated  
11 with a less restrictive step-down placement facility on McNeil Island.

12 (b) \$300,000 of the general fund--state appropriation for fiscal  
13 year 2002 and \$300,000 of the general fund--state appropriation for  
14 fiscal year 2003 are provided solely for mitigation funding for  
15 jurisdictions affected by the placement of less restrictive alternative  
16 facilities for persons conditionally released from the special  
17 commitment center facility being constructed on McNeil Island. Of this  
18 amount, up to \$45,000 per year is provided for the city of Lakewood for  
19 police protection reimbursement at Western State Hospital and adjacent  
20 areas, up to \$45,000 per year is provided for training police personnel  
21 on chapter 12, Laws of 2001, 2nd sp. sess. (3ESSB 6151), up to \$125,000  
22 per year is provided for Pierce county for reimbursement of additional  
23 costs, and the remaining amounts are for other documented costs by  
24 jurisdictions directly impacted by the placement of the secure  
25 community transition facility on McNeil Island. Pursuant to chapter  
26 12, Laws of 2001, 2nd sp. sess (3ESSB 6151), the department shall  
27 continue to work with local jurisdictions towards reaching agreement  
28 for mitigation costs.

29 (c) By October 1, 2001, the department shall report to the office  
30 of financial management and the fiscal committees of the house of  
31 representatives and senate detailing information on plans for  
32 increasing the efficiency of staffing patterns at the new civil  
33 commitment center facility being constructed on McNeil Island.

34 (d) \$600,000 of the general fund--state appropriation for fiscal  
35 year 2003 is provided solely for the implementation of Substitute  
36 Senate Bill No. 6594 (secure community transition facilities). If the  
37 bill is not enacted by June 30, 2002, the amount provided in this  
38 subsection shall lapse.

1 (4) SPECIAL PROJECTS

2 General Fund--State Appropriation (FY 2002) . . . . . \$444,000

3 General Fund--State Appropriation (FY 2003) . . . . . \$443,000

4 General Fund--Federal Appropriation . . . . . \$2,082,000

5 TOTAL APPROPRIATION . . . . . \$2,969,000

6 (5) PROGRAM SUPPORT

7 General Fund--State Appropriation (FY 2002) . . . . . \$3,104,000

8 General Fund--State Appropriation (FY 2003) . . . . . (~~(\$3,111,000)~~)

9 \$4,527,000

10 General Fund--Federal Appropriation . . . . . (~~(\$5,659,000)~~)

11 \$7,077,000

12 TOTAL APPROPRIATION . . . . . (~~(\$11,874,000)~~)

13 \$14,708,000

14 The appropriations in this subsection are subject to the following

15 conditions and limitations:

16 (a) \$113,000 of the general fund--state appropriation for fiscal

17 year 2002, \$125,000 of the general fund--state appropriation for fiscal

18 year 2003, and \$164,000 of the general fund--federal appropriation are

19 provided solely for the institute for public policy to evaluate the

20 impacts of chapter 214, Laws of 1999 (mentally ill offenders), chapter

21 217, Laws of 2000 (atypical anti-psychotic medications), chapter 297,

22 Laws of 1998 (commitment of mentally ill persons), and chapter 334,

23 Laws of 2001 (mental health performance audit).

24 (b) \$168,000 of the general fund--state appropriation for fiscal

25 year 2002, \$243,000 of the general fund--state appropriation for fiscal

26 year 2003, and \$411,000 of the general fund--federal appropriation are

27 provided solely for the development and implementation of a uniform

28 outcome-oriented performance measurement system to be used in

29 evaluating and managing the community mental health service delivery

30 system consistent with the recommendations contained in the joint

31 legislative audit and review committee's audit of the public mental

32 health system. Once implemented, the use of performance measures will

33 allow comparison of measurement results to established standards and

34 benchmarks among regional support networks, service providers, and

35 against other states. The department shall provide a report to the

36 appropriate committees of the legislature on the development and

37 implementation of the use of performance measures by October 2002.

1 (c) \$125,000 of the general fund--state appropriation for fiscal  
 2 year 2002, \$125,000 of the general fund--state appropriation for fiscal  
 3 year 2003, and \$250,000 of the general fund--federal appropriation are  
 4 provided solely for a study of the prevalence of mental illness among  
 5 the state's regional support networks. The study shall examine how  
 6 reasonable estimates of the prevalence of mental illness relate to the  
 7 incidence of persons enrolled in medical assistance programs in each  
 8 regional support network area. In conducting this study, the  
 9 department shall consult with the joint legislative audit and review  
 10 committee, regional support networks, community mental health  
 11 providers, and mental health consumer representatives. The department  
 12 shall submit a final report on its findings to the fiscal, health care,  
 13 and human services committees of the legislature by November 1, 2003.

14 **Sec. 205.** 2002 c 371 s 205 (uncodified) is amended to read as  
 15 follows:

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

18 (1) COMMUNITY SERVICES

19	General Fund--State Appropriation (FY 2002) . . . . .	\$233,705,000
20	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$255,415,000 ))</del>
21		<u>\$250,654,000</u>
22	General Fund--Federal Appropriation . . . . .	<del>(( \$405,773,000 ))</del>
23		<u>\$400,311,000</u>
24	Health Services Account--State	
25	Appropriation . . . . .	\$903,000
26	TOTAL APPROPRIATION . . . . .	<del>(( \$895,796,000 ))</del>
27		<u>\$885,573,000</u>

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

30 (a) ~~(( (b) \$10,050,000 of the fiscal year 2003 general fund state~~  
 31 ~~appropriation and \$3,550,000 of the general fund federal appropriation~~  
 32 ~~are provided solely for expanded access to community services. A total~~  
 33 ~~of \$7,800,000 is provided for additional residential services for~~  
 34 ~~persons on the home and community based waiver. A total of \$3,600,000~~  
 35 ~~is provided for family support and high school transition. A total of~~  
 36 ~~\$2,700,000 is provided between this subsection and subsection (3) of~~  
 37 ~~this section for staffing and other costs to improve oversight of~~

1 ~~quality of care, program management, and fiscal management.))~~ New  
2 funding for family support and high school transition along with a  
3 portion of existing funding for these programs shall be provided as  
4 supplemental security income (SSI) state supplemental payments. The  
5 legislature finds that providing cash assistance to individuals and  
6 families needing these supports promotes self-determination and  
7 independence. It is the intent of the legislature that the department  
8 shall comply with federal requirements to maintain aggregate funding  
9 for SSI state supplemental payments while promoting self-determination  
10 and independence for persons with developmental disabilities in  
11 families with taxable incomes at or below 150 percent of median family  
12 income. Individuals receiving family support or high school transition  
13 payments shall not become eligible for medical assistance under RCW  
14 74.09.510 due solely to the receipt of SSI state supplemental payments.  
15 ~~((These amounts and the specified expansion of community services are  
16 intended to be the fiscal component of the negotiated settlement in the  
17 pending litigation on developmental disabilities services, ARC v.  
18 Quasim.~~

19 ~~(e))~~ (b) The health services account appropriation and \$904,000 of  
20 the general fund--federal appropriation are provided solely for health  
21 care benefits for home care workers with family incomes below 200  
22 percent of the federal poverty level who are employed through state  
23 contracts for twenty hours per week or more. Premium payments for  
24 individual provider home care workers shall be made only to the  
25 subsidized basic health plan. Home care agencies may obtain coverage  
26 either through the basic health plan or through an alternative plan  
27 with substantially equivalent benefits.

28 ~~((d))~~ (c) \$902,000 of the general fund--state appropriation for  
29 fiscal year 2002, ~~(((\$3,372,000))~~ \$2,274,000 of the general fund--state  
30 appropriation for fiscal year 2003, and ~~(((\$4,056,000))~~ \$3,011,000 of  
31 the general fund--federal appropriation are provided solely for  
32 community services for residents of residential habilitation centers  
33 (RHCs) who are able to be adequately cared for in community settings  
34 and who choose to live in those community settings. The department  
35 shall ensure that the average cost per day for all program services  
36 other than start-up costs shall not exceed \$280. If the number and  
37 timing of residents choosing to move into community settings is not  
38 sufficient to achieve the RHC cottage consolidation plan assumed in the

1 appropriations in subsection (2) of this section, the department shall  
2 transfer sufficient appropriations from this subsection to subsection  
3 (2) of this section to cover the added costs incurred in the RHCs. The  
4 department shall report to the appropriate committees of the  
5 legislature, within 45 days following each fiscal year quarter, the  
6 number of residents moving into community settings and the actual  
7 expenditures for all community services to support those residents.

8 ~~((+e))~~ (d) \$1,153,000 of the general fund--state appropriation for  
9 fiscal year 2002, \$3,054,000 of the general fund--state appropriation  
10 for fiscal year 2003, and \$4,031,000 of the general fund--federal  
11 appropriation are provided solely for expanded community services for  
12 persons with developmental disabilities who also have community  
13 protection issues or are diverted or discharged from state psychiatric  
14 hospitals. The department shall ensure that the average cost per day  
15 for all program services other than start-up costs shall not exceed  
16 \$275. The department shall report to the appropriate committees of the  
17 legislature, within 45 days following each fiscal year quarter, the  
18 number of persons served with these additional community services,  
19 where they were residing, what kinds of services they were receiving  
20 prior to placement, and the actual expenditures for all community  
21 services to support these clients.

22 ~~((+f))~~ (e) The department shall not increase total enrollment in  
23 home and community based waivers for persons with developmental  
24 disabilities except for changes assumed in additional funding provided  
25 in subsections ~~((+b), (d), and (e))~~ (c) and (d) of this section.  
26 Prior to submitting to the health care financing authority any  
27 additional home and community based waiver request for persons with  
28 developmental disabilities, the department shall submit a summary of  
29 the waiver request to the appropriate committees of the legislature.  
30 The summary shall include eligibility criteria, program description,  
31 enrollment projections and limits, and budget and cost effectiveness  
32 projections that distinguish the requested waiver from other existing  
33 or proposed waivers.

34 ~~((+g))~~ (f) \$1,000,000 of the general fund--state appropriation for  
35 fiscal year 2002 and \$1,000,000 of the general fund--state  
36 appropriation for fiscal year 2003 are provided solely for employment,  
37 or other day activities and training programs, for young adults with  
38 developmental disabilities who complete their high school curriculum in



1 2001 or 2002. These services are intended to assist with the  
 2 transition to work and more independent living. Funding shall be used  
 3 to the greatest extent possible for vocational rehabilitation services  
 4 matched with federal funding. In recent years, the state general fund  
 5 appropriation for employment and day programs has been underspent.  
 6 These surpluses, built into the carry forward level budget, shall be  
 7 redeployed for high school transition services.

8 ~~((+h))~~ (g) \$369,000 of the fiscal year 2002 general fund--state  
 9 appropriation and \$369,000 of the fiscal year 2003 general fund--state  
 10 appropriation are provided solely for continuation of the autism pilot  
 11 project started in 1999.

12 ~~((+i))~~ (h) \$4,049,000 of the general fund--state appropriation for  
 13 fiscal year 2002, \$1,734,000 of the general fund--state appropriation  
 14 for fiscal year 2003, and \$5,369,000 of the general fund--federal  
 15 appropriation are provided solely to increase compensation by an  
 16 average of fifty cents per hour for low-wage workers providing state-  
 17 funded services to persons with developmental disabilities. These  
 18 funds, along with funding provided for vendor rate increases, are  
 19 sufficient to raise wages an average of fifty cents and cover the  
 20 employer share of unemployment and social security taxes on the amount  
 21 of the wage increase. In consultation with the statewide associations  
 22 representing such agencies, the department shall establish a mechanism  
 23 for testing the extent to which funds have been used for this purpose,  
 24 and report the results to the fiscal committees of the legislature by  
 25 February 1, 2002.

26 (2) INSTITUTIONAL SERVICES

27	General Fund--State Appropriation (FY 2002) . . . . .	\$69,375,000
28	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$68,203,000)</del>
29		<u>\$68,914,000</u>
30	General Fund--Federal Appropriation . . . . .	<del>(\$145,672,000)</del>
31		<u>\$146,495,000</u>
32	General Fund--Private/Local Appropriation . . . . .	\$11,230,000
33	TOTAL APPROPRIATION . . . . .	<del>(\$294,480,000)</del>
34		<u>\$296,014,000</u>

35 The appropriations in this subsection are subject to the following  
 36 conditions and limitations: Pursuant to RCW 71A.12.160, if residential  
 37 habilitation center capacity is not being used for permanent residents,  
 38 the department shall make residential habilitation center vacancies

1 available for respite care and any other services needed to care for  
2 clients who are not currently being served in a residential  
3 habilitation center and whose needs require staffing levels similar to  
4 current residential habilitation center residents. Providing respite  
5 care shall not impede the department's ability to consolidate cottages,  
6 and maintain expenditures within allotments, as assumed in the  
7 appropriations in this subsection.

8 (3) PROGRAM SUPPORT

9	General Fund--State Appropriation (FY 2002) . . . . .	\$1,711,000
10	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$2,007,000)</del>
11		<u>\$3,088,000</u>
12	General Fund--Federal Appropriation . . . . .	<del>(\$2,612,000)</del>
13		<u>\$3,421,000</u>
14	Telecommunications Devices for the Hearing and	
15	Speech Impaired Account Appropriation . . . . .	\$1,767,000
16	TOTAL APPROPRIATION . . . . .	<del>(\$8,097,000)</del>
17		<u>\$9,987,000</u>

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

20 (a) \$270,000 of the fiscal year 2003 general fund--state  
21 appropriation and \$170,000 of the general fund--federal appropriation  
22 are provided solely for improved fiscal management of the home and  
23 community-based waiver and other community services.

24 (b) \$100,000 of the telecommunications devices for the hearing and  
25 speech impaired account appropriation is provided solely for increasing  
26 the contract amount for the southeast Washington deaf and hard of  
27 hearing services center due to increased workload.

28 (4) SPECIAL PROJECTS

29	General Fund--Federal Appropriation . . . . .	\$11,995,000
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30 **Sec. 206.** 2002 c 371 s 206 (uncodified) is amended to read as  
31 follows:

32 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**  
33 **SERVICES PROGRAM**

34	General Fund--State Appropriation (FY 2002) . . . . .	\$505,983,000
35	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$513,154,000)</del>
36		<u>\$513,676,000</u>

1	General Fund--Federal Appropriation . . . . .	(( <del>\$1,053,299,000</del> ))
2		<u>\$1,052,943,000</u>
3	General Fund--Private/Local Appropriation . . . . .	(( <del>\$11,803,000</del> ))
4		<u>\$11,387,000</u>
5	Health Services Account--State	
6	Appropriation . . . . .	(( <del>\$4,523,000</del> ))
7		<u>\$5,087,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$2,088,762,000</del> ))
9		<u>\$2,089,076,000</u>

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

12       (1) The entire health services account appropriation, \$1,210,000 of  
13 the general fund--state appropriation for fiscal year 2002,  
14 ((~~\$1,423,000~~)) \$1,458,000 of the general fund--state appropriation for  
15 fiscal year 2003, and ((~~\$6,794,000~~)) \$7,346,000 of the general fund--  
16 federal appropriation are provided solely for health care benefits for  
17 home care workers who are employed through state contracts for at least  
18 twenty hours per week. Premium payments for individual provider home  
19 care workers shall be made only to the subsidized basic health plan,  
20 and only for persons with incomes below 200 percent of the federal  
21 poverty level. Home care agencies may obtain coverage either through  
22 the basic health plan or through an alternative plan with substantially  
23 equivalent benefits.

24       (2) \$1,706,000 of the general fund--state appropriation for fiscal  
25 year 2002 and \$1,706,000 of the general fund--state appropriation for  
26 fiscal year 2003, plus the associated vendor rate increase for each  
27 year, are provided solely for operation of the volunteer chore services  
28 program.

29       (3) For purposes of implementing chapter 74.46 RCW, the weighted  
30 average nursing facility payment rate shall be no more than \$128.79 for  
31 fiscal year 2002, and no more than ((~~\$132.58~~)) \$131.57 for fiscal year  
32 2003. For all facilities, the therapy care, support services, and  
33 operations component rates established in accordance with chapter 74.46  
34 RCW shall be adjusted for economic trends and conditions by 2.1 percent  
35 effective July 1, 2001, and by an additional 1.5 percent effective July  
36 1, 2002. For case-mix facilities, direct care component rates  
37 established in accordance with chapter 74.46 RCW shall also be adjusted  
38 for economic trends and conditions by 2.1 percent effective July 1,

1 2001, and by an additional 2.3 percent effective July 1, 2002.  
2 Additionally, to facilitate the transition to a fully case-mix based  
3 direct care payment system, the median price per case-mix unit for each  
4 of the applicable direct care peer groups shall be increased on a one-  
5 time basis by 2.64 percent effective July 1, 2002.

6 (4) In accordance with Substitute House Bill No. 2242 (nursing home  
7 rates), the department shall issue certificates of capital  
8 authorization which result in up to \$10 million of increased asset  
9 value completed and ready for occupancy in fiscal year 2003; in up to  
10 \$27 million of increased asset value completed and ready for occupancy  
11 in fiscal year 2004; and in up to \$27 million of increased asset value  
12 completed and ready for occupancy in fiscal year 2005.

13 (5) Adult day health services shall not be considered a duplication  
14 of services for persons receiving care in long-term care settings  
15 licensed under chapter 18.20, 72.36, or 70.128 RCW.

16 (6) Within funds appropriated in this section and in section 204 of  
17 this act, the aging and adult services program shall coordinate with  
18 and actively support the efforts of the mental health program and of  
19 the regional support networks to provide stable community living  
20 arrangements for persons with dementia and traumatic brain injuries who  
21 have been long-term residents of the state psychiatric hospitals. The  
22 aging and adult services program shall report to the health care and  
23 fiscal committees of the legislature by November 1, 2001, and by  
24 November 1, 2002, on the actions it has taken to achieve this  
25 objective.

26 (7) Within funds appropriated in this section and in section 204 of  
27 this act, the aging and adult services program shall devise and  
28 implement strategies in partnership with the mental health program and  
29 the regional support networks to reduce the use of state and local  
30 psychiatric hospitals for the short-term stabilization of persons with  
31 dementia and traumatic brain injuries. Such strategies may include  
32 training and technical assistance to help long-term care providers  
33 avoid and manage behaviors which might otherwise result in psychiatric  
34 hospitalizations; monitoring long-term care facilities to assure  
35 residents are receiving appropriate mental health care and are not  
36 being inappropriately medicated or hospitalized; the development of  
37 diversion beds and stabilization support teams; and the establishment  
38 of systems to track the use of psychiatric hospitals by long-term care

1 providers. The aging and adult services program shall report to the  
2 health care and fiscal committees of the legislature by November 1,  
3 2001, and by November 1, 2002, on the actions it has taken to achieve  
4 this objective.

5 (8) In accordance with Substitute House Bill No. 1341, the  
6 department may implement a medicaid waiver program for persons who do  
7 not qualify for such services as categorically needy, subject to  
8 federal approval and the following conditions and limitations:

9 (a) The waiver program shall include coverage of care in community  
10 residential facilities. Enrollment in the waiver shall not exceed 50  
11 persons by the end of fiscal year 2002, nor 600 persons by the end of  
12 fiscal year 2003.

13 (b) For each month of waiver service delivered to a person who was  
14 not covered by medicaid prior to their enrollment in the waiver, the  
15 aging and adult services program shall transfer to the medical  
16 assistance program state and federal funds equal to the monthly per  
17 capita expenditure amount, net of drug rebates, estimated for medically  
18 needy-aged persons in the most recent forecast of medical assistance  
19 expenditures.

20 (c) The department shall identify the number of medically needy  
21 nursing home residents, and enrollment and expenditures on the  
22 medically needy waiver, on monthly management reports.

23 (d) The department shall track and report to health care and fiscal  
24 committees of the legislature by November 15, 2002, on the types of  
25 long-term care support a sample of waiver participants were receiving  
26 prior to their enrollment in the waiver, how those services were being  
27 paid for, and an assessment of their adequacy.

28 (9) \$50,000 of the general fund--state appropriation for fiscal  
29 year 2002 and \$50,000 of the general fund--state appropriation for  
30 fiscal year 2003 are provided solely for payments to any nursing  
31 facility licensed under chapter 18.51 RCW which meets all of the  
32 following criteria: (a) The nursing home entered into an arm's length  
33 agreement for a facility lease prior to January 1, 1980; (b) the lessee  
34 purchased the leased nursing home after January 1, 1980; and (c) the  
35 lessor defaulted on its loan or mortgage for the assets of the home  
36 after January 1, 1991, and prior to January 1, 1992. Payments provided  
37 pursuant to this subsection shall not be subject to the settlement,  
38 audit, or rate-setting requirements contained in chapter 74.46 RCW.

1 (10) \$364,000 of the general fund--state appropriation for fiscal  
2 year 2002, \$364,000 of the general fund--state appropriation for fiscal  
3 year 2003, and \$740,000 of the general fund--federal appropriation are  
4 provided solely for payment of exceptional care rates so that persons  
5 with Alzheimer's disease and related dementias who might otherwise  
6 require nursing home or state hospital care can instead be served in  
7 boarding home-licensed facilities which specialize in the care of such  
8 conditions.

9 (11) From funds appropriated in this section, the department shall  
10 increase compensation for individual and for agency home care  
11 providers. Payments to individual home care providers are to be  
12 increased from \$7.18 per hour to \$7.68 per hour on July 1, 2001.  
13 Payments to agency providers are to be increased to \$13.30 per hour on  
14 July 1, 2001, and to \$13.44 per hour on July 1, 2002. All but 18 cents  
15 per hour of the July 1, 2001, increase to agency providers is to be  
16 used to increase wages for direct care workers. The appropriations in  
17 this section also include the funds needed for the employer share of  
18 unemployment and social security taxes on the amount of the wage  
19 increase required by this subsection.

20 (12) \$2,507,000 of the general fund--state appropriation for fiscal  
21 year 2002, \$2,595,000 of the general fund--state appropriation for  
22 fiscal year 2003, and \$5,100,000 of the general fund--federal  
23 appropriation are provided solely for prospective rate increases  
24 intended to increase compensation by an average of fifty cents per hour  
25 for low-wage workers in agencies which contract with the state to  
26 provide community residential services for persons with functional  
27 disabilities. In consultation with the statewide associations  
28 representing such agencies, the department shall establish a mechanism  
29 for testing the extent to which funds have been used for this purpose,  
30 and report the results to the fiscal committees of the legislature by  
31 February 1, 2002. The amounts in this subsection also include the  
32 funds needed for the employer share of unemployment and social security  
33 taxes on the amount of the wage increase.

34 (13) \$1,082,000 of the general fund--state appropriation for fiscal  
35 year 2002, \$1,082,000 of the general fund--state appropriation for  
36 fiscal year 2003, and \$2,204,000 of the general fund--federal  
37 appropriation are provided solely for prospective rate increases  
38 intended to increase compensation for low-wage workers in nursing homes

1 which contract with the state. For fiscal year 2002, the department  
 2 shall add forty-five cents per patient day to the direct care rate  
 3 which would otherwise be paid to each nursing facility in accordance  
 4 with chapter 74.46 RCW. For fiscal year 2003, the department shall  
 5 increase the median price per case-mix unit for each of the applicable  
 6 peer groups by six-tenths of one percent in order to distribute the  
 7 available funds. In consultation with the statewide associations  
 8 representing nursing facilities, the department shall establish a  
 9 mechanism for testing the extent to which funds have been used for this  
 10 purpose, and report the results to the fiscal committees of the  
 11 legislature by February 1, 2002, and by December 1, 2002.

12 **Sec. 207.** 2002 c 371 s 207 (uncodified) is amended to read as  
 13 follows:

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

16	General Fund--State Appropriation (FY 2002) . . . . .	\$442,984,000
17	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$394,974,000 ))</del>
18		<u>\$406,972,000</u>
19	General Fund--Federal Appropriation . . . . .	<del>(( \$1,359,505,000 ))</del>
20		<u>\$1,363,821,000</u>
21	General Fund--Private/Local Appropriation . . . . .	\$33,880,000
22	TOTAL APPROPRIATION . . . . .	<del>(( \$2,231,343,000 ))</del>
23		<u>\$2,247,657,000</u>

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

26 (1) \$281,035,000 of the general fund--state appropriation for  
 27 fiscal year 2002, ~~(( \$277,231,000 ))~~ \$281,089,000 of the general fund--  
 28 state appropriation for fiscal year 2003, ~~(( \$1,254,197,000 ))~~  
 29 \$1,258,165,000 of the general fund--federal appropriation, and  
 30 \$31,444,000 of the general fund--local appropriation are provided  
 31 solely for the WorkFirst program and child support operations.  
 32 WorkFirst expenditures include TANF grants, diversion services,  
 33 subsidized child care, employment and training, other WorkFirst related  
 34 services, allocated field services operating costs, and allocated  
 35 economic services program administrative costs. Within the amounts  
 36 provided in this subsection, the department shall:

1 (a) Continue to implement WorkFirst program improvements that are  
2 designed to achieve progress against outcome measures specified in RCW  
3 74.08A.410. Valid outcome measures of job retention and wage  
4 progression shall be developed and reported quarterly to appropriate  
5 fiscal and policy committees of the legislature for families who leave  
6 assistance, measured after 12 months, 24 months, and 36 months. An  
7 increased attention to job retention and wage progression is necessary  
8 to emphasize the legislature's goal that the WorkFirst program succeed  
9 in helping recipients gain long-term economic independence and not  
10 cycle on and off public assistance. The wage progression measure shall  
11 report the median percentage increase in quarterly earnings and hourly  
12 wage after 12 months, 24 months, and 36 months. The wage progression  
13 report shall also report the percent with earnings above one hundred  
14 percent and two hundred percent of the federal poverty level. The  
15 report shall compare former WorkFirst participants with similar workers  
16 who did not participate in WorkFirst. The department shall also report  
17 the percentage of families who have returned to temporary assistance  
18 for needy families after 12 months, 24 months, and 36 months.

19 (b) Develop informational materials that educate families about the  
20 difference between cash assistance and work support benefits. These  
21 materials must explain, among other facts, that the benefits are  
22 designed to support their employment, that there are no time limits on  
23 the receipt of work support benefits, and that immigration or residency  
24 status will not be affected by the receipt of benefits. These  
25 materials shall be posted in all community service offices and  
26 distributed to families. Materials must be available in multiple  
27 languages. When a family leaves the temporary assistance for needy  
28 families program, receives cash diversion assistance, or withdraws a  
29 temporary assistance for needy families application, the department of  
30 social and health services shall educate them about the difference  
31 between cash assistance and work support benefits and offer them the  
32 opportunity to begin or to continue receiving work support benefits, so  
33 long as they are eligible. The department shall provide this  
34 information through in-person interviews, over the telephone, and/or  
35 through the mail. Work support benefits include food stamps, medicaid  
36 for all family members, medicaid or state children's health insurance  
37 program for children, and child care assistance. The department shall  
38 report annually to the legislature the number of families who have had



1 exit interviews, been reached successfully by phone, and been sent  
2 mail. The report shall also include the percentage of families who  
3 elect to continue each of the benefits and the percentage found  
4 ineligible by each substantive reason code. A substantive reason code  
5 shall not be "other." The report shall identify barriers to informing  
6 families about work support benefits and describe existing and future  
7 actions to overcome such barriers.

8 (c) From the amounts provided in this subsection, provide \$50,000  
9 from the general fund--state appropriation for fiscal year 2002 and  
10 \$50,000 from the general fund--state appropriation for fiscal year 2003  
11 to the Washington institute for public policy for continuation of the  
12 WorkFirst evaluation database.

13 (d) Submit a report by December 1, 2001, to the fiscal committees  
14 of the legislature containing a spending plan for the WorkFirst  
15 program. The plan shall identify how spending levels in the 2001-2003  
16 biennium will be adjusted by June 30, 2003, to be sustainable within  
17 available federal grant levels and the carryforward level of state  
18 funds.

19 (2) \$54,623,000 of the general fund--state appropriation for fiscal  
20 year 2002 and (~~(\$44,431,000)~~) \$51,147,000 of the general fund--state  
21 appropriation for fiscal year 2003 are provided solely for cash  
22 assistance and other services to recipients in the general assistance--  
23 unemployable program. Within these amounts, the department may expend  
24 funds for services that assist recipients to reduce their dependence on  
25 public assistance, provided that expenditures for these services and  
26 cash assistance do not exceed the funds provided.

27 (3) \$5,632,000 of the general fund--state appropriation for fiscal  
28 year 2002 and (~~(\$4,032,000)~~) \$6,852,000 of the general fund--state  
29 appropriation for fiscal year 2003 are provided solely for the food  
30 assistance program for legal immigrants. The level of benefits shall  
31 be equivalent to the benefits provided by the federal food stamp  
32 program.

33 (4) \$48,000 of the general fund--state appropriation for fiscal  
34 year 2002 is provided solely to implement chapter 111, Laws of 2001  
35 (veterans/Philippines).

36 (5) The department shall apply the provisions of RCW 74.04.005(10)  
37 to simplify resource eligibility policy, make such policy consistent

1 with other federal public assistance programs, and achieve the  
2 budgetary savings assumed in this section.

3 (6) It is the intent of the legislature that the department shall  
4 comply with federal requirements to maintain aggregate funding for  
5 supplemental security income (SSI) supplemental payments. Within the  
6 amount remaining in this section, SSI supplemental payments shall be  
7 used for current SSI recipients who have ineligible spouses.

8 (7) \$311,000 of the fiscal year 2003 general fund--state  
9 appropriation and \$255,000 of the general fund--federal appropriation  
10 are provided solely for the department to: (a) Increase and improve  
11 efforts to verify that children and pregnant women are in fact eligible  
12 for the medical assistance services they receive; and (b) review their  
13 continued eligibility for medical assistance services every six months.  
14 The improved income verification efforts shall be implemented no later  
15 than April 1, 2003, and shall include review of recipient documentation  
16 and employer contacts to verify that the income declared by applicants  
17 and recipients is accurate. These efforts will be supplemented by  
18 electronic records checks that will be in place by July 1, 2003. The  
19 six-month rather than annual review of continued eligibility is to be  
20 implemented no later than November 2003. All administrative rules,  
21 guidelines, and procedures; staffing levels and training; and changes  
22 to electronic systems necessary to implement the six-month review of  
23 continued eligibility shall be in place as required to timely implement  
24 the six-month reviews beginning November 2003.

25 (8) In reviewing the budget for the division of child support, the  
26 legislature has conducted a review of the Washington state child  
27 support schedule, chapter 26.19 RCW, and supporting documentation as  
28 required by federal law. The legislature concludes that the  
29 application of the support schedule continues to result in the correct  
30 amount of child support to be awarded. No further changes will be made  
31 to the support schedule or the economic table at this time.

32 **Sec. 208.** 2002 c 371 s 208 (uncodified) is amended to read as  
33 follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE**  
35 **ABUSE PROGRAM**

36	General Fund--State Appropriation (FY 2002) . . . . .	\$35,851,000
37	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$37,022,000</del> ))

1		<u>\$36,548,000</u>
2	General Fund--Federal Appropriation . . . . .	(( <del>\$91,549,000</del> ))
3		<u>\$91,539,000</u>
4	General Fund--Private/Local Appropriation . . . . .	\$723,000
5	Public Safety and Education Account--State	
6	Appropriation . . . . .	\$13,427,000
7	Violence Reduction and Drug Enforcement Account--	
8	State Appropriation . . . . .	\$52,306,000
9	TOTAL APPROPRIATION . . . . .	(( <del>\$230,878,000</del> ))
10		<u>\$230,394,000</u>

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

13       (1) \$810,000 of the general fund--state appropriation for fiscal  
14 year 2002 and \$1,622,000 of the general fund--state appropriation for  
15 fiscal year 2003 are provided solely for expansion of 35 drug and  
16 alcohol treatment beds for persons committed under RCW 70.96A.140.  
17 Patients meeting the commitment criteria of RCW 70.96A.140 but who  
18 voluntarily agree to treatment in lieu of commitment shall also be  
19 eligible for treatment in these additional treatment beds. The  
20 department shall develop specific placement criteria for these expanded  
21 treatment beds to ensure that this new treatment capacity is  
22 prioritized for persons incapacitated as a result of chemical  
23 dependency and who are also high utilizers of hospital services. These  
24 additional treatment beds shall be located in the eastern part of the  
25 state.

26       (2) \$1,000,000 of the public safety and education account--state  
27 appropriation is provided solely for expansion of treatment for persons  
28 gravely disabled by abuse and addiction to alcohol and other drugs  
29 including methamphetamine.

30       (3) \$1,083,000 of the public safety and education account--state  
31 appropriation and \$75,000 of the violence reduction and drug  
32 enforcement account--state appropriation are provided solely for adult  
33 and juvenile drug courts that have a net loss of federal grant funding  
34 in state fiscal year 2002 and state fiscal year 2003. This  
35 appropriation is intended to cover approximately one-half of lost  
36 federal funding.

37       (4) \$1,993,000 of the public safety and education account--state  
38 appropriation and \$951,000 of the general fund--federal appropriation

1 are provided solely for drug and alcohol treatment for SSI clients.  
2 The department shall continue research and post-program evaluation of  
3 these clients to further determine the post-treatment utilization of  
4 medical services and the service effectiveness of consolidation.

5 (5) \$500,000 of the violence reduction and drug enforcement account  
6 appropriation for fiscal year 2003 is provided solely for the  
7 department to provide treatment for pathological gambling or training  
8 for the treatment of pathological gambling under Second Substitute  
9 Senate Bill No. 6560 (shared game lottery). If the bill is not enacted  
10 by June 30, 2002, the amount provided in this subsection shall lapse.

11 (6) Within the amounts appropriated in this section, funding is  
12 provided to implement Second Substitute House Bill No. 2338 or  
13 Substitute Senate Bill No. 6361 (drug offender sentencing).

14 **Sec. 209.** 2002 c 371 s 209 (uncodified) is amended to read as  
15 follows:

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

18	General Fund--State Appropriation (FY 2002) . . . . .	\$1,081,150,000
19	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$1,124,758,000 ))</del>
20		<u>\$1,202,277,000</u>
21	General Fund--Federal Appropriation . . . . .	<del>(( \$3,621,077,000 ))</del>
22		<u>\$3,319,133,000</u>
23	General Fund--Private/Local Appropriation . . . . .	<del>(( \$211,272,000 ))</del>
24		<u>\$216,735,000</u>
25	Emergency Medical Services and Trauma Care Systems	
26	Trust Account--State Appropriation . . . . .	<del>(( \$9,200,000 ))</del>
27		<u>\$10,700,000</u>
28	Health Services Account--State Appropriation . . . . .	<del>(( \$1,104,119,000 ))</del>
29		<u>\$720,236,000</u>
30	TOTAL APPROPRIATION . . . . .	<del>(( \$7,151,576,000 ))</del>
31		<u>\$6,550,231,000</u>

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

34 (1) The department shall increase its efforts to restrain the  
35 growth of health care costs. The appropriations in this section  
36 anticipate that the department implements a combination of cost  
37 containment and utilization strategies sufficient to reduce general

1 fund--state costs by approximately 3 percent below the level projected  
2 for the 2001-03 biennium in the March 2001 forecast. The department  
3 shall report to the fiscal committees of the legislature by October 1,  
4 2001, on its specific plans and semiannual targets for accomplishing  
5 these savings. The department shall report again to the fiscal  
6 committees by March 1, 2002, and by September 1, 2002, on actual  
7 performance relative to the semiannual targets. If satisfactory  
8 progress is not being made to achieve the targeted savings, the reports  
9 shall include recommendations for additional or alternative measures to  
10 control costs.

11 (2) The department shall continue to extend medicaid eligibility to  
12 children through age 18 residing in households with incomes below 200  
13 percent of the federal poverty level.

14 (3) In determining financial eligibility for medicaid-funded  
15 services, the department is authorized to disregard recoveries by  
16 Holocaust survivors of insurance proceeds or other assets, as defined  
17 in RCW 48.104.030.

18 (4) \$502,000 of the health services account appropriation, \$400,000  
19 of the general fund--private/local appropriation, and \$1,676,000 of the  
20 general fund--federal appropriation are provided solely for  
21 implementation of Second Substitute House Bill No. 1058 (breast and  
22 cervical cancer treatment). If the bill is not enacted by June 30,  
23 2001, or if private funding is not contributed equivalent to the  
24 general fund--private/local appropriation, the funds appropriated in  
25 this subsection shall lapse.

26 (5) \$620,000 of the health services account appropriation for  
27 fiscal year 2002, (~~(\$1,380,000)~~) \$337,000 of the health services  
28 account appropriation for fiscal year 2003, and (~~(\$2,000,000)~~) \$960,000  
29 of the general fund--federal appropriation are provided solely for  
30 implementation of a "ticket to work" medicaid buy-in program for  
31 working persons with disabilities, operated in accordance with the  
32 following conditions:

33 (a) To be eligible, a working person with a disability must have  
34 total income which is less than 450 percent of poverty;

35 (b) Participants shall participate in the cost of the program by  
36 paying (i) a monthly enrollment fee equal to fifty percent of any  
37 unearned income in excess of the medicaid medically needy standard; and

1 (ii) a monthly premium equal to 5 percent of all unearned income, plus  
2 5 percent of all earned income after disregarding the first sixty-five  
3 dollars of monthly earnings, and half the remainder;

4 (c) The department shall establish more restrictive eligibility  
5 standards than specified in this subsection to the extent necessary to  
6 operate the program within appropriated funds;

7 (d) The department may require point-of-service copayments as  
8 appropriate, except that copayments shall not be so high as to  
9 discourage appropriate service utilization, particularly of  
10 prescription drugs needed for the treatment of psychiatric conditions;  
11 and

12 (e) The department shall establish systems for tracking and  
13 reporting enrollment and expenditures in this program, and the prior  
14 medical assistance eligibility status of new program enrollees. The  
15 department shall additionally survey the prior and current employment  
16 status and approximate hours worked of program enrollees, and report  
17 the results to the fiscal and health care committees of the legislature  
18 by January 15, 2003.

19 (6) From funds appropriated in this section, the department shall  
20 design, implement, and evaluate pilot projects to assist individuals  
21 with at least three different diseases to improve their health, while  
22 reducing total medical expenditures. The projects shall involve (a)  
23 identifying persons who are seriously or chronically ill due to a  
24 combination of medical, social, and functional problems; and (b)  
25 working with the individuals and their care providers to improve  
26 adherence to state-of-the-art treatment regimens. The department shall  
27 report to the health care and the fiscal committees of the legislature  
28 by January 1, 2002, on the particular disease states, intervention  
29 protocols, and delivery mechanisms it proposes to test.

30 (7) Sufficient funds are appropriated in this section for the  
31 department to continue full-scope dental coverage, vision coverage, and  
32 podiatry services for medicaid-eligible adults.

33 (8) The legislature reaffirms that it is in the state's interest  
34 for Harborview medical center to remain an economically viable  
35 component of the state's health care system.

36 (9) \$80,000 of the general fund--state appropriation for fiscal  
37 year 2002, \$80,000 of the general fund--state appropriation for fiscal

1 year 2003, and \$160,000 of the general fund--federal appropriation are  
2 provided solely for the newborn referral program to provide access and  
3 outreach to reduce infant mortality.

4 (10) \$30,000 of the general fund--state appropriation for fiscal  
5 year 2002, \$31,000 of the general fund--state appropriation for fiscal  
6 year 2003, and \$62,000 of the general fund--federal appropriation are  
7 provided solely for implementation of Substitute Senate Bill No. 6020  
8 (dental sealants). If Substitute Senate Bill No. 6020 is not enacted  
9 by June 30, 2001, the amounts provided in this subsection shall lapse.

10 (11) In accordance with RCW 74.46.625, (~~(\$523,600,000)~~)  
11 \$199,111,000 of the health services account appropriation and  
12 (~~(\$530,585,000)~~) \$201,049,000 of the general fund--federal  
13 appropriation are provided solely for supplemental payments to nursing  
14 homes operated by rural public hospital districts. The payments shall  
15 be conditioned upon (a) a contractual commitment by the association of  
16 public hospital districts and participating rural public hospital  
17 districts to make an intergovernmental transfer to the state treasurer,  
18 for deposit into the health services account, equal to at least (~~(98)~~)  
19 95 percent of the supplemental payments; and (b) a contractual  
20 commitment by the participating districts to not allow expenditures  
21 covered by the supplemental payments to be used for medicaid nursing  
22 home rate-setting. The participating districts shall retain no more  
23 than a total of \$20,000,000 for the 2001-03 biennium. If the medicare  
24 upper payment limit revenues referenced in this subsection are not  
25 received in an amount or within a time frame sufficient to support  
26 spending from the health services account, the governor shall take  
27 actions in accordance with RCW 43.88.110(8).

28 (12) (~~(\$38,766,000)~~) \$40,428,000 of the health services account  
29 appropriation (~~(for fiscal year 2002, \$40,494,000 of the health~~  
30 ~~services account appropriation for fiscal year 2003, and \$79,839,000)~~)  
31 and \$40,807,000 of the general fund--federal appropriation are provided  
32 solely for additional disproportionate share and medicare upper payment  
33 limit payments to public hospital districts.

34 The payments shall be conditioned upon a contractual commitment by  
35 the participating public hospital districts to make an  
36 intergovernmental transfer to the health services account equal to at  
37 least 91 percent of the additional payments. At least 28 percent of

1 the amounts retained by the participating hospital districts shall be  
2 allocated to the state's teaching hospitals.

3 (13) \$412,000 of the general fund--state appropriation for fiscal  
4 year 2002, \$862,000 of the general fund--state appropriation for fiscal  
5 year 2003, and \$730,000 of the general fund--federal appropriation are  
6 provided solely for implementation of Substitute House Bill No. 1162  
7 (small rural hospitals). If Substitute House Bill No. 1162 is not  
8 enacted by June 30, 2001, the amounts provided in this subsection shall  
9 lapse.

10 (14) The department may continue to use any federal money available  
11 to continue to provide medicaid matching funds for funds contributed by  
12 local governments for purposes of conducting eligibility outreach to  
13 children and underserved groups. The department shall ensure  
14 cooperation with the anticipated audit of the school districts'  
15 matchable expenditures for this program and advise the appropriate  
16 legislative fiscal committees of the findings.

17 (15) The department shall coordinate with the health care authority  
18 and with community and migrant health clinics to actively assist  
19 children and immigrant adults not eligible for medicaid to enroll in  
20 the basic health plan.

21 (16) \$8,500,000 of the general fund--state appropriation for fiscal  
22 year 2002, or so much thereof as may be necessary, is provided solely  
23 for settlement of *Providence St. Peter's Hospital et al. vs. Department*  
24 *of Social and Health Services*.

25 (17) In consultation and coordination with the department of  
26 health, the department shall establish mechanisms to assure that the  
27 AIDS insurance program operates within budgeted levels. Such  
28 mechanisms shall include a system under which the state's contribution  
29 to the cost of coverage is adjusted on a sliding-scale basis.

30 (18) The department shall implement an academic detailing program  
31 that educates prescribers on the availability of generic versions of  
32 off-patent brand drugs. To the extent the net cost of generics, after  
33 accounting for rebates, is less than the off-patent drug, generics will  
34 be substituted, with the prescriber's approval, consistent with  
35 criteria developed by the department in consultation with the state  
36 medical association and the state pharmacists association.

37 (19) Within available resources, the department shall design and  
38 (~~initiate~~) report on the feasibility of a general assistance medical



1 care management project in two counties, one in eastern Washington and  
 2 one in western Washington. In designing the project, the department  
 3 shall consult with the mental health division, migrant and community  
 4 health centers, and any other managed care provider that has the  
 5 capacity to offer coordinated medical and mental health care. The  
 6 projects shall be designed in such a way that a designated provider  
 7 network is established for general assistance clients so that care  
 8 management can be maximized. The department shall report on the design  
 9 of the pilot project to the policy and fiscal committees of the  
 10 legislature by October 15, 2002.

11 (20) \$21,000 of the general fund--state appropriation and \$189,000  
 12 of the general fund--federal appropriation are provided solely for  
 13 initiation of a study to assess alternatives for replacing the existing  
 14 medicaid management information system. The department shall report to  
 15 the information services board and to the fiscal committees of the  
 16 legislature by December 1, 2003, on the anticipated costs and benefits  
 17 of the major alternative approaches. The department shall receive  
 18 specific authorization in the 2003-05 appropriations act before  
 19 proceeding with procurement of the replacement system.

20 **Sec. 210.** 2002 c 371 s 210 (uncodified) is amended to read as  
 21 follows:

22 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**  
 23 **REHABILITATION PROGRAM**

24	General Fund--State Appropriation (FY 2002) . . . . .	\$11,135,000
25	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$9,385,000</del> ))
26		<u>\$9,371,000</u>
27	General Fund--Federal Appropriation . . . . .	(( <del>\$82,235,000</del> ))
28		<u>\$82,185,000</u>
29	General Fund--Private/Local Appropriation . . . . .	\$360,000
30	TOTAL APPROPRIATION . . . . .	(( <del>\$103,115,000</del> ))
31		<u>\$103,051,000</u>

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

34 (1) The division of vocational rehabilitation shall negotiate  
 35 cooperative interagency agreements with state and local organizations  
 36 to improve and expand employment opportunities for people with severe  
 37 disabilities.

1 (2) The department shall actively assist participants in the  
2 employment support services program to obtain other employment or  
3 training opportunities over the course of fiscal year 2003.

4 **Sec. 211.** 2002 c 371 s 211 (uncodified) is amended to read as  
5 follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**  
7 **SUPPORTING SERVICES PROGRAM**

8	General Fund--State Appropriation (FY 2002) . . . . .	\$30,419,000
9	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$22,419,000)</del>
10		<u>\$24,818,000</u>
11	General Fund--Federal Appropriation . . . . .	<del>(\$47,135,000)</del>
12		<u>\$48,157,000</u>
13	General Fund--Private/Local Appropriation . . . . .	\$810,000
14	TOTAL APPROPRIATION . . . . .	<del>(\$100,783,000)</del>
15		<u>\$104,204,000</u>

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

18 (1) By November 1, 2001, the secretary shall report to the fiscal  
19 committees of the legislature on the actions the secretary has taken,  
20 or proposes to take, within current funding levels to resolve the  
21 organizational problems identified in the department's February 2001  
22 report to the legislature on current systems for billing third-party  
23 payers for services delivered by the state psychiatric hospitals. The  
24 secretary is authorized to transfer funds from this section to the  
25 mental health program to the extent necessary to achieve the  
26 organizational improvements recommended in that report.

27 (2) By November 1, 2001, the department shall report to the fiscal  
28 committees of the legislature with the least costly plan for assuring  
29 that billing and accounting technologies in the state psychiatric  
30 hospitals adequately and efficiently comply with standards set by  
31 third-party payers. The plan shall be developed with participation by  
32 and oversight from the office of financial management, the department's  
33 information systems services division, and the department of  
34 information services.

35 (3) The department shall reconstitute the payment integrity program  
36 to place greater emphasis upon the prevention of future billing errors,  
37 ensure billing and administrative errors are treated in a manner

1 distinct from allegations of fraud and abuse, and shall rename the  
2 program. In keeping with this revised focus, the department shall also  
3 increase to one thousand dollars the cumulative total of apparent  
4 billing errors allowed before a provider is contacted for repayment.

5 (4) By September 1, 2001, the department shall report to the fiscal  
6 committees of the legislature results from the payment review program.  
7 The report shall include actual costs recovered and estimated costs  
8 avoided for fiscal year 2001 and the costs incurred by the department  
9 to administer the program. The report shall document criteria and  
10 methodology used for determining avoided costs. In addition, the  
11 department shall seek input from health care providers and consumer  
12 organizations on modifications to the program. The department shall  
13 provide annual updates to the report to the fiscal committees of the  
14 legislature by September 1st of each year for the preceding fiscal  
15 year.

16 (5) The department shall implement reductions in administrative  
17 expenditures assumed in these appropriations that achieve ongoing  
18 savings, reduce duplicative and redundant work processes, and, where  
19 possible, eliminate entire administrative functions and offices. The  
20 department may transfer amounts among sections and programs to achieve  
21 these savings provided that reductions in direct services to clients  
22 and recipients of the department shall not be counted as administrative  
23 reductions. The department shall report to the appropriate committees  
24 of the legislature a spending plan to achieve these reductions by July  
25 1, 2002, and shall report actual achieved administrative savings and  
26 projected saving for the remainder of the biennium by December 1, 2002.

27 **Sec. 212.** 2002 c 371 s 212 (uncodified) is amended to read as  
28 follows:

29 **FOR THE STATE HEALTH CARE AUTHORITY**

30	General Fund--State Appropriation (FY 2002) . . . . .	\$6,655,000
31	State Health Care Authority Administrative	
32	Account--State Appropriation . . . . .	<del>(\$20,032,000)</del>
33		<u>\$19,310,000</u>
34	Health Services Account--State Appropriation . . . . .	<del>(\$538,828,000)</del>
35		<u>\$502,278,000</u>
36	General Fund--Federal Appropriation . . . . .	<del>(\$4,240,000)</del>
37		<u>\$3,521,000</u>

1 ((~~Medical Aid Account State Appropriation . . . . . \$45,000~~))  
2 TOTAL APPROPRIATION . . . . . ((~~\$569,800,000~~))  
3 \$531,764,000

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

6 (1) \$6,551,000 of the general fund--state appropriation for fiscal  
7 year 2002 and \$6,550,000 of the health services account--state  
8 appropriation for fiscal year 2003 are provided solely for health care  
9 services provided through local community clinics.

10 (2) Within funds appropriated in this section and sections 205 and  
11 206 of this 2001 act, the health care authority shall continue to  
12 provide an enhanced basic health plan subsidy option for foster parents  
13 licensed under chapter 74.15 RCW and workers in state-funded home care  
14 programs. Under this enhanced subsidy option, foster parents and home  
15 care workers with family incomes below 200 percent of the federal  
16 poverty level shall be allowed to enroll in the basic health plan at a  
17 cost of ten dollars per covered worker per month.

18 (3) The health care authority shall require organizations and  
19 individuals which are paid to deliver basic health plan services and  
20 which choose to sponsor enrollment in the subsidized basic health plan  
21 to pay the following: (i) A minimum of fifteen dollars per enrollee  
22 per month for persons below 100 percent of the federal poverty level;  
23 and (ii) a minimum of twenty dollars per enrollee per month for persons  
24 whose family income is 100 percent to 125 percent of the federal  
25 poverty level.

26 (4) The health care authority shall solicit information from the  
27 United States office of personnel management, health plans, and other  
28 relevant sources, regarding the cost of implementation of mental health  
29 parity by the federal employees health benefits program in 2001. A  
30 progress report shall be provided to the senate and house of  
31 representatives fiscal committees by July 1, 2002, and a final report  
32 shall be provided to the legislature by November 15, 2002, on the study  
33 findings.

34 (5) The administrator shall take at least the following actions to  
35 assure that persons participating in the basic health plan are eligible  
36 for the level of assistance they receive: (a) Require submission of  
37 income tax returns and recent pay history from all applicants; (b)  
38 check employment security payroll records at least once every twelve

1 months on all enrollees; (c) require enrollees whose income as  
2 indicated by payroll records exceeds that upon which their subsidy is  
3 based to document their current income as a condition of continued  
4 eligibility; (d) require enrollees for whom employment security payroll  
5 records cannot be obtained to document their current income at least  
6 once every six months; and (e) pursue repayment and civil penalties  
7 from persons who have received excessive subsidies, as provided in RCW  
8 70.47.060(9).

9 ~~(6) ((The health services account revenues generated by Initiative~~  
10 ~~Measure No. 773 which are appropriated in this section shall be used to~~  
11 ~~subsidize enrollments in excess of the 125,000 per month base~~  
12 ~~enrollment level as follows:~~

13 ~~(a) \$20,000,000 is provided solely for enrollment in the subsidized~~  
14 ~~basic health plan of persons who, solely by reason of their immigration~~  
15 ~~status, are not eligible for medicaid coverage of their nonemergent~~  
16 ~~medical care needs. From July 2002 to October 2002, opportunities for~~  
17 ~~subsidized coverage will be offered on a phased in basis to this group~~  
18 ~~of persons. Any entity or organization may sponsor subsidized basic~~  
19 ~~health plan enrollment.~~

20 ~~(b) Beginning January 1, 2003, subsidized basic health plan~~  
21 ~~coverage shall be offered on a phased in basis to an additional 20,000~~  
22 ~~enrollees.~~

23 ~~(7))~~ \$3,000,000 of the health services account--state  
24 appropriation for fiscal year 2003 is provided solely to increase the  
25 number of persons not eligible for medicaid receiving dental care from  
26 nonprofit community clinics, and for interpreter services to support  
27 dental and medical services for persons for whom interpreters are not  
28 available from any other source.

29 ~~((8))~~ (7) The health care authority shall report to the fiscal  
30 committees of the legislature on the costs, benefits, and feasibility  
31 of implementing a system no later than January 1, 2004, under which the  
32 state's contribution to the cost of employee medical coverage would be  
33 graduated according to employee salary. Under the graduated system,  
34 employees in higher salary ranges would pay a larger share of the cost  
35 of their medical coverage, while those paid lower salaries would pay a  
36 smaller percentage of their premium. The report shall be prepared in  
37 consultation with the department of personnel and the state-supported

1 colleges and universities, and shall be submitted to the fiscal  
2 committees no later than December 1, 2002.

3 ~~((9))~~ (8) In consultation with the department of personnel and  
4 with the state-supported colleges and universities, the health care  
5 authority shall report to the fiscal committees of the legislature by  
6 October 1, 2002, a plan for expanding the availability and use of  
7 flexible spending account plans under which employees may set aside  
8 pretax earnings to cover their out-of-pocket medical costs. The  
9 authority is authorized to proceed with implementation of such a plan  
10 to the extent it can be accomplished within existing state funding  
11 levels.

12 ~~((10) \$685,000 of the health services account appropriation,  
13 \$629,000 of the general fund federal appropriation, and the medical  
14 aid account appropriation are provided solely for implementation of  
15 Substitute Senate Bill No. 6368 (prescription drug utilization and  
16 education). If the bill is not enacted by June 30, 2002, these amounts  
17 shall lapse.))~~

18 (9) As of the effective date of this 2003 act, the health care  
19 authority shall admit new members to the basic health plan only to the  
20 extent authorized under the authority's September 6, 2001,  
21 administrative policy on basic health enrollment management.

22 **Sec. 213.** 2002 c 371 s 213 (uncodified) is amended to read as  
23 follows:

24 **FOR THE HUMAN RIGHTS COMMISSION**

25	General Fund--State Appropriation (FY 2002) . . . . .	\$2,688,000
26	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$2,619,000 ))</del>
27		<u>\$2,483,000</u>
28	General Fund--Federal Appropriation . . . . .	<del>(( \$1,544,000 ))</del>
29		<u>\$1,794,000</u>
30	General Fund--Private/Local Appropriation . . . . .	\$100,000
31	TOTAL APPROPRIATION . . . . .	<del>(( \$6,951,000 ))</del>
32		<u>\$7,065,000</u>

33 **Sec. 214.** 2002 c 371 s 216 (uncodified) is amended to read as  
34 follows:

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

36	General Fund--State Appropriation (FY 2002) . . . . .	\$5,577,000
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1	General Fund--State Appropriation (FY 2003) . . . . .	\$5,517,000
2	General Fund--Federal Appropriation . . . . .	\$1,250,000
3	Public Safety and Education Account--State	
4	Appropriation . . . . .	\$18,292,000
5	Public Safety and Education Account--Federal	
6	Appropriation . . . . .	\$6,950,000
7	Public Safety and Education Account--Private/Local	
8	Appropriation . . . . .	<del>(\$5,373,000)</del>
9		<u>\$4,200,000</u>
10	Asbestos Account--State Appropriation . . . . .	\$688,000
11	Electrical License Account--State	
12	Appropriation . . . . .	\$28,412,000
13	Farm Labor Revolving Account--Private/Local	
14	Appropriation . . . . .	\$28,000
15	Worker and Community Right-to-Know Account--State	
16	Appropriation . . . . .	\$2,281,000
17	Public Works Administration Account--State	
18	Appropriation . . . . .	\$2,856,000
19	Accident Account--State Appropriation . . . . .	\$184,219,000
20	Accident Account--Federal Appropriation . . . . .	\$11,568,000
21	Medical Aid Account--State Appropriation . . . . .	<del>(\$183,666,000)</del>
22		<u>\$178,666,000</u>
23	Medical Aid Account--Federal Appropriation . . . . .	\$2,438,000
24	Plumbing Certificate Account--State	
25	Appropriation . . . . .	\$1,111,000
26	Pressure Systems Safety Account--State	
27	Appropriation . . . . .	\$2,525,000
28	TOTAL APPROPRIATION . . . . .	<del>(\$462,751,000)</del>
29		<u>\$456,578,000</u>

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

32 (1) Pursuant to RCW 7.68.015, the department shall operate the  
33 crime victims compensation program within the public safety and  
34 education account funds appropriated in this section. In the event  
35 that cost containment measures are necessary, the department may (a)  
36 institute copayments for services; (b) develop preferred provider  
37 contracts; or (c) other cost containment measures. Cost containment  
38 measures shall not include holding invoices received in one fiscal

1 period for payment from appropriations in subsequent fiscal periods.  
2 No more than \$5,248,000 of the public safety and education account  
3 appropriation shall be expended for department administration of the  
4 crime victims compensation program.

5 (2) It is the intent of the legislature that elevator inspection  
6 fees shall fully cover the cost of the elevator inspection program.  
7 Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium the  
8 department may increase fees in excess of the fiscal growth factor, if  
9 the increases are necessary to fully fund the cost of the elevator  
10 inspection program.

11 (3) \$300,000 of the medical aid account--state appropriation is  
12 provided for a second center of occupational health and education to be  
13 located on the east side of the state. These centers train physicians  
14 on best practices for occupational medicine and work with labor and  
15 business to improve the quality and outcomes of medical care provided  
16 to injured workers.

17 **Sec. 215.** 2002 c 371 s 218 (uncodified) is amended to read as  
18 follows:

19 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

20 (1) HEADQUARTERS

21	General Fund--State Appropriation (FY 2002) . . . . .	\$1,577,000
22	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$1,533,000)</del>
23		<u>\$1,546,000</u>
24	Charitable, Educational, Penal, and Reformatory	
25	Institutions Account--State	
26	Appropriation . . . . .	\$7,000
27	TOTAL APPROPRIATION . . . . .	<del>(\$3,117,000)</del>
28		<u>\$3,130,000</u>

29 (2) FIELD SERVICES

30	General Fund--State Appropriation (FY 2002) . . . . .	\$2,619,000
31	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$2,580,000)</del>
32		<u>\$2,603,000</u>
33	General Fund--Federal Appropriation . . . . .	\$310,000
34	General Fund--Private/Local Appropriation . . . . .	\$1,663,000
35	TOTAL APPROPRIATION . . . . .	<del>(\$7,172,000)</del>
36		<u>\$7,195,000</u>



1	(3) INSTITUTIONAL SERVICES	
2	General Fund--State Appropriation (FY 2002) . . . . .	\$5,765,000
3	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$5,516,000</del> ))
4		<u>\$6,034,000</u>
5	General Fund--Federal Appropriation . . . . .	(( <del>\$27,437,000</del> ))
6		<u>\$27,411,000</u>
7	General Fund--Private/Local Appropriation . . . . .	(( <del>\$22,828,000</del> ))
8		<u>\$22,526,000</u>
9	TOTAL APPROPRIATION . . . . .	(( <del>\$61,546,000</del> ))
10		<u>\$61,736,000</u>

11 The appropriations in this subsection are subject to the following  
12 terms and conditions:

13 (1) \$2,886,000 of the general fund--federal appropriation and  
14 \$5,639,000 of the general fund--local appropriation are provided solely  
15 for the department to acquire, establish, and operate a nursing  
16 facility dedicated to serving men and women from Washington who have  
17 served in the nation's armed forces.

18 (2) After July 1, 2003, unless specifically prohibited by this act,  
19 the department may transfer general fund--state appropriations for  
20 fiscal year 2003 among programs after approval by the director of  
21 financial management. However, the department shall not transfer state  
22 moneys that are provided solely for a specified purpose, nor may the  
23 department transfer appropriations into the headquarters program.

24 **Sec. 216.** 2002 c 371 s 219 (uncodified) is amended to read as  
25 follows:

26 **FOR THE HOME CARE QUALITY AUTHORITY**

27	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$152,000</del> ))
28		<u>\$171,000</u>

29 The appropriation in this section is subject to the following  
30 conditions and limitations: The general fund--state appropriation for  
31 fiscal year 2003 is provided for start-up costs of the home care  
32 quality authority, a new state agency established by the enactment of  
33 Initiative Measure No. 775.

34 **Sec. 217.** 2002 c 371 s 220 (uncodified) is amended to read as  
35 follows:

1	<b>FOR THE DEPARTMENT OF HEALTH</b>	
2	General Fund--State Appropriation (FY 2002) . . . . .	\$57,337,000
3	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$54,940,000)</del>
4		<u>\$54,845,000</u>
5	Health Services Account--State Appropriation . . . . .	<del>(\$33,520,000)</del>
6		<u>\$28,460,000</u>
7	General Fund--Federal Appropriation . . . . .	\$297,352,000
8	General Fund--Private/Local Appropriation . . . . .	<del>(\$82,912,000)</del>
9		<u>\$84,212,000</u>
10	Hospital Commission Account--State	
11	Appropriation . . . . .	\$2,305,000
12	Health Professions Account--State	
13	Appropriation . . . . .	\$39,374,000
14	Emergency Medical Services and Trauma Care Systems	
15	Trust Account--State Appropriation . . . . .	\$14,858,000
16	Safe Drinking Water Account--State	
17	Appropriation . . . . .	\$2,689,000
18	Drinking Water Assistance Account--Federal	
19	Appropriation . . . . .	\$13,376,000
20	Waterworks Operator Certification--State	
21	Appropriation . . . . .	<del>(\$622,000)</del>
22		<u>\$743,000</u>
23	Salmon Recovery Account--State Appropriation . . . . .	\$182,000
24	Water Quality Account--State Appropriation . . . . .	\$3,304,000
25	Accident Account--State Appropriation . . . . .	\$257,000
26	Medical Aid Account--State Appropriation . . . . .	\$45,000
27	State Toxics Control Account--State	
28	Appropriation . . . . .	\$2,809,000
29	Medical Test Site Licensure Account--State	
30	Appropriation . . . . .	\$1,801,000
31	Youth Tobacco Prevention Account--State	
32	Appropriation . . . . .	\$1,797,000
33	Tobacco Prevention and Control Account--State	
34	Appropriation . . . . .	\$43,737,000
35	TOTAL APPROPRIATION . . . . .	<del>(\$653,217,000)</del>
36		<u>\$649,483,000</u>

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

1 (1) The department or any successor agency is authorized to raise  
2 existing fees charged to the drinking water operator certification,  
3 newborn screening, radioactive materials, x-ray compliance, drinking  
4 water plan review, midwifery, hearing and speech, veterinarians,  
5 psychologists, pharmacists, hospitals, podiatrists, home health and  
6 home care, transient accommodations licensing, adult residential  
7 rehabilitation facilities licensing, state institution licensing,  
8 medical test site licensing, alcoholism treatment facilities licensing,  
9 certificate of need, and food handlers programs, in excess of the  
10 fiscal growth factor established by Initiative Measure No. 601, if  
11 necessary, to meet the actual costs of conducting business and the  
12 appropriation levels in this section.

13 (2) \$339,000 of the general fund--state appropriation for fiscal  
14 year 2002, \$157,000 of the general fund--state appropriation for fiscal  
15 year 2003, and the salmon recovery account appropriation are provided  
16 solely for technical assistance to local governments and special  
17 districts on water conservation and reuse.

18 (3) \$1,675,000 of the general fund--state fiscal year 2002  
19 appropriation and \$1,676,000 of the general fund--state fiscal year  
20 2003 appropriation are provided solely for the implementation of the  
21 Puget Sound water work plan and agency action items, DOH-01, DOH-02,  
22 DOH-03, and DOH-04.

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

1 (5) (~~(\$19,778,000)~~) \$14,718,000 of the health services account--  
2 state appropriation is provided solely for the state's program of  
3 universal access to essential childhood vaccines. The department shall  
4 utilize all available federal funding before expenditure of these  
5 funds.

6 (6) \$85,000 of the general fund--state appropriation for fiscal  
7 year 2002 and \$65,000 of the general fund--state appropriation for  
8 fiscal year 2003 are provided solely for the implementation of  
9 Substitute House Bill No. 1365 (infant and child products). If the  
10 bill is not enacted by June 30, 2001, the amounts provided in this  
11 subsection shall lapse.

12 (7) From funds appropriated in this section, the state board of  
13 health shall convene a broadly-based task force to review the available  
14 information on the potential risks and benefits to public and personal  
15 health and safety, and to individual privacy, of emerging technologies  
16 involving human deoxyribonucleic acid (DNA). The board may reimburse  
17 task force members for travel expenses according to RCW 43.03.220. The  
18 task force shall consider information provided to it by interested  
19 persons on: (a) The incidence of discriminatory actions based upon  
20 genetic information; (b) strategies to safeguard civil rights and  
21 privacy related to genetic information; (c) remedies to compensate  
22 individuals for inappropriate use of their genetic information; and (d)  
23 incentives for further research and development on the use of DNA to  
24 promote public health, safety, and welfare. The task force shall  
25 report on its findings and any recommendations to appropriate  
26 committees of the legislature by October 1, 2002.

27 (8) \$533,000 of the general fund--state appropriation for fiscal  
28 year 2002 and \$847,000 of the general fund--state appropriation for  
29 fiscal year 2003 are provided solely for performance-based contracts  
30 with local jurisdictions to assure the safety of drinking water  
31 provided by small "group B" water systems.

32 (9) By October 1, 2002, the department shall establish mechanisms  
33 to assure that the HIV early intervention services program operates  
34 within appropriated levels. This shall include a system under which  
35 the state's contribution to the cost of care is adjusted on a sliding-  
36 scale basis.

37 (10) By December 1, 2002, the department shall report to  
38 appropriate committees of the legislature with a feasibility analysis

1 of implementing an electronic filing system for death certificates.  
2 The study shall be conducted in consultation and cooperation with local  
3 and state registrars, funeral directors, and physicians, and shall  
4 include an analysis of applying an additional fee to death certificates  
5 to cover the cost of developing and operating the electronic system.

6 **Sec. 218.** 2002 c 371 s 221 (uncodified) is amended to read as  
7 follows:

8 **FOR THE DEPARTMENT OF CORRECTIONS.** The appropriations to the  
9 department of corrections in this act shall be expended for the  
10 programs and in the amounts specified herein. However, after May 1,  
11 ~~((2002))~~ 2003, after approval by the director of financial management  
12 and unless specifically prohibited by this act, the department may  
13 transfer general fund--state appropriations for fiscal year ~~((2002))~~  
14 2003 between programs. The director of financial management shall  
15 notify the appropriate fiscal committees of the senate and house of  
16 representatives in writing prior to approving any deviations from  
17 appropriation levels.

18 (1) ADMINISTRATION AND SUPPORT SERVICES

19 General Fund--State Appropriation (FY 2002) . . . . .	\$36,786,000
20 General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$36,434,000 ))</del>
	<u>\$36,239,000</u>
22 Public Safety and Education Account--State	
23 Appropriation . . . . .	\$1,576,000
24 Violence Reduction and Drug Enforcement	
25 Account Appropriation . . . . .	\$3,254,000
26 TOTAL APPROPRIATION . . . . .	<del>(( \$78,050,000 ))</del>
	<u>\$77,855,000</u>

27

28 The appropriations in this subsection are subject to the following  
29 conditions and limitations: \$4,623,000 of the general fund--state  
30 appropriation for fiscal year 2002, \$4,623,000 of the general fund--  
31 state appropriation for fiscal year 2003, and \$3,254,000 of the  
32 violence reduction and drug enforcement account appropriation are  
33 provided solely for the replacement of the department's offender-based  
34 tracking system. This amount is conditioned on the department  
35 satisfying the requirements of section 902 of this act. The department  
36 shall prepare an assessment of the fiscal impact of any changes to the  
37 replacement project. The assessment shall:

- 1 (a) Include a description of any changes to the replacement
- 2 project;
- 3 (b) Provide the estimated costs for each component in the 2001-03
- 4 and subsequent biennia;
- 5 (c) Include a schedule that provides the time estimated to complete
- 6 changes to each component of the replacement project; and
- 7 (d) Be provided to the office of financial management, the
- 8 department of information services, the information services board, and
- 9 the staff of the fiscal committees of the senate and the house of
- 10 representatives no later than November 1, 2002.

11 (2) CORRECTIONAL OPERATIONS

12	General Fund--State Appropriation (FY 2002) . . . . .	\$404,390,000
13	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$412,788,000 ))</del>
14		<u>\$433,915,000</u>
15	General Fund--Federal Appropriation . . . . .	<del>(( \$9,142,000 ))</del>
16		<u>\$9,936,000</u>
17	Violence Reduction and Drug Enforcement Account--	
18	State Appropriation . . . . .	\$1,596,000
19	Public Health Services Account Appropriation . . . . .	\$1,453,000
20	TOTAL APPROPRIATION . . . . .	<del>(( \$829,369,000 ))</del>
21		<u>\$851,290,000</u>

22 The appropriations in this subsection are subject to the following

23 conditions and limitations:

24 (a) The department may expend funds generated by contractual

25 agreements entered into for mitigation of severe overcrowding in local

26 jails. Any funds generated in excess of actual costs shall be

27 deposited in the state general fund. Expenditures shall not exceed

28 revenue generated by such agreements and shall be treated as recovery

29 of costs.

30 (b) The department shall provide funding for the pet partnership

31 program at the Washington corrections center for women at a level at

32 least equal to that provided in the 1995-97 biennium.

33 (c) The department of corrections shall accomplish personnel

34 reductions with the least possible impact on correctional custody

35 staff, community custody staff, and correctional industries. For the

36 purposes of this subsection, correctional custody staff means employees

37 responsible for the direct supervision of offenders.

1 (d) \$553,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$956,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely to increase payment rates for  
4 contracted education providers, contracted chemical dependency  
5 providers, and contracted work release facilities.

6 (e) During the 2001-03 biennium, when contracts are established or  
7 renewed for offender pay phone and other telephone services provided to  
8 inmates, the department shall select the contractor or contractors  
9 primarily based on the following factors: (i) The lowest rate charged  
10 to both the inmate and the person paying for the telephone call; and  
11 (ii) the lowest commission rates paid to the department, while  
12 providing reasonable compensation to cover the costs of the department  
13 to provide the telephone services to inmates and provide sufficient  
14 revenues for the activities funded from the institutional welfare  
15 betterment account (~~as of January 1, 2000~~).

16 (f) For the acquisition of properties and facilities, the  
17 department of corrections is authorized to enter into financial  
18 contracts, paid for from operating resources, for the purposes  
19 indicated and in not more than the principal amounts indicated, plus  
20 financing expenses and required reserves pursuant to chapter 39.94 RCW.  
21 This authority applies to the following: Lease-develop with the option  
22 to purchase or lease-purchase approximately 50 work release beds in  
23 facilities throughout the state for \$3,500,000.

24 (g) \$22,000 of the general fund--state appropriation for fiscal  
25 year 2002 and \$76,000 of the general fund--state appropriation for  
26 fiscal year 2003 are provided solely for the implementation of Second  
27 Substitute Senate Bill No. 6151 (high risk sex offenders in the civil  
28 commitment and criminal justice systems). If the bill is not enacted  
29 by June 30, 2001, the amounts provided in this subsection shall lapse.

30 (h) The department may acquire a ferry for no more than \$1,000,000  
31 from Washington state ferries. Funds expended for this purpose will be  
32 recovered from the sale of marine assets.

33 ~~((+j))~~ (i) Within the amounts appropriated in this section,  
34 funding is provided for the initial implementation of a medical  
35 algorithm practice program within the department's facilities. The  
36 program shall be designed to achieve clinical efficacy and costs  
37 efficiency in the utilization of psychiatric drugs.

38 (3) COMMUNITY SUPERVISION

1	General Fund--State Appropriation (FY 2002) . . . . .	\$68,097,000
2	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$75,720,000)</del>
3		<u>\$77,436,000</u>
4	General Fund--Federal Appropriation . . . . .	\$870,000
5	Public Safety and Education	
6	Account--State Appropriation . . . . .	\$15,493,000
7	TOTAL APPROPRIATION . . . . .	<del>(\$160,180,000)</del>
8		<u>\$161,896,000</u>

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

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

16       (b) \$75,000 of the general fund--state appropriation for fiscal  
17 year 2002 and \$75,000 of the general fund--state appropriation for  
18 fiscal year 2003 are provided solely for the department of corrections  
19 to contract with the institute for public policy for responsibilities  
20 assigned in chapter 196, Laws of 1999 (offender accountability act) and  
21 sections 7 through 12 of chapter 197, Laws of 1999 (drug offender  
22 sentencing).

23       (c) \$16,000 of the general fund--state appropriation for fiscal  
24 year 2002 and \$28,000 of the general fund--state appropriation for  
25 fiscal year 2003 are provided solely to increase payment rates for  
26 contracted chemical dependency providers.

27       (d) \$30,000 of the general fund--state appropriation for fiscal  
28 year 2002 and \$30,000 of the general fund--state appropriation for  
29 fiscal year 2003 are provided solely for the implementation of  
30 Substitute Senate Bill No. 5118 (interstate compact for adult offender  
31 supervision). If the bill is not enacted by June 30, 2001, the amounts  
32 provided in this subsection shall lapse.

33       (4) CORRECTIONAL INDUSTRIES

34	General Fund--State Appropriation (FY 2002) . . . . .	\$631,000
35	General Fund--State Appropriation (FY 2003) . . . . .	\$629,000
36	TOTAL APPROPRIATION . . . . .	\$1,260,000



1 The appropriations in this subsection are subject to the following  
 2 conditions and limitations: \$110,000 of the general fund--state  
 3 appropriation for fiscal year 2002 and \$110,000 of the general fund--  
 4 state appropriation for fiscal year 2003 are provided solely for  
 5 transfer to the jail industries board. The board shall use the amounts  
 6 provided only for administrative expenses, equipment purchases, and  
 7 technical assistance associated with advising cities and counties in  
 8 developing, promoting, and implementing consistent, safe, and efficient  
 9 offender work programs.

10 (5) INTERAGENCY PAYMENTS

11	General Fund--State Appropriation (FY 2002) . . . . .	\$18,568,000
12	General Fund--State Appropriation (FY 2003) . . . . .	\$18,569,000
13	TOTAL APPROPRIATION . . . . .	\$37,137,000

14 **Sec. 219.** 2002 c 371 s 222 (uncodified) is amended to read as  
 15 follows:

16 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

17	General Fund--State Appropriation (FY 2002) . . . . .	\$1,652,000
18	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$1,588,000)</del>
19		<u>\$1,582,000</u>
20	General Fund--Federal Appropriation . . . . .	<del>(\$12,643,000)</del>
21		<u>\$13,186,000</u>
22	General Fund--Private/Local Appropriation . . . . .	\$80,000
23	TOTAL APPROPRIATION . . . . .	<del>(\$15,963,000)</del>
24		<u>\$16,500,000</u>

25 The appropriations in this section are subject to the following  
 26 conditions and limitations: \$50,000 of the general fund--state  
 27 appropriation for fiscal year 2002 and \$50,000 of the general fund--  
 28 state appropriation for fiscal year 2003 are provided solely to  
 29 increase state assistance for a comprehensive program of training and  
 30 support services for persons who are both deaf and blind.

31 **Sec. 220.** 2002 c 371 s 224 (uncodified) is amended to read as  
 32 follows:

33 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

34	General Fund--Federal Appropriation . . . . .	\$180,628,000
35	General Fund--Private/Local Appropriation . . . . .	\$30,119,000
36	Unemployment Compensation Administration Account--	

1	Federal Appropriation . . . . .	(( <del>\$194,167,000</del> ))
2		<u>\$194,011,000</u>
3	Administrative Contingency Account--State	
4	Appropriation . . . . .	(( <del>\$15,514,000</del> ))
5		<u>\$13,914,000</u>
6	Employment Service Administrative Account--State	
7	Appropriation . . . . .	(( <del>\$20,001,000</del> ))
8		<u>\$20,851,000</u>
9	TOTAL APPROPRIATION . . . . .	(( <del>\$440,429,000</del> ))
10		<u>\$439,523,000</u>

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

13 (1) \$156,000 of the unemployment compensation administration  
14 account is provided solely for the implementation of Substitute House  
15 Bill No. 2355 (unemployment insurance). If the bill is not enacted by  
16 June 30, 2002, the amount provided in this subsection shall lapse.

17 (2) ((~~Up to \$1,600,000~~)) \$850,000 of the ((~~administrative~~  
18 ~~contingency account~~)) employment service administrative account--state  
19 appropriation is provided solely for administrative costs related to  
20 the implementation of Engrossed House Bill No. 2901 (unemployment  
21 insurance). If the bill is not enacted by June 30, 2002, the amount  
22 provided in this subsection shall lapse.

(End of part)

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

**Sec. 301.** 2002 c 371 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2002)	\$39,404,000
General Fund--State Appropriation (FY 2003)	<del>(\$34,283,000)</del>
	<u>\$34,225,000</u>
General Fund--Federal Appropriation	\$56,805,000
General Fund--Private/Local Appropriation	\$4,351,000
Special Grass Seed Burning Research Account--	
State Appropriation	\$14,000
Reclamation Revolving Account--State	
Appropriation	\$1,935,000
Flood Control Assistance Account--	
State Appropriation	\$4,098,000
State Emergency Water Projects Revolving Account--	
State Appropriation	\$878,000
Waste Reduction/Recycling/Litter Control Account--	
State Appropriation	\$14,287,000
State Drought Preparedness Account--State	
Appropriation	\$2,575,000
Salmon Recovery Account--State Appropriation	\$250,000
State and Local Improvements Revolving Account	
(Water Supply Facilities)--State	
Appropriation	\$587,000
Water Quality Account--State Appropriation	<del>(\$22,985,000)</del>
	<u>\$22,976,000</u>
Wood Stove Education and Enforcement Account--	
State Appropriation	\$353,000
Worker and Community Right-to-Know Account--	
State Appropriation	\$3,288,000
State Toxics Control Account--State	
Appropriation	\$70,001,000
State Toxics Control Account--Private/Local	

1	Appropriation . . . . .	\$350,000
2	Local Toxics Control Account--State	
3	Appropriation . . . . .	\$4,751,000
4	Water Quality Permit Account--State	
5	Appropriation . . . . .	\$24,210,000
6	Underground Storage Tank Account--State	
7	Appropriation . . . . .	\$2,682,000
8	Environmental Excellence Account--State	
9	Appropriation . . . . .	\$504,000
10	Biosolids Permit Account--State Appropriation . . . . .	\$764,000
11	Hazardous Waste Assistance Account--State	
12	Appropriation . . . . .	\$4,308,000
13	Air Pollution Control Account--State	
14	Appropriation . . . . .	\$1,366,000
15	Oil Spill Prevention Account--State	
16	Appropriation . . . . .	\$7,921,000
17	Air Operating Permit Account--State	
18	Appropriation . . . . .	\$3,608,000
19	Freshwater Aquatic Weeds Account--State	
20	Appropriation . . . . .	\$1,898,000
21	Oil Spill Response Account--State	
22	Appropriation . . . . .	\$7,078,000
23	Metals Mining Account--State Appropriation . . . . .	\$5,000
24	Water Pollution Control Revolving Account--	
25	State Appropriation . . . . .	(( <del>\$536,000</del> ))
26		<u>\$564,000</u>
27	Water Pollution Control Revolving Account--	
28	Federal Appropriation . . . . .	\$2,802,000
29	TOTAL APPROPRIATION . . . . .	(( <del>\$318,877,000</del> ))
30		<u>\$318,838,000</u>

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

33 (1) \$3,874,000 of the general fund--state appropriation for fiscal  
34 year 2002, ((~~\$3,874,000~~)) \$2,684,000 of the general fund--state  
35 appropriation for fiscal year 2003, \$394,000 of the general fund--  
36 federal appropriation, \$2,070,000 of the oil spill prevention account--  
37 state appropriation, \$1,190,000 of the state toxics control account,  
38 and \$3,686,000 of the water quality permit account--state appropriation

1 are provided solely for the implementation of the Puget Sound work plan  
2 and agency action items DOE-01, DOE-02, DOE-03, DOE-05, DOE-06, DOE-07,  
3 DOE-08, and DOE-09.

4 (2) \$500,000 of the state toxics control account appropriation is  
5 provided for an assessment of the financial assurance requirements of  
6 hazardous waste management facilities. By September 30, 2002, the  
7 department shall provide to the governor and appropriate committees of  
8 the legislature a report that: (a) Evaluates current statutes and  
9 regulations governing hazardous waste management facilities; (b)  
10 analyzes and makes recommendations for improving financial assurance  
11 regulatory control; and (c) makes recommendations for funding financial  
12 assurance regulatory control of hazardous waste management facilities.

13 (3) \$814,000 of the state drought preparedness account--state  
14 appropriation, \$549,000 of the water quality account--state  
15 appropriation, and \$250,000 of the salmon recovery account--state  
16 appropriation are provided solely for enhanced streamflow monitoring in  
17 critical salmon recovery basins. \$640,000 of this amount is provided  
18 solely to implement the Puget Sound work plan and agency action item  
19 DOE-01.

20 (4) \$1,000,000 of the state toxics control account appropriation in  
21 this section is provided solely for the department to work in  
22 cooperation with local jurisdictions to address emerging storm water  
23 management requirements. This work shall include developing a storm  
24 water manual for eastern Washington, technical assistance to local  
25 jurisdictions, and increased implementation of the department's  
26 existing storm water program. \$200,000 of this amount is provided  
27 solely for implementation of the Puget Sound work plan and agency  
28 action item DOE-06.

29 (5) \$383,000 of the general fund--state appropriation for fiscal  
30 year 2002 and \$383,000 of the general fund--state appropriation for  
31 fiscal year 2003 are provided solely for water conservation plan  
32 review, technical assistance, and project review for water conservation  
33 and reuse projects. By December 1, 2003, the department in cooperation  
34 with the department of health shall report to the governor and  
35 appropriate committees of the legislature on the activities and  
36 achievements related to water conservation and reuse during the past  
37 two biennia. The report shall include an overview of technical

1 assistance provided, reuse project development activities, and water  
2 conservation achievements.

3 (6) \$3,424,000 of the state toxics control account appropriation is  
4 provided solely for methamphetamine lab clean up activities.

5 (7)(a) \$800,000 of the state toxics control account appropriation  
6 is provided solely to implement the department's persistent,  
7 bioaccumulative toxic chemical strategy.

8 (b) In developing its persistent bioaccumulative toxic chemical  
9 strategy, the department must:

10 (i) First develop a planned strategy for the reduction of mercury  
11 from the environment. This strategy will be known as the mercury  
12 chemical action plan. The development of the mercury chemical action  
13 plan will be a model for developing all future chemical action plans;

14 (ii) Develop a mercury chemical action plan that includes, but is  
15 not limited to: (A) Identifying current mercury uses in Washington;  
16 (B) analyzing current state and federal laws, regulations, rules, and  
17 voluntary measures that can be used to reduce or eliminate mercury; (C)  
18 identifying mercury reduction and elimination options; and (D)  
19 implementing actions to reduce or eliminate mercury uses and releases;

20 (iii) Involve an advisory committee of up to twelve members  
21 composed of adequate and balanced representation of local government,  
22 business, agriculture, and environmental, public health, and community  
23 groups in the development of the mercury chemical action plan. In  
24 addition, the department must invite and strongly encourage any  
25 interested tribes or federal agencies to participate in the advisory  
26 committee process. The advisory committee must be involved in the  
27 development of the mercury chemical action plan. All information that  
28 will serve as the basis for any decisions in the mercury chemical  
29 action plan's development must be available to the advisory committee  
30 members. The advisory committee has sixty days to provide input to the  
31 department on the elements of the mercury chemical action plan. The  
32 comments and suggestions made by the advisory committee must be  
33 considered by the department; however, consensus of the advisory  
34 committee is not necessary for the department to move forward in the  
35 development of the mercury chemical action plan. All meetings of the  
36 advisory committee are subject to the provisions of chapter 42.30 RCW.  
37 The advisory committee for the mercury chemical action plan must be  
38 established by April 15, 2002;

1 (iv) By August 31, 2002, develop and issue a draft mercury chemical  
2 action plan in consultation with the advisory committee. Following the  
3 release of the draft plan, the department must allow for a sixty-day  
4 public comment period. The advisory committee, following the comment  
5 period, shall consider the public comments received; and

6 (v) The department shall finalize the mercury chemical action plan  
7 by December 31, 2002. The final mercury chemical action plan,  
8 developed after considering the public comments and the input of the  
9 advisory committee, must outline actions for the department to take,  
10 including, but not limited to, the development of any rules and  
11 recommending any legislation. Implementation must begin no later than  
12 February 1, 2003.

13 (8) Up to \$11,365,000 of the state toxics control account  
14 appropriation is provided for the remediation of contaminated sites.  
15 Of this amount, up to \$2,000,000 may be used to pay existing site  
16 remediation liabilities owed to the federal environmental protection  
17 agency for clean-up work that has been completed. The department shall  
18 carefully monitor actual revenue collections into the state toxics  
19 control account, and is authorized to limit actual expenditures of the  
20 appropriation provided in this section consistent with available  
21 revenue.

22 (9) \$200,000 of the state toxics control account appropriation is  
23 provided to assess the effectiveness of the state's current toxic  
24 pollution prevention and dangerous waste programs and policies. The  
25 department shall work with affected stakeholder groups and the public  
26 to evaluate the performance of existing programs, and identify feasible  
27 methods of reducing the generation of these wastes. The department  
28 shall report its findings to the governor and the appropriate  
29 committees of the legislature by September 30, 2002.

30 (10) \$1,200,000 of the state toxics control account appropriation  
31 is provided solely for the department, in conjunction with affected  
32 local governments, to address emergent areawide soil contamination  
33 problems. The department's efforts will include public involvement  
34 processes and completing assessments of the geographical extent of  
35 toxic contamination including highly contaminated areas.

36 (11) \$170,000 of the oil spill prevention account appropriation is  
37 provided solely for implementation of the Puget Sound work plan action  
38 item UW-02 through a contract with the University of Washington's sea

1 grant program to develop an educational program targeted to small  
2 spills from commercial fishing vessels, ferries, cruise ships, ports,  
3 and marinas.

4 (12) \$1,500,000 of the general fund--state appropriation for fiscal  
5 year 2002, \$1,500,000 of the general fund--state appropriation for  
6 fiscal year 2003, and \$3,000,000 of the water quality account  
7 appropriation are provided solely to implement chapter 237, Laws of  
8 2001 (Engrossed Substitute House Bill No. 1832, water resources  
9 management) and to support the processing of applications for changes  
10 and transfers of existing water rights.

11 (13) \$9,000,000 of the water quality account--state appropriation  
12 is provided solely for grants to local governments to conduct watershed  
13 planning and technical assistance. At least \$7,000,000 shall be  
14 distributed as grants and shall include \$200,000 for facilitation of  
15 the central Puget Sound regional initiative.

16 (14) \$3,114,000 of the water quality account appropriation is  
17 provided solely to implement Engrossed Substitute House Bill No. 1832  
18 (water resources management). Of this amount: (a) \$1,200,000 is  
19 provided for grants to local governments for targeted watershed  
20 assessments consistent with Engrossed Substitute House Bill No. 1832;  
21 and (b) the remainder of the funding is provided solely for development  
22 of a state environmental policy act template to streamline  
23 environmental review, creation of a blue ribbon panel to develop long-  
24 term watershed planning implementation funding options, and technical  
25 assistance.

26 (15) \$200,000 of the water quality account appropriation is  
27 provided solely to provide coordination and assistance to groups  
28 established for the purpose of protecting, enhancing, and restoring the  
29 biological, chemical, and physical processes of watersheds. These  
30 groups may include those involved in coordinated resource management,  
31 regional fisheries enhancement groups, conservation districts,  
32 watershed councils, and private nonprofit organizations incorporated  
33 under Title 24 RCW.

34 (16) \$325,000 of the state drought preparedness account--state  
35 appropriation is provided solely for an environmental impact statement  
36 of the Pine Hollow reservoir project to be conducted in conjunction  
37 with the local irrigation district.



1 (17) \$1,352,000 of the general fund--state appropriation for fiscal  
2 year 2002, \$700,000 of the general fund--state appropriation for fiscal  
3 year 2003, \$700,000 of the water quality account appropriation, and  
4 \$280,000 of the oil spill prevention account appropriation are provided  
5 solely for oil spill prevention measures in Puget Sound. Of these  
6 amounts:

7 (a) The general fund appropriation and the water quality account  
8 appropriation are provided solely for the department of ecology to  
9 provide for charter safety tug services, including the placement of a  
10 dedicated tug at Neah Bay for not less than 200 days in fiscal year  
11 2002 and fiscal year 2003. By January 10, 2002, the department shall  
12 report to the appropriate committees of the legislature regarding the  
13 number of dispatches, response time and distance, and other factors  
14 pertaining to the safety tug services. The general fund--state  
15 appropriation in this subsection is provided solely for implementation  
16 of the Puget Sound work plan and agency action item DOE-09;

17 (b) \$100,000 of the oil spill prevention account appropriation is  
18 provided solely for the department to conduct a vessel transponder  
19 feasibility study for Washington waters and undertake a trial vessel  
20 tracking program using transponders. In conducting the feasibility  
21 study and trial program, the department of ecology shall consult with  
22 state pilotage authorities, the maritime industry and the United States  
23 coast guard; and

24 (c) \$180,000 of the oil spill prevention account appropriation is  
25 provided solely to acquire vessel incident reporting information.

26 The governor shall request the federal government to provide  
27 ongoing resources to station a dedicated rescue tug at Neah Bay.

28 (18) \$600,000 of the water quality account--state appropriation is  
29 provided solely for setting instream flows in six basins not currently  
30 planning under the watershed planning act.

31 (19) \$200,000 of the water quality account appropriation is  
32 provided solely for activities associated with development of the  
33 Willapa River total maximum daily load (TMDL). The activities shall  
34 include but are not limited to: (a) A contract with Pacific county to  
35 complete the oxygen/bacteria and temperature model for the TMDL,  
36 conduct a technical analysis of local options for waste load  
37 allocations, and develop the first draft of the waste load allocation  
38 plan; and (b) a contract for facilitation services for a public process

1 for the TMDL, assist in reaching consensus between parties involved in  
2 the technical work, help ensure that there is an accurate public  
3 record, and provide a forum for the waste load allocation.

4 (20) \$175,000 of the biosolids permit account is provided solely to  
5 develop a statewide septage strategy. The department shall work with  
6 affected stakeholders to address septage permit requirements, changes  
7 to existing rules, clarification of state and local responsibilities,  
8 and fee structure changes that are necessary to support the program in  
9 future biennia. The department shall report its findings to the  
10 governor and appropriate committees of the legislature by June 30,  
11 2003.

12 (21) \$189,000 of the general fund--state appropriation for fiscal  
13 year 2003 is provided solely for facilitation services and the  
14 following activities:

15 (a)(i) A joint task force is created to study judicial and  
16 administrative alternatives for resolving water disputes. The task  
17 force shall be organized and led by the office of the attorney general.  
18 In addition to the office of the attorney general, members of the task  
19 force shall include:

20 (A) Representatives of the legislature, including one member from  
21 each caucus appointed by the president of the senate and the speaker of  
22 the house of representatives;

23 (B) Representatives of the superior courts appointed by the  
24 president of the superior court judges association, and shall include  
25 two judicial officers of the superior court from eastern Washington and  
26 two judicial officers of the superior court from western Washington;

27 (C) A representative of the state court of appeals appointed by the  
28 chief justice of the state supreme court;

29 (D) A representative of the environmental hearings office; and

30 (E) A representative of the department of ecology.

31 (ii) The objectives of the task force are to:

32 (A) Examine and characterize the types of water disputes to be  
33 resolved;

34 (B) Examine the approach of other states to water dispute  
35 resolution;

36 (C) Recommend one or more methods to resolve water disputes,  
37 including, but not limited to, an administrative resolution process; a

1 judicial resolution process such as water court; or any combination  
2 thereof; and

3 (D) Recommend an implementation plan that will address:

4 (I) A specific administrative structure for each method used to  
5 resolve water disputes;

6 (II) The cost to implement the plan; and

7 (III) The changes to statutes and administrative rules necessary to  
8 implement the plan.

9 (iii) The office of the attorney general shall work with the staff  
10 of the standing committees of the legislature with jurisdiction over  
11 water resources to research and compile information relevant to the  
12 mission of the task force by December 31, 2002.

13 (iv) The task force shall submit its report to the appropriate  
14 committees of the legislature no later than December 30, 2003.

15 (b) The department of ecology and the attorney general's office  
16 shall conduct a study to identify possible ways to streamline the water  
17 right general adjudication procedures. By December 1, 2002, the  
18 agencies will report on their findings and recommendations to the  
19 legislature.

20 (c)(i) The legislature finds that it is in the public interest to  
21 investigate the feasibility of conducting negotiations with other  
22 states and Canada regarding use of water bodies they share with the  
23 state of Washington.

24 (ii) The governor, or the governor's designee, shall consult with  
25 the states that share water bodies with the state of Washington, with  
26 Canada, and with other states that have conducted similar negotiations,  
27 regarding issues and strategies in those negotiations and shall report  
28 to the standing committees of the legislature having jurisdiction over  
29 water resources by January 1, 2003.

30 (iii) In conducting the consultations under this subsection (c),  
31 the governor shall give priority consideration to the interstate issues  
32 affecting the Spokane-Rathdrum Prairie aquifer including those issues  
33 affecting a safe and adequate supply of public drinking water, as  
34 provided by municipal governments.

35 (d) By October 1, 2002, the department of ecology shall provide to  
36 the appropriate standing committees of the legislature, a plan,  
37 schedule, and budget for improving the administration of water right  
38 records held by the department of ecology. The department of ecology

1 shall work with the department of revenue and with county auditors in  
 2 developing recommendations for improving the administration of water  
 3 rights ownership information and integrating this information with real  
 4 property ownership records. The department of ecology shall evaluate  
 5 the need for grants to counties to assist with recording and  
 6 information management needs related to water rights ownership and  
 7 title.

8 (22) For applicants that meet eligibility requirements, the  
 9 department of ecology shall consider individual stormdrain treatment  
 10 systems to be classified as "activity" projects and eligible for grant  
 11 funding provided under section 319 the federal Clean Water Act. These  
 12 projects shall be prioritized for funding along with other grant  
 13 proposals. Receipt of funding shall be based on this prioritization.

14 **Sec. 302.** 2002 c 371 s 303 (uncodified) is amended to read as  
 15 follows:

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

17	General Fund--State Appropriation (FY 2002) . . . . .	\$32,198,000
18	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$30,340,000)</del>
19		<u>\$30,332,000</u>
20	General Fund--Federal Appropriation . . . . .	\$2,690,000
21	General Fund--Private/Local Appropriation . . . . .	\$60,000
22	Winter Recreation Program Account--State	
23	Appropriation . . . . .	\$1,087,000
24	Off Road Vehicle Account--State Appropriation . . . . .	\$274,000
25	Snowmobile Account--State Appropriation . . . . .	\$4,682,000
26	Aquatic Lands Enhancement Account--State	
27	Appropriation . . . . .	\$337,000
28	Public Safety and Education Account--State	
29	Appropriation . . . . .	\$47,000
30	Salmon Recovery Account--State Appropriation . . . . .	\$200,000
31	Water Trail Program Account--State	
32	Appropriation . . . . .	\$24,000
33	Parks Renewal and Stewardship Account--	
34	State Appropriation . . . . .	<del>(\$27,193,000)</del>
35		<u>\$27,733,000</u>
36	TOTAL APPROPRIATION . . . . .	<del>(\$99,132,000)</del>
37		<u>\$99,664,000</u>

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

3 (1) Fees approved by the state parks and recreation commission in  
4 the 2001-03 biennium are authorized to exceed the fiscal growth factor  
5 under RCW 43.135.055.

6 (2) The state parks and recreation commission, in collaboration  
7 with the office of financial management and legislative staff, shall  
8 develop a cost-effective and readily accessible approach for reporting  
9 revenues and expenditures at each state park. The reporting system  
10 shall be complete and operational by December 1, 2001.

11 (3) \$79,000 of the general fund--state appropriation for fiscal  
12 year 2002, \$79,000 of the general fund--state appropriation for fiscal  
13 year 2003, and \$8,000 of the winter recreation program account--state  
14 appropriation are provided solely for a grant for the operation of the  
15 Northwest avalanche center.

16 (4) \$432,000 of the parks renewal and stewardship account  
17 appropriation is provided for the operation of the Silver Lake visitor  
18 center. If a long-term management agreement is not reached with the  
19 U.S. forest service by September 30, 2001, the amount provided in this  
20 subsection shall lapse.

21 (5) \$189,000 of the aquatic lands enhancement account appropriation  
22 is provided solely for the implementation of the Puget Sound work plan  
23 and agency action item P+RC-02.

24 (6) The task force on the funding of state parks and outdoor  
25 recreation is hereby created, to consider and develop legislation on  
26 the operation and funding of the state parks and outdoor recreation  
27 programs of the state. The committee shall be composed of fifteen  
28 members, four members of the senate appointed by the president of the  
29 senate and to include two members from each caucus, four members of the  
30 house of representatives appointed by the speaker of the house of  
31 representatives and to include two members from each caucus, three  
32 members appointed by the governor and to include at least one  
33 representative of a broad coalition of users of the state's parks and  
34 outdoor recreation programs, one member appointed by the commissioner  
35 of public lands, one member appointed by the chair of the fish and  
36 wildlife commission, and one member appointed by the chair of the state  
37 parks and recreation commission, and one member appointed by the  
38 interagency committee for outdoor recreation. The task force shall

1 elect its own officers, shall be staffed by staff of the legislature,  
 2 the executive agencies, and the office of the governor, and may appoint  
 3 an advisory committee of additional persons and organizations  
 4 interested in the operation and funding of state parks and outdoor  
 5 recreation. The task force shall specifically review and incorporate  
 6 into its work the reports prepared pursuant to budget provisos by the  
 7 Washington state parks and recreation commission regarding its  
 8 operating budget needs, deferred maintenance backlog, and capital  
 9 facilities renovation and replacement requirements. The task force  
 10 shall prepare recommendations for improving the operation of state  
 11 parks and outdoor recreation programs and for securing adequate funding  
 12 on a permanent basis for supporting the needs of the state parks and  
 13 outdoor recreation programs of the state, including a legislative  
 14 proposal for the implementation of an evergreen recreation pass that  
 15 would combine the various permits and licenses of the participating  
 16 agencies into a single pass for recreational day use. The  
 17 recommendations shall be developed no later than January 1, 2003, and  
 18 shall be designed for enactment by the legislature during 2003 for  
 19 implementation in the 2005-07 biennium. The task force shall cease to  
 20 exist on June 30, 2003.

21 **Sec. 303.** 2002 c 371 s 307 (uncodified) is amended to read as  
 22 follows:

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

24	General Fund--State Appropriation (FY 2002) . . . . .	\$46,375,000
25	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$44,334,000</del> ))
26		<u>\$44,328,000</u>
27	General Fund--Federal Appropriation . . . . .	(( <del>\$37,716,000</del> ))
28		<u>\$46,242,000</u>
29	General Fund--Private/Local Appropriation . . . . .	(( <del>\$24,365,000</del> ))
30		<u>\$29,039,000</u>
31	Off Road Vehicle Account--State	
32	Appropriation . . . . .	\$475,000
33	Aquatic Lands Enhancement Account--State	
34	Appropriation . . . . .	(( <del>\$5,133,000</del> ))
35		<u>\$5,366,000</u>
36	Public Safety and Education Account--State	
37	Appropriation . . . . .	\$574,000

1	Recreational Fisheries Enhancement Account--	
2	State Appropriation . . . . .	\$3,354,000
3	Salmon Recovery Account--State Appropriation . . . . .	\$1,612,000
4	Warm Water Game Fish Account--State	
5	Appropriation . . . . .	\$2,567,000
6	Eastern Washington Pheasant Enhancement Account--	
7	State Appropriation . . . . .	\$750,000
8	Wildlife Account--State Appropriation . . . . .	<del>(\$50,680,000)</del>
9		<u>\$50,897,000</u>
10	Wildlife Account--Federal Appropriation . . . . .	<del>(\$38,182,000)</del>
11		<u>\$29,656,000</u>
12	Wildlife Account--Private/Local	
13	Appropriation . . . . .	<del>(\$15,133,000)</del>
14		<u>\$10,459,000</u>
15	Game Special Wildlife Account--State	
16	Appropriation . . . . .	\$1,941,000
17	Game Special Wildlife Account--Federal	
18	Appropriation . . . . .	\$9,591,000
19	Game Special Wildlife Account--Private/Local	
20	Appropriation . . . . .	\$350,000
21	Environmental Excellence Account--State	
22	Appropriation . . . . .	\$15,000
23	Regional Fisheries Salmonid Recovery Account--	
24	Federal Appropriation . . . . .	\$1,750,000
25	Oil Spill Administration Account--State	
26	Appropriation . . . . .	\$963,000
27	Oyster Reserve Land Account--State	
28	Appropriation . . . . .	\$135,000
29	TOTAL APPROPRIATION . . . . .	<del>(\$285,995,000)</del>
30		<u>\$286,439,000</u>

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

33 (1) \$1,682,000 of the general fund--state appropriation for fiscal  
34 year 2002 and \$1,189,000 of the general fund--state appropriation for  
35 fiscal year 2003 are provided solely for the implementation of the  
36 Puget Sound work plan and agency action items DFW-01 through DFW-07.

37 (2) \$200,000 of the general fund--state appropriation for fiscal

1 year 2002 and \$200,000 of the general fund--state appropriation for  
2 fiscal year 2003 are provided solely for the department to update the  
3 salmon and steelhead stock inventory.

4 (3) \$250,000 of the general fund--state appropriation for fiscal  
5 year 2002 and \$250,000 of the general fund--state appropriation for  
6 fiscal year 2003 are provided solely for the department to implement a  
7 hatchery endangered species act response. The response shall include  
8 emergency hatchery responses, production, and retrofitting of  
9 hatcheries for salmon recovery.

10 (4) \$600,000 of the general fund--state appropriation for fiscal  
11 year 2002 and \$600,000 of the general fund--state appropriation for  
12 fiscal year 2003 are provided solely for local salmon recovery  
13 technical assistance.

14 (5) \$250,000 of the salmon recovery account appropriation is  
15 provided solely for a grant to the lower Skykomish River habitat  
16 conservation group for the purpose of developing a salmon recovery  
17 plan, in coordination with the lead entity established under chapter  
18 77.85 RCW for that area. The salmon recovery plan must be consistent  
19 with the regional recovery plans of the Puget Sound shared strategy and  
20 criteria developed by the department for the regional salmon recovery  
21 planning program.

22 (6) \$91,000 of the warm water game fish account appropriation is  
23 provided solely for warm water fish culture at the Rod Meseberg warm  
24 water fish production facility.

25 (7) \$200,000 of the general fund--state appropriation for fiscal  
26 year 2002 and \$200,000 of the general fund--state appropriation for  
27 fiscal year 2003 are provided solely to fund three cooperative  
28 compliance programs, both in Western and Eastern Washington. The  
29 cooperative compliance program shall conduct fish screen, fish way, and  
30 fish passage barrier assessments and correction plans for landowners  
31 seeking cooperative compliance agreements with the department.

32 (8) \$1,300,000 of the salmon recovery account appropriation,  
33 \$400,000 of the general fund--state appropriation for fiscal year 2003,  
34 and \$5,000,000 of the general fund--federal appropriation are provided  
35 solely for economic adjustment assistance to fishermen pursuant to the  
36 1999 Pacific salmon treaty agreement.

37 (9) \$810,000 of the general fund--state appropriation for fiscal  
38 year 2002, \$790,000 of the general fund--state appropriation for fiscal



1 year 2003, and \$250,000 of the wildlife account--state appropriation  
2 are provided solely for enforcement and biological staff to respond and  
3 take appropriate action to public complaints regarding bear and cougar.

4 (10) \$75,000 of the general fund--state appropriation for fiscal  
5 year 2003 is provided solely to the department to execute an  
6 interagency agreement with the joint legislative audit and review  
7 committee to complete an independent organizational and operational  
8 review of the fish management division of the fish program. This  
9 review shall include:

10 (a) Identifying those actual functions carried out by the fish  
11 management division, including all expenditures by fund source linked  
12 to those functions, and the agency's rationale for its current staffing  
13 and expenditure levels;

14 (b) Distinguishing those specific division activities and  
15 expenditures that are mandated by court decisions, federal laws or  
16 treaties, federal contracts, state laws, and fish and wildlife  
17 commission directives, as apart from department discretionary policies;

18 (c) Reviewing the extent to which division activities and related  
19 program expenditures contribute to meeting legislative intent, agency  
20 goals, and programmatic objectives; and

21 (d) Evaluating how performance in meeting intent, goals, and  
22 objectives through program activities is measured, reported, and  
23 improved.

24 The committee shall provide a status report on this review to the  
25 appropriate legislative policy and fiscal committees by November 1,  
26 2002, and a final report by December 1, 2003.

27 (11) The department shall implement a lands program manager  
28 consolidation program. The consolidation program shall target the  
29 department's south central region. The savings from this consolidation  
30 shall be used by the department for additional maintenance on agency  
31 lands within the south central region.

32 (12) The department shall implement a survey of all agency lands to  
33 evaluate whether agency lands support the agency's strategic plan and  
34 goals. The department shall submit a report to the governor and  
35 legislature by September 1, 2002, identifying those lands not  
36 conforming with the agency's strategic plan and which should be  
37 divested.

1 (13) \$388,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$388,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely to implement the forests and fish  
4 agreement and includes funding to continue statewide coordination and  
5 implementation of the forests and fish rules, integration of portions  
6 of the hydraulic code into the forest practices rules to provide permit  
7 streamlining, and sharing the responsibility of developing and  
8 implementing the required forests and fish agreement monitoring and  
9 adaptive management program.

10 (14) \$194,000 of the general fund--state appropriation for fiscal  
11 year 2002 and \$195,000 of the general fund--state appropriation for  
12 fiscal year 2003 are provided solely for staff to represent the state's  
13 fish and wildlife interests in hydroelectric project relicensing  
14 processes by the federal energy regulatory commission.

15 (15) \$156,000 of the wildlife account--state appropriation is  
16 provided solely for a youth fishing coordinator to develop partnerships  
17 with local communities, and to identify, develop, fund, and promote  
18 youth fishing events and opportunities. Event coordination and  
19 promotion services shall be contracted to a private consultant.

20 (16) \$135,000 of the oyster reserve land account appropriation is  
21 provided solely to implement chapter 273, Laws of 2001, Engrossed  
22 Second Substitute House Bill No. 1658 (state oyster reserve lands).

23 (17) \$43,000 of the general fund--state appropriation for fiscal  
24 year 2002 and \$42,000 of the general fund--state appropriation for  
25 fiscal year 2003 are provided solely for staffing and operation of the  
26 Tennant Lake interpretive center.

27 (18) \$32,000 of the general fund--state appropriation for fiscal  
28 year 2002 and \$33,000 of the general fund--state appropriation for  
29 fiscal year 2003 are provided solely to support the activities of the  
30 aquatic nuisance species coordination committee to foster state,  
31 federal, tribal, and private cooperation on aquatic nuisance species  
32 issues. The committee shall strive to prevent the introduction of  
33 nonnative aquatic species and to minimize the spread of species that  
34 are introduced.

35 (19) \$25,000 of the wildlife account--state appropriation is  
36 provided solely for the WildWatchCam program to provide internet  
37 transmission of live views of wildlife.

1 (20) \$8,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$7,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely for the payment of the  
4 department's share of approved lake management district assessments.  
5 By December 15, 2001, the department shall provide the legislature a  
6 summary of its activities related to lake management districts as well  
7 as recommendations for establishing equitable lake management district  
8 assessments.

9 (21) The department shall emphasize enforcement of laws related to  
10 protection of fish habitat and the illegal harvest of salmon and  
11 steelhead. Within the amount provided for the agency, the department  
12 shall provide support to the department of health to enforce state  
13 shellfish harvest laws.

14 (22) The fish and wildlife commission shall evaluate the adequacy,  
15 structure, and amount of fees for hunting and fishing licenses and make  
16 recommendations for revision of the fee structure and schedule as  
17 appropriate. The evaluation shall consider, but is not limited to:  
18 Assessment of the fish and wildlife resource management needs, fees in  
19 adjacent states and countries, and efficiencies made possible through  
20 automation. The commission shall report to the legislature and the  
21 office of financial management by November 1, 2002.

22 (23) The department shall establish a hydraulic project approval  
23 program technical review task force. The task force shall be composed  
24 of a balanced representation of both hydraulic project proponents and  
25 conservation interests. The task force shall conduct a thorough  
26 evaluation of the hydraulic project approval program and make  
27 recommendations to the legislature by November 30, 2002, based upon its  
28 evaluation. The task force recommendations shall include a potential  
29 fee structure and schedule for hydraulic project approval permits.

30 **Sec. 304.** 2002 c 371 s 308 (uncodified) is amended to read as  
31 follows:

32 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

33	General Fund--State Appropriation (FY 2002) . . . . .	\$35,949,000
34	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$30,465,000 ))</del>
35		<u>\$48,332,000</u>
36	General Fund--Federal Appropriation . . . . .	<del>(( \$10,936,000 ))</del>
37		<u>\$20,267,000</u>

1	General Fund--Private/Local Appropriation . . . . .	\$2,265,000
2	Forest Development Account--State	
3	Appropriation . . . . .	\$50,088,000
4	Off Road Vehicle Account--State	
5	Appropriation . . . . .	\$3,684,000
6	Surveys and Maps Account--State	
7	Appropriation . . . . .	\$2,689,000
8	Aquatic Lands Enhancement Account--State	
9	Appropriation . . . . .	\$3,923,000
10	Resources Management Cost Account--State	
11	Appropriation . . . . .	\$79,156,000
12	Surface Mining Reclamation Account--State	
13	Appropriation . . . . .	\$2,416,000
14	Salmon Recovery Account--State	
15	Appropriation . . . . .	\$625,000
16	Water Quality Account--State Appropriation . . . . .	<del>(\$2,900,000)</del>
17		<u>\$2,898,000</u>
18	Aquatic Land Dredged Material Disposal Site	
19	Account--State Appropriation . . . . .	\$1,056,000
20	Natural Resource Conservation Areas Stewardship	
21	Account Appropriation . . . . .	\$209,000
22	State Toxics Account--State Appropriation . . . . .	\$1,865,000
23	Air Pollution Control Account--State	
24	Appropriation . . . . .	\$629,000
25	Metals Mining Account--State Appropriation . . . . .	\$64,000
26	Agricultural College Trust Management Account	
27	Appropriation . . . . .	\$1,790,000
28	Derelict Vessel Removal Account--State	
29	Appropriation . . . . .	<del>(\$89,000)</del>
30		<u>\$289,000</u>
31	TOTAL APPROPRIATION . . . . .	<del>(\$230,798,000)</del>
32		<u>\$258,194,000</u>

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

- 35 (1) \$18,000 of the general fund--state appropriation for fiscal  
36 year 2002, \$18,000 of the general fund--state appropriation for fiscal  
37 year 2003, and \$998,000 of the aquatic lands enhancement account

1 appropriation are provided solely for the implementation of the Puget  
2 Sound work plan and agency action items DNR-01, DNR-02, and DNR-04.

3 (2)(a) \$625,000 of the salmon recovery account appropriation,  
4 \$1,250,000 of the general fund--state appropriation for fiscal year  
5 2002, \$1,250,000 of the general fund--state appropriation for fiscal  
6 year 2003, and \$2,900,000 of the water quality account--state  
7 appropriation are provided solely for implementation of chapter 4, Laws  
8 of 1999 sp. sess. (forest practices and salmon recovery).

9 (b) \$250,000 of the salmon recovery account appropriation is  
10 provided solely for and shall be expended to develop a small forest  
11 landowner data base in ten counties. \$150,000 of the amount in this  
12 subsection shall be used to purchase the data. \$100,000 of the amount  
13 in this subsection shall purchase contracted analysis of the data.

14 (3) \$2,000,000 of the forest development account appropriation is  
15 provided solely for road decommissioning, maintenance, and repair in  
16 the Lake Whatcom watershed.

17 (4) \$543,000 of the forest fire protection assessment account  
18 appropriation, \$22,000 of the forest development account appropriation,  
19 and \$76,000 of the resource management cost account appropriation are  
20 provided solely to implement chapter 279, Laws of 2001, Substitute  
21 House Bill No. 2104, (modifying forest fire protection assessments).

22 (5) \$354,000 of the general fund--state appropriation for fiscal  
23 year 2002 and \$895,000 of the general fund--state appropriation for  
24 fiscal year 2003 shall be transferred to the agricultural college trust  
25 management account and are provided solely to manage approximately  
26 70,700 acres of Washington State University's agricultural college  
27 trust lands.

28 (6) \$4,000 of the general fund--state appropriation for fiscal year  
29 2002 and \$4,000 of the general fund--state appropriation for fiscal  
30 year 2003 are provided solely to compensate the forest board trust for  
31 a portion of the lease to the Crescent television improvement district  
32 consistent with RCW 79.12.055.

33 (7) \$828,000 of the surface mine reclamation account appropriation  
34 is provided to implement Engrossed House Bill No. 1845 (surface mining  
35 fees). If the bill is not enacted by June 30, 2001, the amount  
36 provided in this subsection shall lapse.

37 (8) \$800,000 of the aquatic lands enhancement account appropriation  
38 and \$200,000 of the resources management cost account appropriation are

1 provided solely to improve asset management on state-owned aquatic  
2 lands. The department shall streamline the use authorization process  
3 for businesses operating on state-owned aquatic lands and issue  
4 decisions on 325 pending lease applications by June 30, 2003. The  
5 department, in consultation with the attorney general, shall develop a  
6 strategic program to resolve claims related to contaminated sediments  
7 on state-owned aquatic lands.

8 (9) \$246,000 of the resource management cost account appropriation  
9 is provided to the department for continuing control of spruce budworm.

10 (10) \$100,000 of the aquatic lands enhancement account is provided  
11 solely for the development and initial implementation of a statewide  
12 management plan for marine reserves.

13 (11) \$7,657,859 of the general fund--state appropriation for fiscal  
14 year 2002 and (~~(\$4,153,859)~~) \$22,049,859 of the general fund--state  
15 appropriation for fiscal year 2003 are provided solely for emergency  
16 fire suppression.

17 (12) \$7,216,000 of the general fund--state appropriation for fiscal  
18 year 2002 and \$6,584,000 of the general fund--state appropriation for  
19 fiscal year 2003 are provided solely for fire protection activities and  
20 to implement provisions of the 1997 tridata fire program review.

21 (13) \$100,000 of the general fund--state appropriation for fiscal  
22 year 2002, \$550,000 of the aquatic lands enhancement account--state  
23 appropriation, and \$209,000 of the natural resources conservation areas  
24 stewardship account--state appropriation are provided solely to the  
25 department for planning, management, and stewardship of natural area  
26 preserves and natural resources conservation areas.

27 (14) \$187,000 of the general fund--state appropriation for fiscal  
28 year 2002 and \$188,000 of the general fund--state appropriation for  
29 fiscal year 2003 are provided solely to the department for maintenance  
30 and stewardship of public lands.

31 (15) \$100,000 of the general fund--state appropriation for fiscal  
32 year 2002, \$100,000 of the general fund--state appropriation for fiscal  
33 year 2003, and \$400,000 of the aquatic lands enhancement account  
34 appropriation are provided solely for spartina control.

35 (16) Fees approved by the board of natural resources for filing and  
36 recording surveys are authorized to exceed the fiscal growth factor  
37 under RCW 43.135.055 for 2002.

1 (17) The entire state toxics control account appropriation is  
2 provided solely for the department to meet its settlement obligation  
3 with the U.S. Environmental Protection Agency for the clean-up of the  
4 Thea Foss Waterway.

5 ~~((+19+))~~ (18) \$250,000 of the resource management cost account--  
6 state appropriation and \$250,000 of the forest development account--  
7 state appropriation are deposited in the contract harvesting revolving  
8 account--nonappropriated to implement Substitute Senate Bill No. 6257  
9 (contract harvesting). If Substitute Senate Bill No. 6257 is not  
10 enacted the deposit in this subsection shall not occur.

11 ~~((+20+))~~ (19) Within the amounts appropriated in this section, the  
12 department shall review the current procedures used to mobilize  
13 resources to fight forest fires under the state mobilization plan and  
14 through the department of natural resources. The review must include  
15 recommendations to ensure that the people closest to a fire are called  
16 first, to allow private contractors to be mobilized under the state  
17 mobilization plan, and to identify other efficiencies. The department  
18 shall review recent studies regarding ways to improve forest fire  
19 fighting in the state. The department shall consult with  
20 representatives of private contractors, fire districts, municipal fire  
21 departments, the state fire marshal, appropriate federal agencies, and  
22 other interested groups in developing the recommendations. The  
23 department shall report their findings and recommendations to the  
24 appropriate committees of the legislature by January 1, 2003.

25 ~~((+21+))~~ (20) \$4,000,000 of the resource management cost account  
26 appropriation is provided solely for the purposes of RCW 79.64.020 and  
27 is contingent upon the establishment, management, and protection of the  
28 following marine reserves: Tidelands and bedlands adjacent to Cherry  
29 Point in Whatcom county; tidelands and bedlands surrounding Maury  
30 Island in King county; tidelands, bedlands, harbor areas, and waterways  
31 adjacent to the Puyallup River delta, within Commencement Bay in Pierce  
32 county; tidelands and bedlands surrounding Cypress Island in Skagit  
33 county; and tidelands and bedlands within Fidalgo Bay in Skagit county.

34 ~~((+22+))~~ (21) Within the amounts appropriated in this section, the  
35 department shall update the Washington State University asset  
36 diversification plan to diversify at least ten percent of the  
37 commercial forest land base within ten years and report recommendations

1 for implementing the plan to the appropriate committees of the  
2 legislature by December 1, 2002.

3 **Sec. 305.** 2002 c 371 s 309 (uncodified) is amended to read as  
4 follows:

5 **FOR THE DEPARTMENT OF AGRICULTURE**

6	General Fund--State Appropriation (FY 2002) . . . . .	\$7,815,000
7	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$7,434,000)</del>
8		<u>\$7,377,000</u>
9	General Fund--Federal Appropriation . . . . .	\$7,441,000
10	General Fund--Private/Local Appropriation . . . . .	\$1,110,000
11	Aquatic Lands Enhancement Account--State	
12	Appropriation . . . . .	\$2,304,000
13	State Toxics Control Account--State	
14	Appropriation . . . . .	<del>(\$2,917,000)</del>
15		<u>\$2,484,000</u>
16	TOTAL APPROPRIATION . . . . .	<del>(\$29,021,000)</del>
17		<u>\$28,531,000</u>

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

20 (1) \$36,000 of the general fund--state appropriation for fiscal  
21 year 2002 and \$37,000 of the general fund--state appropriation for  
22 fiscal year 2003 are provided solely for implementation of the Puget  
23 Sound work plan and agency action item DOA-01.

24 (2) \$1,077,000 of the state toxics control account appropriation  
25 and \$298,000 of the agricultural local account are provided solely to  
26 establish a program to monitor pesticides in surface water, sample and  
27 analyze surface waters for pesticide residues, evaluate pesticide  
28 exposure on salmon species listed under the provisions of the  
29 endangered species act, and implement actions needed to protect  
30 salmonids.

31 (3) \$1,480,000 of the aquatic lands enhancement account  
32 appropriation is provided solely to initiate a plan to eradicate  
33 infestations of spartina in Puget Sound, Hood Canal, and Grays Harbor  
34 and begin the reduction in spartina infestations in Willapa Bay.

35 (4) \$75,000 of the general fund--state appropriation for fiscal  
36 year 2002, \$75,000 of the general fund--state appropriation for fiscal  
37 year 2003, and \$150,000 of the general fund--federal appropriation are



1 provided solely to the small farm and direct marketing program to  
2 support small farms in complying with federal, state, and local  
3 regulations, facilitating access to food processing centers, and  
4 assisting with grant funding requests.

5 (5) \$700,000 of the general fund--federal appropriation and  
6 \$700,000 of the general fund--private/local appropriation are provided  
7 solely to implement chapter 324, Laws of 2001 (Substitute House Bill  
8 No. 1891, marketing of agriculture).

9 (6) (~~(\$450,000)~~) \$242,000 of the state toxics control account--  
10 state appropriation is provided solely for deposit in the agricultural  
11 local nonappropriated account for the plant pest account to reimburse  
12 county horticultural pest and disease boards for the costs of pest  
13 control activities, including tree removal, conducted under their  
14 existing authorities in chapters 15.08 and 15.09 RCW.

15 (7) The district manager for district two as defined in WAC 16-458-  
16 075 shall transfer four hundred fifty thousand dollars from the fruit  
17 and vegetable district fund to the plant pest account within the  
18 agricultural local fund. The amount transferred must be derived from  
19 fees collected for state inspections of tree fruits and shall be used  
20 solely to reimburse county horticultural pest and disease boards in  
21 district two for the cost of pest control activities, including tree  
22 removal, conducted under their existing authority in chapters 15.08 and  
23 15.09 RCW. The transfer of funds shall occur by July 1, 2001. On June  
24 30, 2003, any unexpended portion of the four hundred fifty thousand  
25 dollars shall be returned to the fruit and vegetable district fund.

(End of part)

**PART IV**  
**TRANSPORTATION**

**Sec. 401.** 2002 c 371 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund--State Appropriation (FY 2002) . . . . .	\$5,366,000
General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$5,300,000)</del>
	<u>\$5,350,000</u>
Architects' License Account--State	
Appropriation . . . . .	<del>(\$684,000)</del>
	<u>\$687,000</u>
Cemetery Account--State Appropriation . . . . .	<del>(\$200,000)</del>
	<u>\$203,000</u>
Professional Engineers' Account--State	
Appropriation . . . . .	<del>(\$3,102,000)</del>
	<u>\$3,116,000</u>
Real Estate Commission--State Appropriation . . . . .	<del>(\$6,837,000)</del>
	<u>\$6,868,000</u>
Master License Account--State Appropriation . . . . .	<del>(\$8,278,000)</del>
	<u>\$8,306,000</u>
Uniform Commercial Code Account--State	
Appropriation . . . . .	<del>(\$2,900,000)</del>
	<u>\$2,914,000</u>
Real Estate Education Account--State	
Appropriation . . . . .	\$276,000
Funeral Directors and Embalmers Account--State	
Appropriation . . . . .	<del>(\$459,000)</del>
	<u>\$460,000</u>
Washington Real Estate Research Account	
Appropriation . . . . .	\$307,000
Data Processing Revolving Account--State	
Appropriation . . . . .	\$23,000
Derelict Vessel Removal Account--State	
Appropriation . . . . .	\$86,000
TOTAL APPROPRIATION . . . . .	<del>(\$33,818,000)</del>

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The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2001-03 fiscal biennium. Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

**Sec. 402.** 2002 c 371 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2002)	. . . . .	\$21,567,000
General Fund--State Appropriation (FY 2003)	. . . . .	(( <del>\$7,933,000</del> ))
		<u>\$8,271,000</u>
General Fund--Federal Appropriation	. . . . .	(( <del>\$4,178,000</del> ))
		<u>\$4,818,000</u>
General Fund--Private/Local Appropriation	. . . . .	\$369,000
Death Investigations Account--State		
Appropriation	. . . . .	\$4,024,000
Public Safety and Education Account--State		
Appropriation	. . . . .	(( <del>\$14,769,000</del> ))
		<u>\$14,748,000</u>
County Criminal Justice Assistance Account--State		
Appropriation	. . . . .	\$2,870,000
Municipal Criminal Justice Assistance Account--		
State Appropriation	. . . . .	\$1,367,000
Fire Service Trust Account--State		
Appropriation	. . . . .	\$125,000
Fire Service Training Account--State		
Appropriation	. . . . .	\$6,328,000
State Toxics Control Account--State		
Appropriation	. . . . .	\$461,000

1	Violence Reduction and Drug Enforcement Account--	
2	State Appropriation . . . . .	\$274,000
3	Fingerprint Identification Account--State	
4	Appropriation . . . . .	(( <del>\$5,316,000</del> ))
5		<u>\$6,028,000</u>
6	TOTAL APPROPRIATION . . . . .	(( <del>\$69,581,000</del> ))
7		<u>\$71,250,000</u>

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

10       (1) \$354,000 of the public safety and education account  
11 appropriation is provided solely for additional law enforcement and  
12 security coverage on the west capitol campus.

13       (2) When a program within the agency is supported by more than one  
14 fund and one of the funds is the state general fund, the agency shall  
15 charge its expenditures in such a manner as to ensure that each fund is  
16 charged in proportion to its support of the program. The agency may  
17 adopt guidelines for the implementation of this subsection. The  
18 guidelines may account for federal matching requirements, budget  
19 provisos, or other requirements to spend other moneys in a particular  
20 manner.

21       (3) \$100,000 of the public safety and education account  
22 appropriation is provided solely for the implementation of Substitute  
23 Senate Bill No. 5896 (DNA testing of evidence). If the bill is not  
24 enacted by June 30, 2001, the amount provided in this subsection shall  
25 lapse.

26       (4) \$1,419,000 of the public safety and education account--state  
27 appropriation is provided solely for combating the proliferation of  
28 methamphetamine labs. The amounts in this subsection are provided  
29 solely for the following activities: (a) The establishment of a  
30 regional methamphetamine enforcement, training, and education program;  
31 (b) additional members for the statewide methamphetamine incident  
32 response team; and (c) two forensic scientists with the necessary  
33 equipment to perform lab analysis in the crime laboratory division.

34       (5) Within the amounts appropriated in this section, funding is  
35 provided to implement Substitute House Bill No. 2468 (offender DNA  
36 database).

1       (6) \$375,000 of the general fund--state appropriation for fiscal  
2 year 2003 is provided solely for additional DNA testing kits.

(End of part)

**PART V**  
**EDUCATION**

**Sec. 501.** 2002 c 371 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2002) . . . . .	\$12,302,000
General Fund--State Appropriation (FY 2003) . . . . .	\$12,000,000
General Fund--Federal Appropriation . . . . .	<del>(\$53,760,000)</del>
	<u>\$15,248,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$78,062,000)</del>
	<u>\$39,550,000</u>

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

(a) \$11,385,000 of the general fund--state appropriation for fiscal year 2002 and \$11,101,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Of this amount, a maximum of \$350,000 is provided in each fiscal year for upgrading information systems including the general apportionment and student information systems.

(b) \$486,000 of the general fund--state appropriation for fiscal year 2002 and \$481,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Of the general fund--state appropriation, \$100,000 is provided solely for certificate of mastery development and validation.

(c) \$431,000 of the general fund--state appropriation for fiscal year 2002 and \$418,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the Washington professional educator standards board.

(d) \$49,000 of the general fund--state appropriation for fiscal year 2003 is provided solely to support the joint task force on local effort assistance created by House Bill No. 3011.

1	(2) STATEWIDE PROGRAMS	
2	General Fund--State Appropriation (FY 2002) . . . . .	\$17,280,000
3	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$9,990,000)</del>
4		<u>\$9,898,000</u>
5	General Fund--Federal Appropriation . . . . .	<del>(\$85,395,000)</del>
6		<u>\$139,140,000</u>
7	TOTAL APPROPRIATION . . . . .	<del>(\$112,665,000)</del>
8		<u>\$166,318,000</u>

9 The appropriations in this subsection are provided solely for the  
10 statewide programs specified in this subsection and are subject to the  
11 following conditions and limitations:

12 (a) HEALTH AND SAFETY

13 (i) A maximum of \$150,000 of the general fund--state appropriation  
14 for fiscal year 2002 is provided for alcohol and drug prevention  
15 programs pursuant to RCW 66.08.180.

16 (ii) A maximum \$2,621,000 of the general fund--state appropriation  
17 for fiscal year 2002 and a maximum of \$2,542,000 of the general fund--  
18 state appropriation for fiscal year 2003 are provided for a corps of  
19 nurses located at educational service districts, as determined by the  
20 superintendent of public instruction, to be dispatched to the most  
21 needy schools to provide direct care to students, health education, and  
22 training for school staff.

23 (iii) A maximum of \$100,000 of the general fund--state  
24 appropriation for fiscal year 2002 and a maximum of \$97,000 of the  
25 general fund--state appropriation for fiscal year 2003 are provided to  
26 create a school safety center subject to the following conditions and  
27 limitations.

28 (A) The safety center shall: Disseminate successful models of  
29 school safety plans and cooperative efforts; provide assistance to  
30 schools to establish a comprehensive safe school plan; select models of  
31 cooperative efforts that have been proven successful; act as an  
32 information dissemination and resource center when an incident occurs  
33 in a school district either in Washington or in another state;  
34 coordinate activities relating to school safety; review and approve  
35 manuals and curricula used for school safety models and training; and  
36 develop and maintain a school safety information web site.

37 (B) The school safety center shall be established in the office of  
38 the superintendent of public instruction. The superintendent of public

1 instruction shall participate in a school safety center advisory  
2 committee that includes representatives of educators, classified staff,  
3 principals, superintendents, administrators, the American society for  
4 industrial security, the state criminal justice training commission,  
5 and others deemed appropriate and approved by the school safety center  
6 advisory committee. Members of the committee shall be chosen by the  
7 groups they represent. In addition, the Washington association of  
8 sheriffs and police chiefs shall appoint representatives of law  
9 enforcement to participate on the school safety center advisory  
10 committee. The advisory committee shall select a chair.

11 (C) The school safety center advisory committee shall develop a  
12 training program, using the best practices in school safety, for all  
13 school safety personnel.

14 (iv) A maximum of \$113,000 of the general fund--state appropriation  
15 for fiscal year 2002 and a maximum of \$100,000 of the general fund--  
16 state appropriation for fiscal year 2003 are provided for a school  
17 safety training program provided by the criminal justice training  
18 commission subject to the following conditions and limitations:

19 (A) The criminal justice training commission with assistance of the  
20 school safety center advisory committee established in section  
21 2(b)(iii) of this section shall develop manuals and curricula for a  
22 training program for all school safety personnel.

23 (B) The Washington state criminal justice training commission, in  
24 collaboration with the advisory committee, shall provide the school  
25 safety training for all school administrators and school safety  
26 personnel, including school safety personnel hired after the effective  
27 date of this section.

28 (v) A maximum of \$250,000 of the general fund--state appropriation  
29 for fiscal year 2002 and a maximum of \$243,000 of the general fund--  
30 state appropriation for fiscal year 2003 are provided for training in  
31 school districts regarding the prevention of bullying and harassment.  
32 The superintendent of public instruction shall use the funds to develop  
33 a model bullying and harassment prevention policy and training  
34 materials for school and educational service districts. The  
35 information may be disseminated in a variety of ways, including  
36 workshops and other staff development activities such as videotape or  
37 broadcasts.



1 (vi) A maximum of \$6,048,000 of the general fund--state  
2 appropriation for fiscal year 2002 is provided for a safety allocation  
3 to districts subject to the following conditions and limitations:

4 (A) The funds shall be allocated at a maximum rate of \$6.36 per  
5 year per full-time equivalent K-12 student enrolled in each school  
6 district in the prior school year.

7 (B) Districts shall expend funds allocated under this section to  
8 develop and implement strategies identified in a comprehensive safe  
9 school plan pursuant to House Bill No. 1818 (student safety) or Senate  
10 Bill No. 5543 (student safety). If neither bill is enacted by June 30,  
11 2001, expenditures of the safety allocation shall be subject to (i),  
12 (ii), and (iii) of this subsection (a)(vi)(B).

13 (i) School districts shall use the funds for school safety purposes  
14 and are encouraged to prioritize the use of funds allocated under this  
15 section for the development, by September 1, 2002, of school-based  
16 comprehensive safe school plans that include prevention, intervention,  
17 all-hazards/crisis response, and post crisis recovery components. When  
18 developing comprehensive safe school plans, school districts are  
19 encouraged to use model school safety plans as developed by the school  
20 safety center. Implementation of comprehensive safe school plans may  
21 include, but is not limited to, employing or contracting for building  
22 security monitors in schools during school hours and school events;  
23 research-based early prevention and intervention programs; training for  
24 school staff, including security personnel; equipment; school safety  
25 hotlines; before, during, and after-school student and staff safety;  
26 minor building renovations related to student and staff safety and  
27 security; and other purposes identified in the comprehensive safe  
28 school plan.

29 (ii) Each school may conduct an evaluation of its comprehensive  
30 safe school plan and conduct reviews, drills, or simulated practices in  
31 coordination with local fire, law enforcement, and medical emergency  
32 management agencies.

33 (iii) By September 1, 2002, school districts shall provide the  
34 superintendent of public instruction information regarding the purposes  
35 for which the safety allocation funding was used and the status of the  
36 comprehensive safe school plans for the schools in the school district.

37 (vii) A maximum of \$200,000 of the general fund--state  
38 appropriation for fiscal year 2002, a maximum of \$194,000 of the

1 general fund--state appropriation for fiscal year 2003, and \$400,000 of  
2 the general fund--federal appropriation transferred from the department  
3 of health are provided for a program that provides grants to school  
4 districts for media campaigns promoting sexual abstinence and  
5 addressing the importance of delaying sexual activity, pregnancy, and  
6 childbearing until individuals are ready to nurture and support their  
7 children. Grants to the school districts shall be for projects that  
8 are substantially designed and produced by students. The grants shall  
9 require a local private sector match equal to one-half of the state  
10 grant, which may include in-kind contribution of technical or other  
11 assistance from consultants or firms involved in public relations,  
12 advertising, broadcasting, and graphics or video production or other  
13 related fields.

14 (viii) A maximum of \$150,000 of the general fund--state  
15 appropriation for fiscal year 2002 and a maximum of \$145,000 of the  
16 general fund--state appropriation for fiscal year 2003 are provided for  
17 a nonviolence and leadership training program provided by the institute  
18 for community leadership. The program shall provide the following:

19 (A) Statewide nonviolence leadership coaches training program for  
20 certification of educational employees and community members in  
21 nonviolence leadership workshops;

22 (B) Statewide leadership nonviolence student exchanges, training,  
23 and speaking opportunities for student workshop participants; and

24 (C) A request for proposal process, with up to 80 percent funding,  
25 for nonviolence leadership workshops serving at least 12 school  
26 districts with direct programming in 36 elementary, middle, and high  
27 schools throughout Washington state.

28 (ix) A maximum of \$1,500,000 of the general fund--state  
29 appropriation for fiscal year 2002 is provided for school district  
30 petitions to juvenile court for truant students as provided in RCW  
31 28A.225.030 and 28A.225.035. Allocation of this money to school  
32 districts shall be based on the number of petitions filed.

33 (b) TECHNOLOGY

34 (i) A maximum of \$2,000,000 of the general fund--state  
35 appropriation for fiscal year 2002 and a maximum of \$1,940,000 of the  
36 general fund--state appropriation for fiscal year 2003 are provided for  
37 K-20 telecommunications network technical support in the K-12 sector to  
38 prevent system failures and avoid interruptions in school utilization

1 of the data processing and video-conferencing capabilities of the  
2 network. These funds may be used to purchase engineering and advanced  
3 technical support for the network. A maximum of \$650,000 of this  
4 amount may be expended for state-level administration and staff  
5 training on the K-20 network.

6 (ii) A maximum of \$617,000 of the general fund--state appropriation  
7 for fiscal year 2002 and a maximum of \$1,079,000 of the general fund--  
8 state appropriation for fiscal year 2003 are provided for the  
9 Washington state leadership assistance for science education reform  
10 (LASER) regional partnership coordinated at the Pacific Science Center.

11 (c) GRANTS AND ALLOCATIONS

12 (i) A maximum of \$25,000 of the general fund--state appropriation  
13 for fiscal year 2002 and a maximum of \$1,916,000 of the general fund--  
14 state appropriation for fiscal year 2003 are provided for Senate Bill  
15 No. 5695 (alternative certification routes). If the bill is not  
16 enacted by June 30, 2001, the amount provided in this subsection shall  
17 lapse. The stipend allocation per teacher candidate and mentor pair  
18 shall not exceed \$28,300. The professional educator standards board  
19 shall report to the education committees of the legislature by December  
20 15, 2002, on the districts applying for partnership grants, the  
21 districts receiving partnership grants, and the number of interns per  
22 route enrolled in each district.

23 (ii) A maximum of \$31,500 of the general fund--state appropriation  
24 for fiscal year 2002 and a maximum of \$31,000 of the general fund--  
25 state appropriation for fiscal year 2003 are provided for operation of  
26 the Cispus environmental learning center.

27 (iii) A maximum of \$150,000 of the general fund--state  
28 appropriation for fiscal year 2002 and a maximum of \$146,000 of the  
29 general fund--state appropriation for fiscal year 2003 are provided for  
30 the Washington civil liberties education program.

31 (iv) A maximum of \$2,150,000 of the general fund--state  
32 appropriation for fiscal year 2002 is provided for complex need grants.  
33 The maximum grants for eligible districts are specified in LEAP  
34 Document 30C as developed on April 27, 1997, at 03:00 hours.

35 (v) A maximum of \$1,377,000 of the general fund--state  
36 appropriation for fiscal year 2002 is provided for educational centers,  
37 including state support activities. \$50,000 of this amount for fiscal

1 year 2002 is provided to help stabilize funding through distribution  
2 among existing education centers that are currently funded by the state  
3 at an amount less than \$50,000 a fiscal year.

4 (vi) A maximum of \$50,000 of the general fund--state appropriation  
5 for fiscal year 2002 is provided for an organization in southwest  
6 Washington that received funding from the Spokane educational center in  
7 the 1995-97 biennium and provides educational services to students who  
8 have dropped out of school.

9 (vii) A maximum of \$1,262,000 of the general fund--state  
10 appropriation for fiscal year 2002 and a maximum of \$1,224,000 of the  
11 general fund--state appropriation for fiscal year 2003 are provided for  
12 in-service training and educational programs conducted by the Pacific  
13 Science Center.

14 (viii) A maximum of \$100,000 of the general fund--state  
15 appropriation for fiscal year 2002 and a maximum of \$97,000 of the  
16 general fund--state appropriation for fiscal year 2003 are provided to  
17 support vocational student leadership organizations.

18 (ix) (~~(\$9,900,000)~~) \$13,955,000 of the general fund--federal  
19 appropriation is provided for the Washington Reads project to enhance  
20 high quality reading instruction and school programs.

21 (x) A maximum of \$150,000 of the general fund--state appropriation  
22 for fiscal year 2002 and a maximum of \$146,000 of the general fund--  
23 state appropriation for fiscal year 2003 are provided for the World War  
24 II oral history project.

25 (xi) \$13,942,000 of the general fund--federal appropriation is  
26 provided for school renovation grants for school districts with urgent  
27 school renovation needs, special education-related renovations, and  
28 technology related renovations.

29 (xii) (~~(\$4,962,000)~~) \$4,698,000 of the general fund--federal  
30 appropriation is provided for LINKS technology challenge grants to  
31 integrate educational reform with state technology systems and  
32 development of technology products that enhance professional  
33 development and classroom instruction.

34 (xiii) (~~(\$536,000)~~) \$1,763,000 of the general fund--federal  
35 appropriation is provided for the advanced placement fee program to  
36 increase opportunities for low-income students and under-represented  
37 populations to participate in advanced placement courses and to

1 increase the capacity of schools to provide advanced placement courses  
2 to students.

3 (xiv) (~~(\$12,318,000)~~) \$8,197,000 of the general fund--federal  
4 appropriation is provided for comprehensive school reform demonstration  
5 projects to provide grants to low-income schools for improving student  
6 achievement through adoption and implementation of research-based  
7 curricula and instructional programs.

8 (xv) (~~(\$2,612,000)~~) \$2,473,000 of the general fund--federal  
9 appropriation is provided for teacher quality enhancement through  
10 provision of consortia grants to school districts and higher education  
11 institutions to improve teacher preparation and professional  
12 development.

13 **Sec. 502.** 2002 c 371 s 502 (uncodified) is amended to read as  
14 follows:

15 <b>FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT</b>	
16 General Fund--State Appropriation (FY 2002) . . . . .	\$3,786,124,000
17 General Fund--State Appropriation (FY 2003) . . . . .	( <del>(\$3,711,897,000)</del> )
18	<u>\$3,728,589,000</u>
19 TOTAL APPROPRIATION . . . . .	( <del>(\$7,498,021,000)</del> )
20	<u>\$7,514,713,000</u>

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

23 (1) Each general fund fiscal year appropriation includes such funds  
24 as are necessary to complete the school year ending in the fiscal year  
25 and for prior fiscal year adjustments.

26 (2) Allocations for certificated staff salaries for the 2001-02 and  
27 2002-03 school years shall be determined using formula-generated staff  
28 units calculated pursuant to this subsection. Staff allocations for  
29 small school enrollments in (d) through (f) of this subsection shall be  
30 reduced for vocational full-time equivalent enrollments. Staff  
31 allocations for small school enrollments in grades K-6 shall be the  
32 greater of that generated under (a) of this subsection, or under (d)  
33 and (e) of this subsection. Certificated staffing allocations shall be  
34 as follows:

35 (a) On the basis of each 1,000 average annual full-time equivalent  
36 enrollments, excluding full-time equivalent enrollment otherwise

1 recognized for certificated staff unit allocations under (c) through  
2 (f) of this subsection:

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

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

7 (iii) Forty-six certificated instructional staff units per thousand  
8 full-time equivalent students in grades 4-12; and

9 (iv) An additional 4.2 certificated instructional staff units for  
10 grades K-3 and an additional 7.2 certificated instructional staff units  
11 for grade 4. Any funds allocated for the additional certificated units  
12 provided in this subsection (iv) shall not be considered as basic  
13 education funding;

14 (v) For class size reduction and expanded learning opportunities  
15 under the better schools program, an additional 2.2 certificated  
16 instructional staff units for the 2001-02 school year and an additional  
17 0.8 certificated instructional staff units for the 2002-03 school year  
18 for grades K-4 per thousand full-time equivalent students. Funds  
19 allocated for these additional certificated units shall not be  
20 considered as basic education funding. The allocation may be used for  
21 reducing class sizes in grades K-4 or to provide additional classroom  
22 contact hours for kindergarten, before-and-after-school programs,  
23 weekend school programs, summer school programs, and intercession  
24 opportunities to assist elementary school students in meeting the  
25 essential academic learning requirements and student assessment  
26 performance standards. For purposes of this subsection, additional  
27 classroom contact hours provided by teachers beyond the normal school  
28 day under a supplemental contract shall be converted to a certificated  
29 full-time equivalent by dividing the classroom contact hours by 900.

30 (A) Funds provided under this subsection (2)(a)(iv) and (v) in  
31 excess of the amount required to maintain the statutory minimum ratio  
32 established under RCW 28A.150.260(2)(b) shall be allocated only if the  
33 district documents an actual ratio in grades K-4 equal to or greater  
34 than 55.4 certificated instructional staff per thousand full-time  
35 equivalent students in the 2001-02 school year and 54.0 certificated  
36 instructional staff per thousand full-time equivalent students in the  
37 2002-03 school year. For any school district documenting a lower  
38 certificated instructional staff ratio, the allocation shall be based

1 on the district's actual grades K-4 certificated instructional staff  
2 ratio achieved in that school year, or the statutory minimum ratio  
3 established under RCW 28A.150.260(2)(b), if greater;

4 (B) Districts at or above 51.0 certificated instructional staff per  
5 one thousand full-time equivalent students in grades K-4 may dedicate  
6 up to 1.3 of the 55.4 funding ratio in the 2001-02 school year, and up  
7 to 1.3 of the 54.0 funding ratio in the 2002-03 school year, to employ  
8 additional classified instructional assistants assigned to basic  
9 education classrooms in grades K-4. For purposes of documenting a  
10 district's staff ratio under this section, funds used by the district  
11 to employ additional classified instructional assistants shall be  
12 converted to a certificated staff equivalent and added to the  
13 district's actual certificated instructional staff ratio. Additional  
14 classified instructional assistants, for the purposes of this  
15 subsection, shall be determined using the 1989-90 school year as the  
16 base year;

17 (C) Any district maintaining a ratio in grades K-4 equal to or  
18 greater than 55.4 certificated instructional staff per thousand full-  
19 time equivalent students in the 2001-02 school year, and a ratio equal  
20 to or greater than 54.0 certificated instructional staff per thousand  
21 full-time equivalent students in the 2002-03 school year, may use  
22 allocations generated under this subsection (2)(a)(iv) and (v) in  
23 excess of that required to maintain the minimum ratio established under  
24 RCW 28A.150.260(2)(b) to employ additional basic education certificated  
25 instructional staff or classified instructional assistants in grades 5-  
26 6. Funds allocated under this subsection (2)(a)(iv) and (v) shall only  
27 be expended to reduce class size in grades K-6. No more than 1.3 of  
28 the certificated instructional funding ratio amount may be expended for  
29 provision of classified instructional assistants;

30 (b) For school districts with a minimum enrollment of 250 full-time  
31 equivalent students whose full-time equivalent student enrollment count  
32 in a given month exceeds the first of the month full-time equivalent  
33 enrollment count by 5 percent, an additional state allocation of 110  
34 percent of the share that such increased enrollment would have  
35 generated had such additional full-time equivalent students been  
36 included in the normal enrollment count for that particular month;

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

1 (A) Vocational education programs approved by the superintendent of  
2 public instruction, a maximum of 0.92 certificated instructional staff  
3 units and 0.08 certificated administrative staff units for each 19.5  
4 full-time equivalent vocational students; and

5 (B) Skills center programs meeting the standards for skills center  
6 funding established in January 1999 by the superintendent of public  
7 instruction, 0.92 certificated instructional staff units and 0.08  
8 certificated administrative units for each 16.67 full-time equivalent  
9 vocational students;

10 (ii) Vocational full-time equivalent enrollment shall be reported  
11 on the same monthly basis as the enrollment for students eligible for  
12 basic support, and payments shall be adjusted for reported vocational  
13 enrollments on the same monthly basis as those adjustments for  
14 enrollment for students eligible for basic support; and

15 (iii) For the 2002-03 school year, indirect cost charges by a  
16 school district to vocational-secondary programs shall not exceed 15  
17 percent of the combined basic education and vocational enhancement  
18 allocations of state funds;

19 (d) For districts enrolling not more than twenty-five average  
20 annual full-time equivalent students in grades K-8, and for small  
21 school plants within any school district which have been judged to be  
22 remote and necessary by the state board of education and enroll not  
23 more than twenty-five average annual full-time equivalent students in  
24 grades K-8:

25 (i) For those enrolling no students in grades 7 and 8, 1.76  
26 certificated instructional staff units and 0.24 certificated  
27 administrative staff units for enrollment of not more than five  
28 students, plus one-twentieth of a certificated instructional staff unit  
29 for each additional student enrolled; and

30 (ii) For those enrolling students in grades 7 or 8, 1.68  
31 certificated instructional staff units and 0.32 certificated  
32 administrative staff units for enrollment of not more than five  
33 students, plus one-tenth of a certificated instructional staff unit for  
34 each additional student enrolled;

35 (e) For specified enrollments in districts enrolling more than  
36 twenty-five but not more than one hundred average annual full-time  
37 equivalent students in grades K-8, and for small school plants within



1 any school district which enroll more than twenty-five average annual  
2 full-time equivalent students in grades K-8 and have been judged to be  
3 remote and necessary by the state board of education:

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

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

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

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

19 (ii) For all other small high schools under this subsection, nine  
20 certificated instructional staff units and one-half of a certificated  
21 administrative staff unit for the first sixty average annual full time  
22 equivalent students, and additional staff units based on a ratio of  
23 0.8732 certificated instructional staff units and 0.1268 certificated  
24 administrative staff units per each additional forty-three and one-half  
25 average annual full time equivalent students.

26 Units calculated under (f)(ii) of this subsection shall be reduced  
27 by certificated staff units at the rate of forty-six certificated  
28 instructional staff units and four certificated administrative staff  
29 units per thousand vocational full-time equivalent students;

30 (g) For each nonhigh school district having an enrollment of more  
31 than seventy annual average full-time equivalent students and less than  
32 one hundred eighty students, operating a grades K-8 program or a grades  
33 1-8 program, an additional one-half of a certificated instructional  
34 staff unit; and

35 (h) For each nonhigh school district having an enrollment of more  
36 than fifty annual average full-time equivalent students and less than  
37 one hundred eighty students, operating a grades K-6 program or a grades

1 1-6 program, an additional one-half of a certificated instructional  
2 staff unit.

3 (3) Allocations for classified salaries for the 2001-02 and 2002-03  
4 school years shall be calculated using formula-generated classified  
5 staff units determined as follows:

6 (a) For enrollments generating certificated staff unit allocations  
7 under subsection (2)(d) through (h) of this section, one classified  
8 staff unit for each three certificated staff units allocated under such  
9 subsections;

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

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

17 (4) Fringe benefit allocations shall be calculated at a rate of  
18 10.76 percent in the 2001-02 school year and 9.57 percent in the 2002-  
19 03 school year for certificated salary allocations provided under  
20 subsection (2) of this section, and a rate of 12.73 percent in the  
21 2001-02 school year and 12.36 percent in the 2002-03 school year for  
22 classified salary allocations provided under subsection (3) of this  
23 section.

24 (5) Insurance benefit allocations shall be calculated at the  
25 maintenance rate specified in section 504(3) of this act, based on the  
26 number of benefit units determined as follows:

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

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

35 (6)(a) For nonemployee-related costs associated with each  
36 certificated staff unit allocated under subsection (2)(a), (b), and (d)  
37 through (h) of this section, there shall be provided a maximum of

1 \$8,519 per certificated staff unit in the 2001-02 school year and a  
2 maximum of \$8,604 per certificated staff unit in the 2002-03 school  
3 year.

4 (b) For nonemployee-related costs associated with each vocational  
5 certificated staff unit allocated under subsection (2)(c)(i)(A) of this  
6 section, there shall be provided a maximum of \$20,920 per certificated  
7 staff unit in the 2001-02 school year and a maximum of \$21,129 per  
8 certificated staff unit in the 2002-03 school year.

9 (c) For nonemployee-related costs associated with each vocational  
10 certificated staff unit allocated under subsection (2)(c)(i)(B) of this  
11 section, there shall be provided a maximum of \$16,233 per certificated  
12 staff unit in the 2001-02 school year and a maximum of \$16,395 per  
13 certificated staff unit in the 2002-03 school year.

14 (7) Allocations for substitute costs for classroom teachers shall  
15 be distributed at a maintenance rate of \$494.34 for the 2001-02 and  
16 2002-03 school years per allocated classroom teachers exclusive of  
17 salary increase amounts provided in section 504 of this act. Solely  
18 for the purposes of this subsection, allocated classroom teachers shall  
19 be equal to the number of certificated instructional staff units  
20 allocated under subsection (2) of this section, multiplied by the ratio  
21 between the number of actual basic education certificated teachers and  
22 the number of actual basic education certificated instructional staff  
23 reported statewide for the prior school year.

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

33 (9) The superintendent may distribute a maximum of \$6,424,000  
34 outside the basic education formula during fiscal years 2002 and 2003  
35 as follows:

36 (a) For fire protection for school districts located in a fire  
37 protection district as now or hereafter established pursuant to chapter

1 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002  
2 and a maximum of \$485,000 may be expended in fiscal year 2003;

3 (b) For summer vocational programs at skills centers, a maximum of  
4 \$2,098,000 may be expended for the 2001-02 fiscal year and a maximum of  
5 \$2,035,000 for the 2003 fiscal year;

6 (c) A maximum of \$341,000 may be expended for school district  
7 emergencies; and

8 (d) A maximum of \$500,000 for fiscal year 2002 and \$485,000 for  
9 fiscal year 2003 may be expended for programs providing skills training  
10 for secondary students who are enrolled in extended day school-to-work  
11 programs, as approved by the superintendent of public instruction. The  
12 funds shall be allocated at a rate not to exceed \$500 per full-time  
13 equivalent student enrolled in those programs.

14 (10) For purposes of RCW 84.52.0531, the increase per full-time  
15 equivalent student in state basic education appropriations provided  
16 under this act, including appropriations for salary and benefits  
17 increases, is 2.5 percent from the 2000-01 school year to the 2001-02  
18 school year.

19 (11) For purposes of RCW 84.52.0531, the increase in appropriations  
20 per full-time equivalent student provided in this act, including  
21 appropriations for salary and benefits increases, is 2.9 percent from  
22 the 2001-02 school year to the 2002-03 school year.

23 (12) If two or more school districts consolidate and each district  
24 was receiving additional basic education formula staff units pursuant  
25 to subsection (2)(b) through (h) of this section, the following shall  
26 apply:

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

31 (b) For the fourth through eighth school years following  
32 consolidation, the difference between the basic education formula staff  
33 units received by the districts for the school year prior to  
34 consolidation and the basic education formula staff units after  
35 consolidation pursuant to subsection (2)(a) through (h) of this section  
36 shall be reduced in increments of twenty percent per year.

1       **Sec. 503.** 2002 c 371 s 504 (uncodified) is amended to read as  
2 follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**  
4 **COMPENSATION ADJUSTMENTS**

5	General Fund--State Appropriation (FY 2002) . . . . .	\$124,903,000
6	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$255,910,000)</del>
7		<u>\$256,809,000</u>
8	General Fund--Federal Appropriation (FY 2003) . . . . .	<del>(\$191,000)</del>
9		<u>\$246,000</u>
10	TOTAL APPROPRIATION . . . . .	<del>(\$381,004,000)</del>
11		<u>\$381,958,000</u>

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

14       (1) A total of ~~(\$329,316,000)~~ \$330,239,000 is provided for a cost  
15 of living adjustment for state formula staff units of 3.7 percent  
16 effective September 1, 2001, and 3.6 percent effective on September 1,  
17 2002, consistent with the provisions of chapter 4, Laws of 2001  
18 (Initiative Measure No. 732). The appropriations include associated  
19 incremental fringe benefit allocations at rates of 10.12 percent for  
20 school year 2001-02 and 8.93 percent for school year 2002-03 for  
21 certificated staff and 9.23 percent for school year 2001-02 and 8.86  
22 for school year 2002-03 for classified staff.

23       (a) The appropriations in this section include the increased  
24 portion of salaries and incremental fringe benefits for all relevant  
25 state-funded school programs in part V of this act, in accordance with  
26 chapter 4, Laws of 2001 (Initiative Measure No. 732). Salary  
27 adjustments for state employees in the office of superintendent of  
28 public instruction and the education reform program are provided in  
29 part VII of this act. Increases for general apportionment (basic  
30 education) are based on the salary allocation schedules and methodology  
31 in section 502 of this act. Increases for special education result  
32 from increases in each district's basic education allocation per  
33 student. Increases for educational service districts and institutional  
34 education programs are determined by the superintendent of public  
35 instruction using the methodology for general apportionment salaries  
36 and benefits in section 502 of this act.

37       (b) The appropriations in this section provide cost-of-living and

1 incremental fringe benefit allocations based on formula adjustments as  
2 follows:

	School Year	
	2001-02	2002-03
6 Pupil Transportation (per weighted pupil mile)	\$0.77	\$1.54
7 Highly Capable (per formula student)	\$8.71	\$16.70
8 Transitional Bilingual Education (per eligible bilingual student)	\$22.63	\$44.74
9 Learning Assistance (per entitlement unit)	\$11.19	\$22.26
10 Substitute Teacher (allocation per teacher, section 502(7))	\$18.29	\$36.75

11 (2) This act appropriates general fund--state funds and other funds  
12 for the purpose of providing the annual salary cost-of-living increase  
13 required by section 2, chapter 4, Laws of 2001 (Initiative Measure No.  
14 732) for teachers and other school district employees in the state-  
15 funded salary base. For employees not included in the state-funded  
16 salary base, the annual salary cost-of-living increase may be provided  
17 by school districts from the federal funds appropriated in this act and  
18 local revenues, including the adjusted levy base as provided in RCW  
19 84.52.053 and section 502 of this act, and state discretionary funds  
20 provided under this act.

21 (3) (~~(\$51,688,000)~~) \$51,719,000 is provided for adjustments to  
22 insurance benefit allocations. The maintenance rate for insurance  
23 benefit allocations is \$427.73 per month for the 2001-02 and 2002-03  
24 school years. The appropriations in this section provide for a rate  
25 increase to \$455.27 per month for the 2001-02 school year and \$457.07  
26 per month for the 2002-03 school year at the following rates:

	School Year	
	2001-02	2002-03
29 Pupil Transportation (per weighted pupil mile)	\$0.25	\$0.27
30 Highly Capable (per formula student)	\$1.74	\$1.81
31 Transitional Bilingual Education (per eligible bilingual student)	\$4.46	\$4.75
32 Learning Assistance (per entitlement unit)	\$3.51	\$3.73

33 (4) The rates specified in this section are subject to revision  
34 each year by the legislature.

1       **Sec. 504.** 2002 c 371 s 505 (uncodified) is amended to read as  
2 follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

4	General Fund--State Appropriation (FY 2002) . . . . .	\$192,402,000
5	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$193,293,000)</del>
6		<u>\$212,019,000</u>
7	TOTAL APPROPRIATION . . . . .	<del>(\$385,695,000)</del>
8		<u>\$404,421,000</u>

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

11       (1) Each general fund fiscal year appropriation includes such funds  
12 as are necessary to complete the school year ending in the fiscal year  
13 and for prior fiscal year adjustments.

14       (2) A maximum of \$767,000 of this fiscal year 2002 appropriation  
15 and a maximum of \$752,000 of the fiscal year 2003 appropriation may be  
16 expended for regional transportation coordinators and related  
17 activities. The transportation coordinators shall ensure that data  
18 submitted by school districts for state transportation funding shall,  
19 to the greatest extent practical, reflect the actual transportation  
20 activity of each district.

21       (3) \$5,000 of the fiscal year 2002 appropriation and \$5,000 of the  
22 fiscal year 2003 appropriation are provided solely for the  
23 transportation of students enrolled in "choice" programs.  
24 Transportation shall be limited to low-income students who are  
25 transferring to "choice" programs solely for educational reasons.

26       (4) Allocations for transportation of students shall be based on  
27 reimbursement rates of \$37.07 per weighted mile in the 2001-02 school  
28 year and \$37.12 per weighted mile in the 2002-03 school year exclusive  
29 of salary and benefit adjustments provided in section 504 of this act.  
30 Allocations for transportation of students transported more than one  
31 radius mile shall be based on weighted miles as determined by  
32 superintendent of public instruction multiplied by the per mile  
33 reimbursement rates for the school year pursuant to the formulas  
34 adopted by the superintendent of public instruction. Allocations for  
35 transportation of students living within one radius mile shall be based  
36 on the number of enrolled students in grades kindergarten through five  
37 living within one radius mile of their assigned school multiplied by  
38 the per mile reimbursement rate for the school year multiplied by 1.29.

1       **Sec. 505.** 2001 2nd sp.s. c 7 s 506 (uncodified) is amended to read  
2 as follows:

3       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**  
4       **PROGRAMS**

5	General Fund--State Appropriation (FY 2002) . . . . .	\$3,100,000
6	General Fund--State Appropriation (FY 2003) . . . . .	\$3,100,000
7	General Fund--Federal Appropriation . . . . .	<del>(\$225,630,000)</del>
8		<u>\$236,435,000</u>
9	TOTAL APPROPRIATION . . . . .	<del>(\$231,830,000)</del>
10		<u>\$242,635,000</u>

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

13       (1) \$3,000,000 of the general fund--state appropriation for fiscal  
14 year 2002 and \$3,000,000 of the general fund--state appropriation for  
15 fiscal year 2003 are provided for state matching money for federal  
16 child nutrition programs.

17       (2) \$100,000 of the general fund--state appropriation for fiscal  
18 year 2002 and \$100,000 of the 2003 fiscal year appropriation are  
19 provided for summer food programs for children in low-income areas.

20       **Sec. 506.** 2002 c 371 s 506 (uncodified) is amended to read as  
21 follows:

22       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
23       **PROGRAMS**

24	General Fund--State Appropriation (FY 2002) . . . . .	\$420,165,000
25	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$408,761,000)</del>
26		<u>\$410,263,000</u>
27	General Fund--Federal Appropriation . . . . .	<del>(\$256,407,000)</del>
28		<u>\$295,015,000</u>
29	TOTAL APPROPRIATION . . . . .	<del>(\$1,085,333,000)</del>
30		<u>\$1,125,443,000</u>

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

33       (1) Funding for special education programs is provided on an excess  
34 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
35 that special education students as a class receive their full share of  
36 the general apportionment allocation accruing through sections 502 and  
37 504 of this act. To the extent a school district cannot provide an



1 appropriate education for special education students under chapter  
2 28A.155 RCW through the general apportionment allocation, it shall  
3 provide services through the special education excess cost allocation  
4 funded in this section.

5 (2)(a) Effective with the 2001-02 school year, the superintendent  
6 of public instruction shall change the S-275 personnel reporting system  
7 and all related accounting requirements to ensure that:

8 (i) Special education students are basic education students first;

9 (ii) As a class, special education students are entitled to the  
10 full basic education allocation; and

11 (iii) Special education students are basic education students for  
12 the entire school day.

13 (b) Effective with the 2001-02 school year, the S-275 and  
14 accounting changes shall supercede any prior excess cost methodologies  
15 and shall be required of all school districts.

16 (3) Each fiscal year appropriation includes such funds as are  
17 necessary to complete the school year ending in the fiscal year and for  
18 prior fiscal year adjustments.

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

27 (5)(a) For the 2001-02 and 2002-03 school years, the superintendent  
28 shall make allocations to each district based on the sum of:

29 (i) A district's annual average headcount enrollment of  
30 developmentally delayed infants and toddlers ages birth through two,  
31 multiplied by the district's average basic education allocation per  
32 full-time equivalent student, multiplied by 1.15; and

33 (ii) A district's annual average full-time equivalent basic  
34 education enrollment multiplied by the funded enrollment percent  
35 determined pursuant to subsection (6)(b) of this section, multiplied by  
36 the district's average basic education allocation per full-time  
37 equivalent student multiplied by 0.9309.

1 (b) For purposes of this subsection, "average basic education  
2 allocation per full-time equivalent student" for a district shall be  
3 based on the staffing ratios required by RCW 28A.150.260 and shall not  
4 include enhancements, secondary vocational education, or small schools.

5 (6) The definitions in this subsection apply throughout this  
6 section.

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

13 (b) "Enrollment percent" means the district's resident special  
14 education annual average enrollment, excluding the birth through age  
15 two enrollment, as a percent of the district's annual average full-time  
16 equivalent basic education enrollment.

17 (i) For the 2001-02 school year, each district's funded enrollment  
18 percent shall be the lesser of the district's actual enrollment percent  
19 or 12.7 percent.

20 (ii) For the 2002-03 school year, each district's general fund--  
21 state funded special education enrollment shall be the lesser of the  
22 district's actual enrollment percent or 12.7 percent. Increases in  
23 enrollment percent from 12.7 percent to 13.0 percent shall be funded  
24 from the general fund--federal appropriation.

25 (7) At the request of any interdistrict cooperative of at least 15  
26 districts in which all excess cost services for special education  
27 students of the districts are provided by the cooperative, the maximum  
28 enrollment percent shall be calculated in accordance with subsection  
29 (6)(b) of this section, and shall be calculated in the aggregate rather  
30 than individual district units. For purposes of this subsection, the  
31 average basic education allocation per full-time equivalent student  
32 shall be calculated in the aggregate rather than individual district  
33 units.

34 (8) Safety net funding shall be awarded by the state safety net  
35 oversight committee subject to the following conditions and  
36 limitations:

37 (a) A maximum of \$8,500,000 of the general fund--state  
38 appropriation and a maximum of \$3,500,000 of the general fund--federal

1 appropriation for fiscal year 2002 are provided as safety net funding  
2 for districts with demonstrated needs for state special education  
3 funding beyond the amounts provided in subsection (5) of this section.

4 (b) The safety net oversight committee shall first consider the  
5 needs of districts adversely affected by the 1995 change in the special  
6 education funding formula. Awards shall be based on the lesser of the  
7 amount required to maintain the 1994-95 state special education excess  
8 cost allocation to the school district in aggregate or on a dollar per  
9 funded student basis.

10 (c) The committee shall then consider unmet needs for districts  
11 that can convincingly demonstrate that all legitimate expenditures for  
12 special education exceed all available revenues from state funding  
13 formulas. In the determination of need, the committee shall also  
14 consider additional available revenues from federal and local sources.  
15 Differences in program costs attributable to district philosophy,  
16 service delivery choice, or accounting practices are not a legitimate  
17 basis for safety net awards.

18 (d) The maximum allowable indirect cost for calculating safety net  
19 eligibility may not exceed the federal restricted indirect cost rate  
20 for the district plus one percent.

21 (e) Safety net awards shall be adjusted based on the percent of  
22 potential medicaid eligible students billed as calculated by the  
23 superintendent in accordance with chapter 318, Laws of 1999.

24 (f) Safety net awards must be adjusted for any audit findings or  
25 exceptions related to special education funding.

26 (g) The superintendent may expend up to \$120,000 of the amounts  
27 provided in this subsection (8) to provide staff assistance to the  
28 committee in analyzing applications for safety net funds received by  
29 the committee.

30 (9) For fiscal year 2003 to the extent necessary, \$12,873,000 of  
31 the general fund--federal appropriation is provided for safety net  
32 awards for districts with demonstrated needs for state special  
33 education funding beyond the amounts provided in subsection (5) of this  
34 section. If safety net awards exceed the amount appropriated in this  
35 subsection (9), the superintendent shall expend all available federal  
36 discretionary funds necessary to meet this need. Safety net funds  
37 shall be awarded by the state safety net oversight committee subject to  
38 the following conditions and limitations:

1 (a) The committee shall consider unmet needs for districts that can  
2 convincingly demonstrate that all legitimate expenditures for special  
3 education exceed all available revenues from state funding formulas.  
4 In the determination of need, the committee shall also consider  
5 additional available revenues from federal and local sources.  
6 Differences in program costs attributable to district philosophy,  
7 service delivery choice, or accounting practices are not a legitimate  
8 basis for safety net awards.

9 (b) The committee shall then consider the extraordinary high cost  
10 needs of one or more individual special education students.  
11 Differences in costs attributable to district philosophy, service  
12 delivery choice, or accounting practices are not a legitimate basis for  
13 safety net awards.

14 (c) The maximum allowable indirect cost for calculating safety net  
15 eligibility may not exceed the federal restricted indirect cost rate  
16 for the district plus one percent.

17 (d) Safety net awards shall be adjusted based on the percent of  
18 potential medicaid eligible students billed as calculated by the  
19 superintendent in accordance with chapter 318, Laws of 1999.

20 (e) Safety net awards must be adjusted for any audit findings or  
21 exceptions related to special education funding.

22 (f) The superintendent may expend up to \$120,000 of the amount  
23 provided from the general fund--federal appropriation in this  
24 subsection (9) to provide staff assistance to the committee in  
25 analyzing applications for safety net funds received by the committee.

26 (10) The superintendent of public instruction may adopt such rules  
27 and procedures as are necessary to administer the special education  
28 funding and safety net award process. Prior to revising any standards,  
29 procedures, or rules, the superintendent shall consult with the office  
30 of financial management and the fiscal committees of the legislature.

31 (11) The safety net oversight committee appointed by the  
32 superintendent of public instruction shall consist of:

33 (a) One staff from the office of superintendent of public  
34 instruction;

35 (b) Staff of the office of the state auditor;

36 (c) Staff of the office of the financial management; and

37 (d) One or more representatives from school districts or

1 educational service districts knowledgeable of special education  
2 programs and funding.

3 (12) To the extent necessary, in fiscal year 2002, \$2,250,000 of  
4 the general fund--federal appropriation shall be expended for safety  
5 net funding to meet the extraordinary needs of one or more individual  
6 special education students. If safety net awards to meet the  
7 extraordinary needs exceed \$2,250,000 of the general fund--federal  
8 appropriation, the superintendent shall expend all available federal  
9 discretionary funds necessary to meet this need. General fund--state  
10 funds shall not be expended for this purpose.

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

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

22 (15) The superintendent shall maintain the percentage of federal  
23 flow-through to school districts at 85 percent for the 2001-02 school  
24 year. For the 2002-03 school year, the superintendent shall allocate  
25 the federal funds as specified in this section and shall adjust federal  
26 flow-through funds accordingly. In addition to other purposes, school  
27 districts may use increased federal funds for high-cost students, for  
28 purchasing regional special education services from educational service  
29 districts, and for staff development activities particularly relating  
30 to inclusion issues.

31 (16) A maximum of \$1,200,000 of the general fund--federal  
32 appropriation may be expended by the superintendent for projects  
33 related to use of inclusion strategies by school districts for  
34 provision of special education services. The superintendent shall  
35 prepare an information database on laws, best practices, examples of  
36 programs, and recommended resources. The information may be  
37 disseminated in a variety of ways, including workshops and other staff  
38 development activities.

1 (17) A school district may carry over from one year to the next  
2 year up to 10 percent of general fund--state funds allocated under this  
3 program; however, carry over funds shall be expended in the special  
4 education program.

5 (18) The superintendent of public instruction shall implement the  
6 recommendations of the joint legislative audit and review committee  
7 study on special education (report 01-11) only to the extent that funds  
8 have been specifically provided therefor.

9 **Sec. 507.** 2002 c 371 s 507 (uncodified) is amended to read as  
10 follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY**  
12 **EDUCATION PROGRAMS**

13	General Fund--State Appropriation (FY 2002) . . . . .	\$3,765,000
14	General Fund--State Appropriation (FY 2003) . . . . .	(((\$512,000))
15		<u>\$513,000</u>
16	<del>((Public Safety and Education Account</del>	
17	<del>Appropriation . . . . .</del>	<del>\$6,567,000))</del>
18	TOTAL APPROPRIATION . . . . .	(((\$10,844,000))
19		<u>\$4,278,000</u>

20 ~~((1))~~ The general fund--state appropriations in this section are  
21 subject to the following conditions and limitations:

22 ~~((a))~~ (1) The appropriations include such funds as are necessary  
23 to complete the school year ending in each fiscal year and for prior  
24 fiscal year adjustments.

25 ~~((b))~~ (2) A maximum of \$253,000 of the fiscal year 2002 general  
26 fund appropriation may be expended for regional traffic safety  
27 education coordinators.

28 ~~((c))~~ (3) Allocations to provide tuition assistance for students  
29 eligible for free and reduced price lunch who complete the program  
30 shall be a maximum of \$203.97 per eligible student in the 2001-02  
31 school year.

32 ~~((2) The public safety and education account appropriation in this~~  
33 ~~section is subject to the following conditions and limitations:~~

34 ~~(a) The public safety and education account appropriation shall~~  
35 ~~lapse if House Bill No. 2573 (traffic safety education) is not enacted~~  
36 ~~by June 30, 2002.~~

1       ~~(b) If House Bill No. 2573 is enacted by June 30, 2002, districts~~  
2 ~~shall receive the following allocations:~~

3       ~~(i) The maximum basic state allocation per student completing the~~  
4 ~~program shall be \$148.00 in the 2002-03 school year.~~

5       ~~(ii) Additional allocations to provide tuition assistance for~~  
6 ~~students eligible for free and reduced price lunch who complete the~~  
7 ~~program shall be a maximum of \$71.00 per eligible student in the 2002-~~  
8 ~~03 school year.~~

9       ~~(c) A maximum of \$254,000 may be expended for regional traffic~~  
10 ~~safety education coordinators.))~~

11       **Sec. 508.** 2002 c 371 s 509 (uncodified) is amended to read as  
12 follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**  
14 **ASSISTANCE**

15	General Fund--State Appropriation (FY 2002) . . . . .	\$140,932,000
16	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$154,931,000</del> ))
17		<u>\$155,788,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$295,863,000</del> ))
19		<u>\$296,720,000</u>

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

22       Calendar year 2003 local effort assistance calculations under  
23 chapter 28A.500 RCW shall be adjusted by multiplying allocations and  
24 maximum eligibility for each district by 0.99 as authorized by House  
25 Bill No. 3011.

26       **Sec. 509.** 2002 c 371 s 510 (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 2002) . . . . .	\$19,073,000
31	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$18,658,000</del> ))
32		<u>\$17,844,000</u>
33	General Fund--Federal Appropriation . . . . .	\$8,548,000
34	TOTAL APPROPRIATION . . . . .	(( <del>\$46,279,000</del> ))
35		<u>\$45,465,000</u>

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

3 (1) Each general fund--state fiscal year appropriation includes  
4 such funds as are necessary to complete the school year ending in the  
5 fiscal year and for prior fiscal year adjustments.

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) The funded staffing ratios for education programs for juveniles  
16 age 18 or less in department of corrections facilities shall be the  
17 same as those provided in the 1997-99 biennium.

18 (5) \$141,000 of the general fund--state appropriation for fiscal  
19 year 2002 and (~~(\$139,000)~~) \$226,000 of the general fund--state  
20 appropriation for fiscal year 2003 are provided solely to maintain at  
21 least one certificated instructional staff and related support services  
22 at an institution whenever the K-12 enrollment is not sufficient to  
23 support one full-time equivalent certificated instructional staff to  
24 furnish the educational program. The following types of institutions  
25 are included: Residential programs under the department of social and  
26 health services for developmentally disabled juveniles, programs for  
27 juveniles under the department of corrections, and programs for  
28 juveniles under the juvenile rehabilitation administration.

29 (6) Ten percent of the funds allocated for each institution may be  
30 carried over from one year to the next.

31 **Sec. 510.** 2002 c 371 s 511 (uncodified) is amended to read as  
32 follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**  
34 **CAPABLE STUDENTS**

35	General Fund--State Appropriation (FY 2002) . . . . .	\$6,470,000
36	General Fund--State Appropriation (FY 2003) . . . . .	( <del>(\$6,229,000)</del> )
37		<u>\$6,246,000</u>



1 TOTAL APPROPRIATION . . . . . ((~~\$12,699,000~~))  
2 \$12,716,000

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

5 (1) Each general fund fiscal year appropriation includes such funds  
6 as are necessary to complete the school year ending in the fiscal year  
7 and for prior fiscal year adjustments.

8 (2) Allocations for school district programs for highly capable  
9 students shall be distributed at a maximum rate of \$327.22 per funded  
10 student for the 2001-02 school year and (~~(\$313.07)~~) \$313.12 per funded  
11 student for the 2002-03 school year, exclusive of salary and benefit  
12 adjustments pursuant to section 504 of this act. The number of funded  
13 students shall be a maximum of two percent of each district's full-time  
14 equivalent basic education enrollment.

15 (3) \$175,000 of the fiscal year 2002 appropriation and \$170,000 of  
16 the fiscal year 2003 appropriation are provided for the centrum program  
17 at Fort Worden state park.

18 (4) \$93,000 of the fiscal year 2002 appropriation and \$90,000 of  
19 the fiscal year 2003 appropriation are provided for the Washington  
20 imagination network and future problem-solving programs.

21 **Sec. 511.** 2002 c 371 s 512 (uncodified) is amended to read as  
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS**  
24 **PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND**  
25 **THE NO CHILD LEFT BEHIND ACT**

26 General Fund--Federal Appropriation . . . . . ((~~\$201,737,000~~))  
27 \$199,660,000

28 **Sec. 512.** 2002 c 371 s 513 (uncodified) is amended to read as  
29 follows:

30 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**  
31 **PROGRAMS**

32 General Fund--State Appropriation (FY 2002) . . . . . \$36,880,000  
33 General Fund--State Appropriation (FY 2003) . . . . . ((~~\$30,150,000~~))  
34 \$30,269,000  
35 General Fund--Federal Appropriation . . . . . \$60,571,000  
36 TOTAL APPROPRIATION . . . . . ((~~\$127,601,000~~))

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

(1) \$322,000 of the general fund--state appropriation for fiscal year 2002 and \$312,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the academic achievement and accountability commission.

(2) \$12,209,000 of the general fund--state appropriation for fiscal year 2002, \$8,872,000 of the general fund--state appropriation for fiscal year 2003, and \$4,000,000 of the general fund--federal appropriation are provided for development and implementation of the Washington assessments of student learning. Up to \$689,000 of the appropriation may be expended for data analysis and data management of test results.

(3) \$1,095,000 of the fiscal year 2002 general fund--state appropriation and \$548,000 of the fiscal year 2003 general fund--state appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(4) \$4,695,000 of the general fund--state appropriation for fiscal year 2002 and \$2,348,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(a) A teacher assistance program is a program that provides to a first year beginning teacher peer mentor services that include but are not limited to:

(i) An orientation process and individualized assistance to help beginning teachers who have been hired prior to the start of the school year prepare for the start of a school year;

(ii) The assignment of a peer mentor whose responsibilities to the beginning teacher include but are not limited to constructive feedback, the modeling of instructional strategies, and frequent meetings and other forms of contact;

1 (iii) The provision by peer mentors of strategies, training, and  
2 guidance in critical areas such as classroom management, student  
3 discipline, curriculum management, instructional skill, assessment,  
4 communication skills, and professional conduct. A district may provide  
5 these components through a variety of means including one-on-one  
6 contact and workshops offered by peer mentors to groups, including  
7 cohort groups, of beginning teachers;

8 (iv) The provision of release time, substitutes, mentor training in  
9 observation techniques, and other measures for both peer mentors and  
10 beginning teachers, to allow each an adequate amount of time to observe  
11 the other and to provide the classroom experience that each needs to  
12 work together effectively;

13 (v) Assistance in the incorporation of the essential academic  
14 learning requirements into instructional plans and in the development  
15 of complex teaching strategies, including strategies to raise the  
16 achievement of students with diverse learning styles and backgrounds;  
17 and

18 (vi) Guidance and assistance in the development and implementation  
19 of a professional growth plan. The plan shall include a professional  
20 self-evaluation component and one or more informal performance  
21 assessments. A peer mentor may not be involved in any evaluation under  
22 RCW 28A.405.100 of a beginning teacher whom the peer mentor has  
23 assisted through this program.

24 (b) In addition to the services provided in (a) of this subsection,  
25 an eligible peer mentor program shall include but is not limited to the  
26 following components:

27 (i) Strong collaboration among the peer mentor, the beginning  
28 teacher's principal, and the beginning teacher;

29 (ii) Stipends for peer mentors and, at the option of a district,  
30 for beginning teachers. The stipends shall not be deemed compensation  
31 for the purposes of salary lid compliance under RCW 28A.400.200 and are  
32 not subject to the continuing contract provisions of Title 28A RCW; and

33 (iii) To the extent that resources are available for this purpose  
34 and that assistance to beginning teachers is not adversely impacted,  
35 the program may serve second year and more experienced teachers who  
36 request the assistance of peer mentors.

37 (5) \$2,025,000 of the general fund--state appropriation for fiscal  
38 year 2002 and \$1,964,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided for improving technology infrastructure,  
2 monitoring and reporting on school district technology development,  
3 promoting standards for school district technology, promoting statewide  
4 coordination and planning for technology development, and providing  
5 regional educational technology support centers, including state  
6 support activities, under chapter 28A.650 RCW. The superintendent of  
7 public instruction shall coordinate a process to facilitate the  
8 evaluation and provision of online curriculum courses to school  
9 districts which includes the following: Creation of a general listing  
10 of the types of available online curriculum courses; a survey conducted  
11 by each regional educational technology support center of school  
12 districts in its region regarding the types of online curriculum  
13 courses desired by school districts; a process to evaluate and  
14 recommend to school districts the best online courses in terms of  
15 curriculum, student performance, and cost; and assistance to school  
16 districts in procuring and providing the courses to students.

17 (6) \$3,600,000 of the general fund--state appropriation for fiscal  
18 year 2002 and \$3,600,000 of the general fund--state appropriation for  
19 fiscal year 2003 are provided for grants to school districts to provide  
20 a continuum of care for children and families to help children become  
21 ready to learn. Grant proposals from school districts shall contain  
22 local plans designed collaboratively with community service providers.  
23 If a continuum of care program exists in the area in which the school  
24 district is located, the local plan shall provide for coordination with  
25 existing programs to the greatest extent possible. Grant funds shall  
26 be allocated pursuant to RCW 70.190.040.

27 (7) \$2,500,000 of the general fund--state appropriation for fiscal  
28 year 2002 and \$2,500,000 of the general fund--state appropriation for  
29 fiscal year 2003 are provided solely for the meals for kids program  
30 under RCW 28A.235.145 through 28A.235.155.

31 (8) \$1,409,000 of the general fund--state appropriation for fiscal  
32 year 2002 and \$705,000 of the general fund--state appropriation for  
33 fiscal year 2003 are provided solely for the leadership internship  
34 program for superintendents, principals, and program administrators.

35 (9) \$1,828,000 of the general fund--state appropriation for fiscal  
36 year 2002 and \$1,773,000 of the general fund--state appropriation for  
37 fiscal year 2003 are provided solely for the mathematics helping corps  
38 subject to the following conditions and limitations:

1 (a) In order to increase the availability and quality of technical  
2 mathematics assistance statewide, the superintendent of public  
3 instruction shall employ mathematics school improvement specialists to  
4 provide assistance to schools and districts. The specialists shall be  
5 hired by and work under the direction of a statewide school improvement  
6 coordinator. The mathematics improvement specialists shall serve on a  
7 rotating basis from one to three years and shall not be permanent  
8 employees of the superintendent of public instruction.

9 (b) The school improvement specialists shall provide the following:

10 (i) Assistance to schools to disaggregate student performance data  
11 and develop improvement plans based on those data;

12 (ii) Consultation with schools and districts concerning their  
13 performance on the Washington assessment of student learning and other  
14 assessments emphasizing the performance on the mathematics assessments;

15 (iii) Consultation concerning curricula that aligns with the  
16 essential academic learning requirements emphasizing the academic  
17 learning requirements for mathematics, the Washington assessment of  
18 student learning, and meets the needs of diverse learners;

19 (iv) Assistance in the identification and implementation of  
20 research-based instructional practices in mathematics;

21 (v) Staff training that emphasizes effective instructional  
22 strategies and classroom-based assessment for mathematics;

23 (vi) Assistance in developing and implementing family and community  
24 involvement programs emphasizing mathematics; and

25 (vii) Other assistance to schools and school districts intended to  
26 improve student mathematics learning.

27 (10) A maximum of \$500,000 of the general fund--state appropriation  
28 for fiscal year 2002 and a maximum of \$485,000 of the general fund--  
29 state appropriation for fiscal year 2003 are provided for summer  
30 accountability institutes offered by the superintendent of public  
31 instruction and the academic achievement and accountability commission.  
32 The institutes shall provide school district staff with training in the  
33 analysis of student assessment data, information regarding successful  
34 district and school teaching models, research on curriculum and  
35 instruction, and planning tools for districts to improve instruction in  
36 reading, mathematics, language arts, and guidance and counseling.

37 (11) \$3,930,000 of the general fund--state appropriation for fiscal

1 year 2002 and \$3,714,000 of the general fund--state appropriation for  
2 fiscal year 2003 are provided solely for the Washington reading corps  
3 subject to the following conditions and limitations:

4 (a) Grants shall be allocated to schools and school districts to  
5 implement proven, research-based mentoring and tutoring programs in  
6 reading for low-performing students in grades K-6. If the grant is  
7 made to a school district, the principals of schools enrolling targeted  
8 students shall be consulted concerning design and implementation of the  
9 program.

10 (b) The programs may be implemented before, after, or during the  
11 regular school day, or on Saturdays, summer, intercessions, or other  
12 vacation periods.

13 (c) Two or more schools may combine their Washington reading corps  
14 programs.

15 (d) A program is eligible for a grant if it meets the following  
16 conditions:

17 (i) The program employs methods of teaching and student learning  
18 based on reliable reading/literacy research and effective practices;

19 (ii) The program design is comprehensive and includes instruction,  
20 on-going student assessment, professional development,  
21 parental/community involvement, and program management aligned with the  
22 school's reading curriculum;

23 (iii) It provides quality professional development and training for  
24 teachers, staff, and volunteer mentors and tutors;

25 (iv) It has measurable goals for student reading aligned with the  
26 essential academic learning requirements; and

27 (v) It contains an evaluation component to determine the  
28 effectiveness of the program.

29 (e) Funding priority shall be given to low-performing schools.

30 (f) Beginning and end-of-program testing data shall be available to  
31 determine the effectiveness of funded programs and practices. Common  
32 evaluative criteria across programs, such as grade-level improvements  
33 shall be available for each reading corps program. The superintendent  
34 of public instruction shall provide program evaluations to the governor  
35 and the appropriate committees of the legislature. Administrative and  
36 evaluation costs may be assessed from the annual appropriation for the  
37 program.

1 (g) Grants provided under this section may be used by schools and  
2 school districts for expenditures from September 2001 through August  
3 31, 2003.

4 (12) \$375,000 of the general fund--state appropriation for fiscal  
5 year 2002 and (~~(\$725,000)~~) \$844,000 of the general fund--state  
6 appropriation for fiscal year 2003 are provided solely for salary  
7 bonuses for teachers who attain certification by the national board for  
8 professional teaching standards, subject to the following conditions  
9 and limitations:

10 (a) Teachers who have attained certification by the national board  
11 shall receive an annual bonus not to exceed \$3,500.

12 (b) The annual bonus shall be paid in a lump sum amount and shall  
13 not be included in the definition of "earnable compensation" under RCW  
14 41.32.010(10).

15 (c) It is the intent of the legislature that teachers achieving  
16 certification by the national board of professional teaching standards  
17 will receive no more than four annual bonus payments for attaining  
18 certification by the national board.

19 (13) \$625,000 of the general fund--state appropriation for fiscal  
20 year 2002 and \$313,000 of the general fund--state appropriation for  
21 fiscal year 2003 are provided for a principal support program. The  
22 office of the superintendent of public instruction may contract with an  
23 independent organization to administer the program. The program shall  
24 include: (a) Development of an individualized professional growth plan  
25 for a new principal or principal candidate; and (b) participation of a  
26 mentor principal who works over a period of between one and three years  
27 with the new principal or principal candidate to help him or her build  
28 the skills identified as critical to the success of the professional  
29 growth plan.

30 (14) \$71,000 of the general fund--state appropriation for fiscal  
31 year 2002 and \$71,000 of the general fund--state appropriation for  
32 fiscal year 2003 are provided solely for the second grade reading test.  
33 The funds shall be expended for assessment training for new second  
34 grade teachers and replacement of assessment materials.

35 (15) \$384,000 of the general fund--state appropriation for fiscal  
36 year 2002 and \$372,000 of the general fund--state appropriation for  
37 fiscal year 2003 are provided for the superintendent to assist schools  
38 in implementing high academic standards, aligning curriculum with these

1 standards, and training teachers to use assessments to improve student  
2 learning. Funds may also be used to increase community and parental  
3 awareness of education reform.

4 (16) \$130,000 of the general fund--state appropriation for fiscal  
5 year 2002 and \$126,000 of the general fund--state appropriation for  
6 fiscal year 2003 are provided for the development and posting of web-  
7 based instructional tools, assessment data, and other information that  
8 assists schools and teachers implementing higher academic standards.

9 (17) \$1,000,000 of the general fund--state appropriation for fiscal  
10 year 2002 and \$1,746,000 of the general fund--state appropriation for  
11 fiscal year 2003 are provided solely to the office of the  
12 superintendent of public instruction for focused assistance. The  
13 office of the superintendent of public instruction shall conduct  
14 educational audits of low-performing schools and enter into performance  
15 agreements between school districts and the office to implement the  
16 recommendations of the audit and the community. Of the amounts  
17 provided, \$219,000 of the fiscal year 2002 appropriation and \$201,000  
18 of the fiscal year 2003 appropriation are provided to the office of the  
19 superintendent of public instruction for the administrative duties  
20 arising under this subsection. Each educational audit shall include  
21 recommendations for best practices and ways to address identified needs  
22 and shall be presented to the community in a public meeting to seek  
23 input on ways to implement the audit and its recommendations.

24 (18) \$100,000 of the general fund--state appropriation for fiscal  
25 year 2002 is provided solely for grants to school districts to adopt or  
26 revise district-wide and school-level plans to achieve performance  
27 improvement goals established under RCW 28A.655.030, and to post a  
28 summary of the improvement plans on district websites using a common  
29 format provided by the office of the superintendent of public  
30 instruction.

31 (19) \$100,000 of the general fund--state appropriation for fiscal  
32 year 2002 is provided solely for recognition plaques for schools that  
33 successfully met the fourth grade reading improvement goal established  
34 under RCW 28A.655.050.

35 (20) \$46,554,000 of the general fund--federal appropriation is  
36 provided for preparing, training, and recruiting high quality teachers  
37 and principals under Title II of the no child left behind act.



1 (21) \$6,591,000 of the general fund--federal appropriation is  
2 provided for the reading first program under Title I of the no child  
3 left behind act.

4 (22) In addition to amounts provided in subsection (2) of this  
5 section, \$3,426,000 of the general fund--federal appropriation is  
6 provided for the development of state assessments as required under  
7 Title VI of the no child left behind act.

8 **Sec. 513.** 2002 c 371 s 514 (uncodified) is amended to read as  
9 follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
11 **BILINGUAL PROGRAMS**

12	General Fund--State Appropriation (FY 2002) . . . . .	\$42,767,000
13	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$44,734,000)</del>
14		<u>\$44,142,000</u>
15	General Fund--Federal Appropriation (FY 2003) . . . . .	<del>(\$20,280,000)</del>
16		<u>\$19,755,000</u>
17	TOTAL APPROPRIATION . . . . .	<del>(\$107,781,000)</del>
18		<u>\$106,664,000</u>

19 (1) The general fund--state appropriations in this section are  
20 subject to the following conditions and limitations:

21 (a) Each general fund fiscal year appropriation includes such funds  
22 as are necessary to complete the school year ending in the fiscal year  
23 and for prior fiscal year adjustments.

24 (b) The superintendent shall distribute a maximum of \$684.36 per  
25 eligible bilingual student in the 2001-02 school year and \$674.69 in  
26 the 2002-03 school year, exclusive of salary and benefit adjustments  
27 provided in section 504 of this act.

28 (c) The superintendent may withhold up to \$295,000 in school year  
29 2001-02 and up to \$700,000 in school year 2002-03, and adjust the per  
30 eligible pupil rates in subsection (2) of this section accordingly, for  
31 the central provision of assessments as provided in section 2(1) and  
32 (2) of Engrossed Second Substitute House Bill No. 2025.

33 (d) \$70,000 of the amounts appropriated in this section are  
34 provided solely to develop a system for the tracking of current and  
35 former transitional bilingual program students.

36 (e) Sufficient funding is provided to implement Engrossed Second  
37 Substitute House Bill No. 2025 (schools/bilingual instruction).

1 (2) The general fund--federal appropriation in this section is  
2 provided for migrant education, English language acquisition, and  
3 language enhancement grants under Title III of the no child left behind  
4 act.

5 **Sec. 514.** 2002 c 371 s 515 (uncodified) is amended to read as  
6 follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
8 **ASSISTANCE PROGRAM**

9	General Fund--State Appropriation (FY 2002) . . . . .	\$71,342,000
10	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$64,614,000)</del>
11		<u>\$63,981,000</u>
12	General Fund--Federal Appropriation (FY 2003) . . . . .	\$130,631,000
13	TOTAL APPROPRIATION . . . . .	<del>(\$266,587,000)</del>
14		<u>\$265,954,000</u>

15 (1) The general fund--state appropriations in this section are  
16 subject to the following conditions and limitations:

17 (a) Each general fund--state fiscal year appropriation includes  
18 such funds as are necessary to complete the school year ending in the  
19 fiscal year and for prior fiscal year adjustments.

20 (b) Funding for school district learning assistance programs shall  
21 be allocated at maximum rates of \$407.39 per funded unit for the 2001-  
22 02 school year and \$404.78 per funded unit for the 2002-03 school year  
23 exclusive of salary and benefit adjustments provided under section 504  
24 of this act.

25 (c) For purposes of this section, "test results" refers to the  
26 district results from the norm-referenced test administered in the  
27 specified grade level. The norm-referenced test results used for the  
28 third and sixth grade calculations shall be consistent with the third  
29 and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.

30 (d) A school district's general fund--state funded units for the  
31 2001-02 school year shall be the sum of the following:

32 (i) The district's full-time equivalent enrollment in grades K-6,  
33 multiplied by the 5-year average 4th grade lowest quartile test results  
34 as adjusted for funding purposes in the school years prior to 1999-  
35 2000, multiplied by 0.92. As the 3rd grade test becomes available, it  
36 shall be phased into the 5-year average on a 1-year lag; and

1 (ii) The district's full-time equivalent enrollment in grades 7-9,  
2 multiplied by the 5-year average 8th grade lowest quartile test results  
3 as adjusted for funding purposes in the school years prior to 1999-  
4 2000, multiplied by 0.92. As the 6th grade test becomes available, it  
5 shall be phased into the 5-year average for these grades on a 1-year  
6 lag; and

7 (iii) The district's full-time equivalent enrollment in grades 10-  
8 11 multiplied by the 5-year average 11th grade lowest quartile test  
9 results, multiplied by 0.92. As the 9th grade test becomes available,  
10 it shall be phased into the 5-year average for these grades on a 1-year  
11 lag; and

12 (iv) If, in the prior school year, the district's percentage of  
13 October headcount enrollment in grades K-12 eligible for free and  
14 reduced price lunch exceeded the state average, subtract the state  
15 average percentage of students eligible for free and reduced price  
16 lunch from the district's percentage and multiply the result by the  
17 district's K-12 annual average full-time equivalent enrollment for the  
18 current school year multiplied by 22.3 percent.

19 (e)(i) A school district's general fund--state funded units for the  
20 2002-03 school year shall be the sum of the following:

21 (A) The district's full-time equivalent enrollment in grades K-6,  
22 multiplied by the 5-year average 4th grade lowest quartile test results  
23 as adjusted for funding purposes in the school years prior to 1999-  
24 2000, multiplied by 0.82. As the 3rd grade test becomes available, it  
25 shall be phased into the 5-year average on a 1-year lag;

26 (B) The district's full-time equivalent enrollment in grades 7-9,  
27 multiplied by the 5-year average 8th grade lowest quartile test results  
28 as adjusted for funding purposes in the school years prior to 1999-  
29 2000, multiplied by 0.82. As the 6th grade test becomes available, it  
30 shall be phased into the 5-year average for these grades on a 1-year  
31 lag; and

32 (C) The district's full-time equivalent enrollment in grades 10-11  
33 multiplied by the 5-year average 11th grade lowest quartile test  
34 results, multiplied by 0.82. As the 9th grade test becomes available,  
35 it shall be phased into the 5-year average for these grades on a 1-year  
36 lag; and

37 (D) If, in the prior school year, the district's percentage of  
38 October headcount enrollment in grades K-12 eligible for free and

1 reduced price lunch exceeded the state average, subtract the state  
2 average percentage of students eligible for free and reduced price  
3 lunch from the district's percentage and multiply the result by the  
4 district's K-12 annual average full-time equivalent enrollment for the  
5 current school year multiplied by 22.3 percent.

6 (ii) In addition to amounts allocated under (a) of this subsection,  
7 the superintendent shall provide additional amounts as follows:

8 (A) For school districts receiving less than a 3.0 percent increase  
9 in federal Title I Part A (basic program) funds, the multiplier in  
10 (i)(A), (B), and (C) of this subsection (e) shall be .92;

11 (B) For school districts not eligible for additional funds under  
12 (b)(i) of this subsection, and whose effective increase in federal  
13 Title I Part A (basic program) funds is less than 3.0 percent after  
14 taking into account the change in the multiplier from .92 to .82, an  
15 additional amount to provide a 3.0 percent increase.

16 (f) School districts may carry over from one year to the next up to  
17 10 percent of general fund--state funds allocated under this program;  
18 however, carryover funds shall be expended for the learning assistance  
19 program.

20 (2) The general fund--federal appropriation in this section is  
21 provided for Title I Part A allocations of the no child left behind act  
22 of 2001.

23 **Sec. 515.** 2002 c 371 s 516 (uncodified) is amended to read as  
24 follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

26	General Fund--State Appropriation (FY 2002) . . . . .	\$19,663,000
27	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$3,541,000 ))</del>
28		<u>\$3,532,000</u>
29	TOTAL APPROPRIATION . . . . .	<del>(( \$23,204,000 ))</del>
30		<u>\$23,195,000</u>

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

33 (1) Each general fund fiscal year appropriation includes such funds  
34 as are necessary to complete the school year ending in the fiscal year  
35 and for prior fiscal year adjustments.

36 (2) Funds are provided for local education program enhancements to

1 meet educational needs as identified by the school district, including  
2 alternative education programs.

3 (3) Allocations for the 2001-02 school year shall be at a maximum  
4 annual rate of \$18.48 per full-time equivalent student. Allocations  
5 shall be made on the monthly apportionment payment schedule provided in  
6 RCW 28A.510.250 and shall be based on school district annual average  
7 full-time equivalent enrollment in grades kindergarten through twelve:  
8 PROVIDED, That for school districts enrolling not more than one hundred  
9 average annual full-time equivalent students, and for small school  
10 plants within any school district designated as remote and necessary  
11 schools, the allocations shall be as follows:

12 (a) Enrollment of not more than sixty average annual full-time  
13 equivalent students in grades kindergarten through six shall generate  
14 funding based on sixty full-time equivalent students;

15 (b) Enrollment of not more than twenty average annual full-time  
16 equivalent students in grades seven and eight shall generate funding  
17 based on twenty full-time equivalent students; and

18 (c) Enrollment of not more than sixty average annual full-time  
19 equivalent students in grades nine through twelve shall generate  
20 funding based on sixty full-time equivalent students.

21 (4) Funding provided pursuant to this section does not fall within  
22 the definition of basic education for purposes of Article IX of the  
23 state Constitution and the state's funding duty thereunder.

24 (5) The superintendent shall not allocate up to one-fourth of a  
25 district's funds under this section if:

26 (a) The district is not maximizing federal matching funds for  
27 medical services provided through special education programs, pursuant  
28 to RCW 74.09.5241 through 74.09.5256 (Title XIX funding); or

29 (b) The district is not in compliance in filing truancy petitions  
30 as required under chapter 312, Laws of 1995 and RCW 28A.225.030.

31 **Sec. 516.** 2002 c 371 s 518 (uncodified) is amended to read as  
32 follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**  
34 **PROGRAM**

35	Student Achievement Fund--State	
36	Appropriation (FY 2002) . . . . .	\$180,837,000
37	Student Achievement Fund--State	

1	Appropriation (FY 2003) . . . . .	(( <del>\$210,312,000</del> ))
2		<u>\$210,376,000</u>
3	TOTAL APPROPRIATION . . . . .	(( <del>\$391,149,000</del> ))
4		<u>\$391,213,000</u>

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

7 (1) The appropriation is allocated for the following uses as  
8 specified in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001  
9 (Initiative Measure No. 728):

10 (a) To reduce class size by hiring certificated elementary  
11 classroom teachers in grades K-4 and paying nonemployee-related costs  
12 associated with those new teachers;

13 (b) To make selected reductions in class size in grades 5-12, such  
14 as small high school writing classes;

15 (c) To provide extended learning opportunities to improve student  
16 academic achievement in grades K-12, including, but not limited to,  
17 extended school year, extended school day, before-and-after-school  
18 programs, special tutoring programs, weekend school programs, summer  
19 school, and all-day kindergarten;

20 (d) To provide additional professional development for educators  
21 including additional paid time for curriculum and lesson redesign and  
22 alignment, training to ensure that instruction is aligned with state  
23 standards and student needs, reimbursement for higher education costs  
24 related to enhancing teaching skills and knowledge, and mentoring  
25 programs to match teachers with skilled, master teachers. The funding  
26 shall not be used for salary increases or additional compensation for  
27 existing teaching duties, but may be used for extended year and extend  
28 day teaching contracts;

29 (e) To provide early assistance for children who need  
30 prekindergarten support in order to be successful in school; or

31 (f) To provide improvements or additions to school building  
32 facilities which are directly related to the class size reductions and  
33 extended learning opportunities under (a) through (c) of this  
34 subsection.

35 (2) Funding for school district student achievement programs shall  
36 be allocated at a maximum rate of \$190.19 per FTE student for the 2001-  
37 02 school year and ((~~\$219.84~~)) \$220.00 per FTE student for the 2002-03  
38 school year. For the purposes of this section and in accordance with

1 RCW 84.52.068, FTE student refers to the annual average full-time  
2 equivalent enrollment of the school district in grades kindergarten  
3 through twelve for the prior school year.

4 (3) The office of the superintendent of public instruction shall  
5 distribute ten percent of the annual allocation to districts each month  
6 for the months of September through June.

(End of part)

PART VI  
HIGHER EDUCATION

Sec. 601. 2002 c 371 s 604 (uncodified) is amended to read as follows:

**FOR UNIVERSITY OF WASHINGTON**

General Fund--State Appropriation (FY 2002)	\$345,904,000
General Fund--State Appropriation (FY 2003)	<del>(\$336,544,000)</del>
	<u>\$333,770,000</u>
Death Investigations Account--State	
Appropriation	\$258,000
University of Washington Building Account--	
State Appropriation	\$1,103,000
Accident Account--State Appropriation	\$5,881,000
Medical Aid Account--State Appropriation	\$5,937,000
TOTAL APPROPRIATION	<del>(\$695,627,000)</del>
	<u>\$692,853,000</u>

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

(1) The university may reallocate 10 percent of newly budgeted enrollments to campuses other than as specified by the legislature in section 602 of this act in order to focus on high demand areas. The university shall report the details of these reallocations to the office of financial management and the fiscal and higher education committees of the legislature for monitoring purposes by the 10th day of the academic quarter that follows the reallocation actions. The report shall provide details of undergraduate and graduate enrollments at the main campus and each of the branch campuses.

(2) \$2,000,000 of the general fund--state appropriation for fiscal year 2002 and \$2,000,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to create a state resource for technology education in the form of an institute located at the University of Washington, Tacoma. It is the intent of the legislature that at least ninety-nine of the full-time equivalent enrollments allocated to the university's Tacoma branch campus for the 2002-03 academic year may be used to establish the technology institute. The



1 university will expand undergraduate and graduate degree programs  
2 meeting regional technology needs including, but not limited to,  
3 computing and software systems. As a condition of these  
4 appropriations:

5 (a) The university will work with the state board for community and  
6 technical colleges, or individual colleges where necessary, to  
7 establish articulation agreements in addition to the existing associate  
8 of arts and associate of science transfer degrees. Such agreements  
9 shall improve the transferability of students and in particular,  
10 students with substantial applied information technology credits.

11 (b) The university will establish performance measures for  
12 recruiting, retaining and graduating students, including nontraditional  
13 students, and report back to the governor and legislature by September  
14 2002 as to its progress and future steps.

15 (3) \$150,000 of the general fund--state appropriation for fiscal  
16 year 2002 and \$150,000 of the general fund--state appropriation for  
17 fiscal year 2003 are provided solely for research faculty clusters in  
18 the advanced technology initiative program.

19 (4) The department of environmental health shall report to the  
20 legislature the historical, current, and anticipated use of funds  
21 provided from the accident and medical aid accounts. The report shall  
22 be submitted prior to the convening of the 2002 legislative session.

23 (5) \$258,000 of the death investigations account appropriation is  
24 provided solely for the forensic pathologist fellowship program.

25 (6) \$150,000 of the general fund--state appropriation for fiscal  
26 year 2002 and \$150,000 of the general fund--state appropriation for  
27 fiscal year 2003 are provided solely for the implementation of the  
28 Puget Sound work plan and agency action item UW-01.

29 (7) \$75,000 of the general fund--state appropriation for fiscal  
30 year 2002 and \$75,000 of the general fund--state appropriation for  
31 fiscal year 2003 are provided solely for the Olympic natural resource  
32 center.

33 (8) \$50,000 of the general fund--state appropriations are provided  
34 solely for the school of medicine to conduct a survey designed to  
35 evaluate characteristics, factors and probable causes for the high  
36 incidence of multiple sclerosis cases in Washington state.

37 (9) \$1,103,000 of the University of Washington building account--

1 state appropriation is provided solely for the repair and  
2 reconstruction of the Urban Horticulture Center (Merrill Hall).

3 **Sec. 602.** 2002 c 371 s 605 (uncodified) is amended to read as  
4 follows:

5 **FOR WASHINGTON STATE UNIVERSITY**

6	General Fund--State Appropriation (FY 2002) . . . . .	\$201,362,000
7	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$195,533,000 ))</del>
8		<u>\$193,807,000</u>
9	TOTAL APPROPRIATION . . . . .	<del>(( \$396,895,000 ))</del>
10		<u>\$395,169,000</u>

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

13 (1) The university may reallocate 10 percent of newly budgeted  
14 enrollments to campuses other than specified by the legislature in  
15 section 602 of this act in order to focus on high demand areas. The  
16 university will report the details of these reallocations to the office  
17 of financial management and the fiscal and higher education committees  
18 of the legislature for monitoring purposes by the 10th day of the  
19 academic quarter that follows the reallocation actions. The report  
20 will provide details of undergraduate and graduate enrollments at the  
21 main campus and each of the branch campuses.

22 (2) \$150,000 of the general fund--state appropriation for fiscal  
23 year 2002 and \$150,000 of the general fund--state appropriation for  
24 fiscal year 2003 are provided solely for research faculty clusters in  
25 the advanced technology initiative program.

26 (3) \$165,000 of the general fund--state appropriation for fiscal  
27 year 2002 and \$166,000 of the general fund--state appropriation for  
28 fiscal year 2003 are provided solely for the implementation of the  
29 Puget Sound work plan and agency action item WSU-01.

30 **Sec. 603.** 2002 c 371 s 606 (uncodified) is amended to read as  
31 follows:

32 **FOR EASTERN WASHINGTON UNIVERSITY**

33	General Fund--State Appropriation (FY 2002) . . . . .	\$45,517,000
34	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$44,174,000 ))</del>
35		<u>\$43,724,000</u>
36	TOTAL APPROPRIATION . . . . .	<del>(( \$89,691,000 ))</del>

1 \$89,241,000

2 **Sec. 604.** 2002 c 371 s 607 (uncodified) is amended to read as  
3 follows:

4 **FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2002) . . . . .	\$44,147,000
General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$42,149,000)</del>
	<u>\$41,425,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$86,296,000)</del>
	<u>\$85,572,000</u>

10 The appropriations in this section are subject to the following  
11 conditions and limitations: \$700,000 of the general fund--state  
12 appropriation for fiscal year 2002 is provided solely for the  
13 development and implementation of the university's enrollment  
14 stabilization recovery and growth plan. The university shall report  
15 back to the fiscal committees of the legislature, the office of  
16 financial management, and the higher education coordinating board at  
17 the end of each fiscal year with details of its actions and progress.

18 **Sec. 605.** 2002 c 371 s 608 (uncodified) is amended to read as  
19 follows:

20 **FOR THE EVERGREEN STATE COLLEGE**

General Fund--State Appropriation (FY 2002) . . . . .	\$25,325,000
General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$24,474,000)</del>
	<u>\$24,188,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$49,799,000)</del>
	<u>\$49,513,000</u>

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

28 (1) ~~((+2))~~ \$75,000 of the general fund--state appropriation for  
29 fiscal year 2002 is provided solely for the institute for public policy  
30 to complete studies of services described in section 202(1), chapter 1,  
31 Laws of 2000 2nd sp. sess.

32 ~~((+3))~~ (2) \$11,000 of the general fund--state appropriation for  
33 fiscal year 2002 and \$54,000 of the general fund--state appropriation  
34 for fiscal year 2003 are provided solely for the institute for public  
35 policy to conduct an outcome evaluation pursuant to Substitute Senate  
36 Bill No. 5416 (drug-affected infants). The institute shall provide a

1 report to the fiscal, health, and human services committees of the  
2 legislature by December 1, 2003. If the bill is not enacted by June  
3 30, 2001, the amounts provided in this subsection shall be used to  
4 evaluate outcomes across state health and social service pilot projects  
5 and other national models involving women who have given birth to a  
6 drug-affected infant, comparing gains in positive birth outcomes for  
7 resources invested, in which case the institute's findings and  
8 recommendations will be provided by November 15, 2002.

9 ~~((4))~~ (3) \$11,000 of the general fund--state appropriation for  
10 fiscal year 2002 and \$33,000 of the general fund--state appropriation  
11 for fiscal year 2003 are provided solely for the institute for public  
12 policy to evaluate partnership grant programs for alternative teacher  
13 certification pursuant to Engrossed Second Substitute Senate Bill No.  
14 5695. An interim report shall be provided to the fiscal and education  
15 committees of the legislature by December 1, 2002, and a final report  
16 by December 1, 2004.

17 ~~((5))~~ (4) \$60,000 of the general fund--state appropriation for  
18 fiscal year 2002 is provided solely for the institute for public policy  
19 to examine options for revising the state's funding formula for the  
20 learning assistance program to enhance accountability for school  
21 performance in meeting education reform goals. The institute shall  
22 submit its report to the appropriate legislative fiscal and policy  
23 committees by June 30, 2002.

24 ~~((6))~~ (5) \$50,000 of the general fund--state appropriation for  
25 fiscal year 2002 is provided solely for the institute for public policy  
26 to study the prevalence and needs of families who are raising related  
27 children. The study shall compare services and policies of Washington  
28 state with other states that have a high rate of kinship care  
29 placements in lieu of foster care placements. The study shall identify  
30 possible changes in services and policies that are likely to increase  
31 appropriate kinship care placements. A report shall be provided to the  
32 fiscal and human services committees of the legislature by June 1,  
33 2002.

34 ~~((7))~~ (6) \$35,000 of the general fund--state appropriation for  
35 fiscal year 2002 and \$15,000 of the general fund--state appropriation  
36 for fiscal year 2003 are provided solely for the institute for public  
37 policy to examine various educational delivery models for providing  
38 services and education for students through the Washington state school

1 for the deaf. The institute's report, in conjunction with the capacity  
2 planning study from the joint legislative audit and review committee,  
3 shall be submitted to the fiscal committees of the legislature by  
4 September 30, 2002.

5 ((+8)) (7) \$30,000 of the general fund--state appropriation for  
6 fiscal year 2002 is provided solely for the institute for public policy  
7 to examine the structure, policies, and recent experience in states  
8 where welfare recipients may attend college full-time as their required  
9 TANF work activity. The institute will provide findings and recommend  
10 how Washington could consider adding this feature in a targeted, cost-  
11 neutral manner that would complement the present-day WorkFirst efforts  
12 and caseload. The institute shall provide a report to the human  
13 services, higher education, and fiscal committees of the legislature by  
14 November 15, 2001.

15 ((+9)) (8) \$75,000 of the general fund--state appropriation for  
16 fiscal year 2002 and \$75,000 of the general fund--state appropriation  
17 for fiscal year 2003 are provided solely for the institute for public  
18 policy to research and evaluate strategies for constraining the growth  
19 in state health expenditures. Specific research topics, approaches,  
20 and timelines shall be identified in consultation with the fiscal  
21 committees of the legislature.

22 ((+10)) (9) \$100,000 of the general fund--state appropriation for  
23 fiscal year 2002 is provided solely for the institute for public policy  
24 to conduct a comprehensive review of the costs and benefits of existing  
25 juvenile crime prevention and intervention programs. This evaluation  
26 shall also consider what changes could result in more cost-effective  
27 and efficient funding for juvenile crime prevention and intervention  
28 programs presently supported with state funds. The institute for  
29 public policy shall report its findings and recommendations to the  
30 appropriate legislative fiscal and policy committees by October 1,  
31 2002.

32 **Sec. 606.** 2002 c 371 s 609 (uncodified) is amended to read as  
33 follows:

34 **FOR WESTERN WASHINGTON UNIVERSITY**

35	General Fund--State Appropriation (FY 2002) . . . . .	\$59,732,000
36	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$58,418,000)</del>
37		<u>\$57,968,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$118,150,000~~))  
2 \$117,700,000

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

5 ((~~1~~)) \$753,000 of the general fund--state appropriation for  
6 fiscal year 2002 and \$980,400 of the general fund--state appropriation  
7 for fiscal year 2003 are provided solely for the operations of the  
8 North Snohomish, Island, Skagit (NSIS) higher education consortium.

9 **Sec. 607.** 2002 c 371 s 610 (uncodified) is amended to read as  
10 follows:

11 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**  
12 **ADMINISTRATION**

13 General Fund--State Appropriation (FY 2002) . . . . . \$2,345,000  
14 General Fund--State Appropriation (FY 2003) . . . . . ((~~\$2,288,000~~))  
15 \$2,259,000  
16 General Fund--Federal Appropriation . . . . . \$636,000  
17 TOTAL APPROPRIATION . . . . . ((~~\$5,269,000~~))  
18 \$5,240,000

19 The appropriations in this section are provided to carry out the  
20 policy coordination, planning, studies and administrative functions of  
21 the board and are subject to the following conditions and limitations:

22 (1) \$150,000 of the general fund--state appropriation for fiscal  
23 year 2002 and \$150,000 of the general fund--state appropriation for  
24 fiscal year 2003 are provided solely to continue the teacher training  
25 pilot program pursuant to chapter 177, Laws of 1999.

26 (2) \$105,000 of the general fund--state appropriation for fiscal  
27 year 2002 and \$245,000 of the general fund--state appropriation for  
28 fiscal year 2003 are provided solely to continue a demonstration  
29 project to improve rural access to post-secondary education by bringing  
30 distance learning technologies into Jefferson county.

31 **Sec. 608.** 2002 c 371 s 612 (uncodified) is amended to read as  
32 follows:

33 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

34 General Fund--State Appropriation (FY 2002) . . . . . \$1,762,000  
35 General Fund--State Appropriation (FY 2003) . . . . . ((~~\$1,633,000~~))  
36 \$1,629,000

1 General Fund--Federal Appropriation . . . . . \$44,987,000  
 2 TOTAL APPROPRIATION . . . . . (~~(\$48,382,000)~~)  
 3 \$48,378,000

4 The appropriations in this section are subject to the following  
 5 conditions and limitations: \$500,000 of the general fund--state  
 6 appropriation for fiscal year 2002 and \$500,000 of the general fund--  
 7 state appropriation for fiscal year 2003 are provided solely for the  
 8 operations and development of the inland northwest technology education  
 9 center (INTEC) as a regional resource and model for the rapid  
 10 deployment of skilled workers trained in the latest technologies for  
 11 Washington. The board shall serve as an advisor to and fiscal agent  
 12 for INTEC, and will report back to the governor and legislature by  
 13 September 2002 as to the progress and future steps for INTEC as this  
 14 new public-private partnership evolves.

15 **Sec. 609.** 2002 c 371 s 616 (uncodified) is amended to read as  
 16 follows:

17 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

18 General Fund--State Appropriation (FY 2002) . . . . . \$2,899,000  
 19 General Fund--State Appropriation (FY 2003) . . . . . (~~(\$3,035,000)~~)  
 20 \$2,952,000  
 21 TOTAL APPROPRIATION . . . . . (~~(\$5,934,000)~~)  
 22 \$5,851,000

23 The appropriations in this section are subject to the following  
 24 conditions and limitations: \$90,000 of the general fund--state  
 25 appropriation for fiscal year 2002 and \$285,000 of the general fund--  
 26 state appropriation for fiscal year 2003 are provided solely for  
 27 activities related to the Lewis and Clark Bicentennial.

28 **Sec. 610.** 2002 c 371 s 617 (uncodified) is amended to read as  
 29 follows:

30 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

31 General Fund--State Appropriation (FY 2002) . . . . . \$1,674,000  
 32 General Fund--State Appropriation (FY 2003) . . . . . (~~(\$1,489,000)~~)  
 33 \$1,447,000  
 34 TOTAL APPROPRIATION . . . . . (~~(\$3,163,000)~~)  
 35 \$3,121,000

1       **Sec. 611.** 2002 c 371 s 619 (uncodified) is amended to read as  
2 follows:

3       **FOR THE STATE SCHOOL FOR THE DEAF**

4	General Fund--State Appropriation (FY 2002) . . . . .	\$7,395,000
5	General Fund--State Appropriation (FY 2003) . . . . .	<del>(\$7,751,000)</del>
6		<u>\$7,698,000</u>
7	General Fund--Private/Local Appropriation . . . . .	\$232,000
8	TOTAL APPROPRIATION . . . . .	<del>(\$15,378,000)</del>
9		<u>\$15,325,000</u>

10       The appropriations in this section are subject to the following  
11 conditions and limitations: \$250,000 of the general fund--state  
12 appropriation for fiscal year 2003 is provided solely for additional  
13 staffing and other student safety measures at the school. The school  
14 will hire six additional staff, increase staff communications and  
15 accessibility, and implement a training program to enhance staff  
16 members' abilities to work with at-risk youth.

(End of part)



PART VII  
SPECIAL APPROPRIATIONS

Sec. 701. 2002 c 371 s 701 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2002)	\$576,097,000
General Fund--State Appropriation (FY 2003)	(( <del>\$622,540,000</del> ))
	<u>\$582,500,000</u>
State Building Construction Account--State	
Appropriation	(( <del>\$7,999,000</del> ))
	<u>\$3,882,000</u>
<u>Debt-Limit General Fund Bond Retirement Account--</u>	
<u>State Appropriation</u>	<u>\$400,000</u>
Debt-Limit Reimbursable Bond Retire Account--	
State Appropriation	\$2,591,000
State Taxable Building Construction Account--	
State Appropriation	(( <del>\$496,000</del> ))
	<u>\$59,000</u>
TOTAL APPROPRIATION	(( <del>\$1,209,723,000</del> ))
	<u>\$1,165,529,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year ((2002)) 2003 shall be deposited in the debt-limit general fund bond retirement account by June 30, ((2002)) 2003.

Sec. 702. 2002 c 371 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--State Appropriation (FY 2002)	\$24,542,000
General Fund--State Appropriation (FY 2003)	\$26,706,000

1	Capitol Historic District Construction	
2	Account--State Appropriation . . . . .	(( <del>\$454,000</del> ))
3		<u>\$136,000</u>
4	Higher Education Construction Account--State	
5	Appropriation . . . . .	(( <del>\$499,000</del> ))
6		<u>\$330,000</u>
7	State Higher Education Construction Account--	
8	State Appropriation . . . . .	(( <del>\$50,000</del> ))
9		<u>\$33,000</u>
10	State Vehicle Parking Account--State	
11	Appropriation . . . . .	(( <del>\$100,000</del> ))
12		<u>\$1,000</u>
13	Nondebt-Limit Reimbursable Bond Retirement Account--	
14	State Appropriation . . . . .	(( <del>\$128,043,000</del> ))
15		<u>\$124,199,000</u>
16	TOTAL APPROPRIATION . . . . .	(( <del>\$180,394,000</del> ))
17		<u>\$175,947,000</u>

18       The appropriations in this section are subject to the following  
19 conditions and limitations: The general fund appropriation is for  
20 deposit into the nondebt-limit general fund bond retirement account.

21       **Sec. 703.** 2002 c 371 s 704 (uncodified) is amended to read as  
22 follows:

23 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**  
24 **REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

25	General Fund--State Appropriation (FY 2002) . . . . .	\$567,000
26	General Fund--State Appropriation (FY 2003) . . . . .	\$658,000
27	Higher Education Construction Account--State	
28	Appropriation . . . . .	(( <del>\$77,000</del> ))
29		<u>\$54,000</u>
30	State Higher Education Construction Account--	
31	State Appropriation . . . . .	(( <del>\$42,000</del> ))
32		<u>\$5,000</u>
33	State Building Construction Account--State	
34	Appropriation . . . . .	(( <del>\$1,488,000</del> ))
35		<u>\$667,000</u>
36	State Vehicle Parking Account--State	
37	Appropriation . . . . .	(( <del>\$10,000</del> ))

1		<u>\$1,000</u>
2	Capitol Historic District Construction	
3	Account--State Appropriation . . . . .	(( <del>\$130,000</del> ))
4		<u>\$22,000</u>
5	State Taxable Building Construction Account--	
6	State Appropriation . . . . .	(( <del>\$50,000</del> ))
7		<u>\$51,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$3,022,000</del> ))
9		<u>\$2,025,000</u>

10       **Sec. 704.** 2002 c 371 s 712 (uncodified) is amended to read as  
11 follows:

12       **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO**  
13 **RETIREMENT SYSTEMS.** The appropriations in this section are subject to  
14 the following conditions and limitations: The appropriations for the  
15 law enforcement officers' and fire fighters' retirement system shall be  
16 made on a monthly basis beginning July 1, 2001, consistent with chapter  
17 41.45 RCW, and the appropriations for the judges and judicial  
18 retirement systems shall be made on a quarterly basis consistent with  
19 chapters 2.10 and 2.12 RCW.

20       (1) There is appropriated for state contributions to the law  
21 enforcement officers' and fire fighters' retirement system:

22	General Fund--State Appropriation (FY 2002) . . . . .	\$15,437,000
23	General Fund--State Appropriation (FY 2003) . . . . .	(( <del>\$16,208,000</del> ))
24		<u>\$16,440,000</u>

25       The appropriations in this subsection are subject to the following  
26 conditions and limitations: The appropriations include reductions to  
27 reflect savings resulting from the implementation of state pension  
28 contribution rates effective April 1, 2002, as provided in House Bill  
29 No. 2782.

30       (2) There is appropriated for contributions to the judicial  
31 retirement system:

32	General Fund--State Appropriation (FY 2002) . . . . .	\$6,000,000
33	General Fund--State Appropriation (FY 2003) . . . . .	\$6,000,000

34       (3) There is appropriated for contributions to the judges  
35 retirement system:

36	General Fund--State Appropriation (FY 2002) . . . . .	\$250,000
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1 General Fund--State Appropriation (FY 2003) . . . . . \$250,000  
 2 TOTAL APPROPRIATION . . . . . (~~(\$44,145,000)~~)  
 3 \$44,377,000

4 NEW SECTION. Sec. 705. A new section is added to 2001 2nd sp.s.  
 5 c 7 (uncodified) to read as follows:

6 **FOR THE LIABILITY ACCOUNT**

7 General Fund--State Appropriation (FY 2003) . . . . . \$3,000,000

8 NEW SECTION. Sec. 706. A new section is added to 2001 2nd sp.s.  
 9 c 7 (uncodified) to read as follows:

10 **AGENCY EXPENDITURES FOR TRAVEL, EQUIPMENT, AND PERSONAL SERVICE**

11 **CONTRACTS.** The office of financial management shall reduce allotments  
 12 for all agencies for personal service contracts, equipment, and travel  
 13 by \$6,000,000 from 2001-03 biennial general fund appropriations and  
 14 \$6,000,000 from appropriations from other funds. \$5,000,000 of the  
 15 general fund allotment reduction and \$5,000,000 of the other funds  
 16 allotment reduction shall be placed in unallotted status and remain  
 17 unexpended. \$1,000,000 of the general fund allotment reduction and  
 18 \$1,000,000 of the other funds allotment reduction is hereby  
 19 appropriated to the governor to be used on an emergency basis to  
 20 allocate to state agencies to fund critically necessary travel,  
 21 equipment, and personal service contracts that cannot be funded from an  
 22 agency's existing expenditure authority. Prior to receiving an  
 23 allocation, an agency must demonstrate that the reductions cannot be  
 24 achieved from the items listed in this section (equipment, contracts,  
 25 and travel) nor from any other items in its budget (such as personnel  
 26 and goods and services).

27 NEW SECTION. Sec. 707. A new section is added to 2001 2nd sp.s.  
 28 c 7 (uncodified) to read as follows:

29 **STATE EMPLOYMENT.** (1) From the effective date of this act until  
 30 the conclusion of the fiscal biennium ending June 30, 2003, and  
 31 consistent with the governor's Executive Directive No. 02-04, state  
 32 agencies of the executive branch shall not establish new staff  
 33 positions except as specifically authorized by this supplemental  
 34 appropriations act or fill vacant existing staff positions except as  
 35 specifically authorized by this section.

1 (2) Public safety agencies may fill two-thirds of staff positions  
2 becoming vacant; all other agencies may fill two-fifths of vacant  
3 positions. In filling vacant positions pursuant to this subsection,  
4 agencies shall place the highest priority on front-line positions  
5 engaged in service delivery to the public.

6 (3) Exceptions to subsections (1) and (2) of this section may be  
7 granted only by the governor and only for critical or emergent  
8 situations that threaten public health or safety, as determined by the  
9 governor. The governor shall notify the legislative fiscal committees  
10 within ten days of the granting of any exception under this subsection.

11 (4) This section applies to all agencies of the executive branch,  
12 including all boards, commissions, and agencies headed by elected  
13 officials. This section does not apply to the institutions of higher  
14 education and state institutional programs. It is the intent of the  
15 legislature that agencies of the legislative and judicial branches of  
16 state government shall also observe the employment policies established  
17 by this section, subject to such procedures as may be adopted by the  
18 legislative and judicial branches, respectively.

19 **Sec. 708.** 2002 c 371 s 719 (uncodified) is amended to read as  
20 follows:

21 **INCENTIVE SAVINGS--FY 2003.** The sum of one hundred million  
22 dollars or so much thereof as may be available on June 30, 2003, from  
23 the total amount of unspent fiscal year 2003 state general fund  
24 appropriations is appropriated for the purposes of RCW 43.79.460 in the  
25 manner provided in this section.

26 (1) Of the total appropriated amount, one-half of that portion that  
27 is attributable to incentive savings, not to exceed twenty-five million  
28 dollars, is appropriated to the savings incentive account for the  
29 purpose of improving the quality, efficiency, and effectiveness of  
30 agency services, and credited to the agency that generated the savings.

31 (2) Of the total appropriated amount, any amount attributable to  
32 unspent general fund--state appropriations in the state need grant  
33 program, the state work study program, the Washington scholars program,  
34 and the Washington award for vocational excellence program is  
35 appropriated to the state financial aid account pursuant to Substitute  
36 House Bill No. 2914 (state financial aid account).

1 (3) The remainder of the total amount, not to exceed seventy-five  
2 million dollars, is appropriated to the education savings account.

3 (4) For purposes of this section, the total amount of unspent state  
4 general fund appropriations does not include the appropriations made in  
5 this section, amounts included in allotment reductions in sections 706,  
6 707, 708, and 713 of this act and section 706 of this act, or any  
7 amounts included in across-the-board allotment reductions under RCW  
8 43.88.110.

9 **Sec. 709.** 2002 c 371 s 726 (uncodified) is amended to read as  
10 follows:

11 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may  
12 be necessary, are appropriated from the general fund, unless otherwise  
13 indicated, for relief of various individuals, firms, and corporations  
14 for sundry claims. These appropriations are to be disbursed on  
15 vouchers approved by the director of (~~general administration~~)  
16 financial management, except as otherwise provided, as follows:

17 (1) Reimbursement of criminal defendants acquitted on the basis of  
18 self-defense, pursuant to RCW 9A.16.110:

19	(a) Eythor Westman, claim number SCJ 02-01 . . . . .	\$7,000
20	(b) Stacey Julian, claim number SCJ 02-02 . . . . .	\$59,136
21	(c) Christopher Denney, claim number SCJ 02-03 . . . . .	\$11,598
22	(d) Onofre Vazquez, claim number SCJ 02-04 . . . . .	\$200
23	(e) William Voorhies, claim number SCJ 02-05 . . . . .	\$3,694
24	(f) Glenn Rowlison, claim number SCJ 02-06 . . . . .	\$14,395
25	(g) Frankie Doerr, claim number SCJ 02-07 . . . . .	\$9,100
26	(h) Ralph Howard, claim number SCJ 00-09 . . . . .	\$99,497
27	(i) Johnny Adams, claim number SCJ 01-17 . . . . .	\$11,916
28	(j) Shane Mathus, claim number SCJ 02-08 . . . . .	\$13,043
29	(k) Timothy Farnam, claim number SCJ 02-09 . . . . .	\$21,822
30	(l) Rebecca Williams, claim number SCJ 02-10 . . . . .	\$2,241
31	(m) Stewart Bailey, claim number SCJ 02-11 . . . . .	\$4,186
32	(n) Aaron Knaack, claim number SCJ 02-13 . . . . .	\$4,330
33	(o) Jacob Clark, claim number SCJ 02-14 . . . . .	\$11,613
34	<u>(p) Victor Stanculescu, claim number SCJ 03-01 . . . . .</u>	<u>\$6,696</u>
35	<u>(q) Darin Tidball, claim number SCJ 03-02 . . . . .</u>	<u>\$4,125</u>
36	<u>(r) Keith Dusky, claim number SCJ 03-03 . . . . .</u>	<u>\$2,065</u>
37	<u>(s) Carmen Cornell, claim number SCJ 03-04 . . . . .</u>	<u>\$8,128</u>

1	<u>(t) Wesley Roggenkamp, claim number SCJ 03-05 . . . . .</u>	<u>\$3,918</u>
2	<u>(u) Philip Athanas, claim number SCJ 03-06 . . . . .</u>	<u>\$5,810</u>
3	<u>(v) Thomas Tollifson, claim number SCJ 03-07 . . . . .</u>	<u>\$2,500</u>
4	(2) Payment from the state wildlife account for damage to crops by	
5	wildlife, pursuant to RCW 77.36.050:	
6	<u>(a) Ronald Palmer, claim number SCG 02-01 . . . . .</u>	<u>\$1,522</u>
7	<u>(b) Keith Morris, claim number SCG 02-02 . . . . .</u>	<u>\$1,315</u>
8	<u>(c) Edgar Roush, claim number SCG 02-03 . . . . .</u>	<u>\$1,459</u>
9	<u>(d) Keith Nelson, claim number SCG 03-01 . . . . .</u>	<u>\$2,765</u>
10	<u>(e) Alton Haymaker, claim number SCG 03-02 . . . . .</u>	<u>\$40</u>
11	<u>(f) Circle S Landscape Supplies, SCG 03-04 . . . . .</u>	<u>\$12,944</u>
12	<u>(3) Payment from the state general fund for death benefit claims to</u>	
13	<u>the estate of an employee of any state agency or higher education</u>	
14	<u>institution not otherwise provided a death benefit through coverage</u>	
15	<u>under their enrolled retirement system, pursuant to section 715,</u>	
16	<u>chapter 7, Laws of 2001:</u>	
17	<u>(a) Ok Chin Erdman, claim number SCO 03-08 . . . . .</u>	<u>\$150,000</u>
18	<u>(b) Baardson Estate, claim number SCO 03-10 . . . . .</u>	<u>\$150,000</u>
19	<u>(c) Lori Coss, claim number SCO 03-22 . . . . .</u>	<u>\$150,000</u>
20	<u>(4) Payment from the general fund pursuant to RCW 27.44.040(1), Jan</u>	
21	<u>Deeds, claim number SCO 03-12 . . . . .</u>	<u>\$6,580.75</u>

22       **Sec. 710.** 2002 c 371 s 727 (uncodified) is amended to read as  
23 follows:

24	<b>FOR THE OFFICE OF FINANCIAL MANAGEMENT--EMERGENCY FUND</b>	
25	General Fund--State Appropriation (FY 2002) . . . . .	\$850,000
26	General Fund--State Appropriation (FY 2003) . . . . .	<del>(( \$8,010,000 ))</del>
27		<u>\$9,010,000</u>
28	TOTAL APPROPRIATION . . . . .	<del>(( \$8,860,000 ))</del>
29		<u>\$9,860,000</u>

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

32       (1) The appropriations in this section are for the governor's  
33 emergency fund for the critically necessary work of any agency.

34       (2) Up to \$5,298,000 of the fiscal year 2003 appropriation is  
35 provided for costs associated with implementing House Bill No. 2926  
36 (transferring the state library to the office of secretary of state.)

1       (3) \$1,000,000 of the general fund--state appropriation for fiscal  
2 year 2003 is provided solely for assistance to state agencies that are  
3 unable to effectively absorb the FTE reductions reflected in this 2003  
4 supplemental appropriations act. Allocations to state agencies from  
5 this appropriation shall be reported to the legislative fiscal  
6 committees by the office of financial management within five days of  
7 the allocation.

(End of part)



PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2002 c 371 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

For transfers in this section to the state general fund, pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased by the amount of the transfer. The increase shall occur in the fiscal year in which the transfer occurs.

Public Facilities Construction Loan and

Grant Revolving Account: For transfer to the digital government revolving account on or before December 31, 2001 . . . . . \$1,418,456

Financial Services Regulation Fund: To be transferred from the financial services regulation fund to the digital government revolving account during the period between July 1, 2001, and December 31, 2001 . . . . . \$2,000,000

Local Toxics Control Account: For transfer to the state toxics control account. Transferred funds will be utilized for methamphetamine lab cleanup, to address areawide soil contamination problems, and clean up contaminated sites as part of the clean sites initiative . . . . . \$6,000,000

State Toxics Control Account: For transfer to the water quality account for water quality related projects funded in the capital budget . . . . . \$9,000,000

General Fund: For transfer to the flood control assistance account . . . . . \$4,000,000

Water Quality Account: For transfer to the water pollution control account. Transfers

1 shall be made at intervals coinciding with  
2 deposits of federal capitalization grant  
3 money into the account. The amounts  
4 transferred shall not exceed the match  
5 required for each federal deposit . . . . . \$12,564,487  
6 Health Services Account: For transfer  
7 to the water quality account . . . . . \$6,447,500  
8 State Treasurer's Service Account: For  
9 transfer to the general fund on or  
10 before June 30, 2003, an amount in excess  
11 of the cash requirements of the state  
12 treasurer's service account. Pursuant to  
13 RCW 43.135.035(5), the state expenditure  
14 limit shall be increased by \$4,000,000 in  
15 fiscal year 2002 and by (~~(\$8,393,000)~~)  
16 \$17,393,000 in fiscal year 2003 to reflect  
17 this transfer . . . . . (~~(\$12,393,000)~~)  
18 \$21,393,000  
19 Public Works Assistance Account: For  
20 transfer to the drinking water  
21 assistance account . . . . . \$7,700,000  
22 Tobacco Settlement Account: For transfer  
23 to the health services account, in an  
24 amount not to exceed the actual balance  
25 of the tobacco settlement account . . . . . \$256,700,000  
26 General Fund: For transfer to the water quality  
27 account . . . . . \$60,821,172  
28 Health Services Account: For  
29 transfer to the state general fund  
30 by June 30, 2002. Pursuant to RCW  
31 43.135.035(5), the state expenditure  
32 limit shall be increased in fiscal  
33 year 2002 to reflect this transfer . . . . . \$150,000,000  
34 Multimodal Transportation Account: For  
35 transfer to the state general fund  
36 by June 30, 2002. Pursuant to RCW  
37 43.135.035(5), the state expenditure  
38 limit shall be increased in fiscal

1        year 2002 to reflect this transfer . . . . . \$70,000,000  
2 Health Service Account: For transfer  
3        to the violence reduction and drug  
4        enforcement account . . . . . \$6,497,500  
5 Gambling Revolving Account: For transfer  
6        to the state general fund, . . . . . \$2,000,000  
7        for fiscal year 2002 and \$450,000 for  
8        fiscal year 2003 . . . . . \$2,450,000  
9        (~~Horticultural Districts Account: For transfer~~  
10        ~~to the fruit and vegetable inspection~~  
11        ~~account . . . . . \$11,075,000~~  
12        ~~Agricultural Local Account: For~~  
13        ~~transfer to the fruit and vegetable~~  
14        ~~inspection account . . . . . \$605,000~~))  
15 Nisqually Earthquake Account: For transfer to  
16        the disaster response account for fire  
17        suppression and mobilization costs . . . . . \$32,802,000  
18 Enhanced 911 Account: For transfer to  
19        the state general fund for fiscal  
20        year 2003 . . . . . \$6,000,000  
21 Clarke-McNary Fund: For transfer to the  
22        state general fund for fiscal year 2002 . . . . . \$4,000,000  
23 State Drought Preparedness Account: For  
24        transfer to the state general fund for  
25        fiscal year 2002 . . . . . \$3,000,000  
26 Financial Services Regulation Fund: For  
27        transfer to the state general fund,  
28        \$2,250,000 for fiscal year 2002 and  
29        \$357,000 for fiscal year 2003 . . . . . \$2,607,000  
30 Industrial Insurance Premium Refund Account:  
31        For transfer to the state general fund  
32        for fiscal year 2002 . . . . . \$1,000,000  
33 Liquor Control Board Construction and  
34        Maintenance Account: For transfer  
35        to the state general fund for fiscal  
36        year 2003 . . . . . \$504,000  
37 Liquor Revolving Account: For transfer  
38        to the state general fund for fiscal

1	year 2003 . . . . .	\$2,059,000
2	Lottery Administrative Account: For transfer	
3	to the state general fund for fiscal	
4	year 2003 . . . . .	\$335,000
5	Emergency Medical Services and Trauma Care	
6	System Trust Account: For transfer	
7	to the state general fund for fiscal	
8	year 2002 . . . . .	\$6,000,000
9	Public Service Revolving Account: For transfer	
10	to the state general fund for fiscal	
11	year 2003 . . . . .	\$406,000
12	Local Leasehold Excise Tax Account: For transfer	
13	of interest to the state general fund by	
14	June 1, 2002, for fiscal year 2002 . . . . .	\$1,000,000
15	Insurance Commissioner's Regulatory Account:	
16	For transfer to the state general fund	
17	for fiscal year 2003 . . . . .	\$366,000
18	Health Services Account: For transfer to the	
19	tobacco prevention and control account . . . . .	<del>(\$21,980,000)</del>
20	. . . . .	<u>\$18,920,000</u>
21	From the Emergency Reserve Fund: For transfer	
22	to the state general fund:	
23	On June 28, 2002 . . . . .	\$300,000,000
24	On June 28, 2003 . . . . .	\$25,000,000
25	Tobacco Securitization Trust Account: For	
26	transfer to the state general fund for	
27	fiscal year 2003 . . . . .	\$450,000,000

(End of part)

1 PART IX

2 CAPITAL EXPENDITURES

3 Sec. 901. 2002 c 238 s 202 (uncodified) is amended to read as  
4 follows:

5 FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

6 Local/Community Projects (2002-S-005): Job Creation and  
7 Infrastructure Projects

8 The following projects are eligible for funding:

9 Projects	Amount
10 Asia Pacific center . . . . .	\$50,000
11 Benton county jail . . . . .	\$2,000,000
12 Bremerton maritime park . . . . .	\$500,000
13 Edmonds waterfront park . . . . .	\$300,000
14 Grace Cole memorial park/Brookside creek . . . . .	\$400,000
15 Kent station infrastructure improvements . . . . .	\$900,000
16 Mill creek active use ball fields . . . . .	\$1,000,000
17 Nathan Chapman trail . . . . .	\$300,000
18 Penny creek/9th Avenue crossing . . . . .	\$400,000
19 Port Angeles skills center/skills consortium . . . . .	\$3,000,000
20 Puget Sound environmental learning center . . . . .	\$2,000,000
21 Ridgefield wastewater treatment . . . . .	\$585,000
22 Sammamish surface water treatment . . . . .	\$1,500,000
23 Shoreline historical museum . . . . .	\$28,000
24 Snohomish county children's museum . . . . .	\$300,000
25 Soundview park/playground . . . . .	\$200,000
26 Stewart heights pool project . . . . .	\$500,000
27 Sundome seating expansion - Yakima . . . . .	\$1,250,000
28 West central community center childcare project . . . . .	\$500,000
29 William H. Factory small business incubator . . . . .	\$250,000

30 (~~Yakima ballfields~~) For the transfer of property,  
31 commonly known as Larson park field No. 4 and  
32 Dunbar field, of the city of Yakima to the  
33 Yakima Valley Community College and for the  
34 creation of new ball fields by and for the

1	city of Yakima . . . . .	\$1,250,000
2	TOTAL . . . . .	\$17,213,000
3	Appropriation:	
4	State Building Construction Account--State . . . . .	\$17,213,000
5	Prior Biennia (Expenditures) . . . . .	\$0
6	Future Biennia (Projected Costs) . . . . .	\$0
7	TOTAL . . . . .	\$17,213,000

8       **Sec. 902.** 2001 2nd sp.s. c 8 s 158 (uncodified) is amended to read  
9 as follows:

10 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

11 Legislative Buildings - O'Brien and Newhouse Building Improvements  
12 (01-H-021)

13 Appropriation:

14	<del>((Capitol Building Construction Account--State . . . . .</del>	<del>\$1,000,000))</del>
15	Thurston County Capital Facilities	
16	Account--State . . . . .	<del>(((\$1,000,000))</del>
17		<u>\$2,000,000</u>
18	<del>((Subtotal Appropriation . . . . .</del>	<del>\$2,000,000))</del>
19	Prior Biennia (Expenditures) . . . . .	\$0
20	Future Biennia (Projected Costs) . . . . .	\$0
21	TOTAL . . . . .	\$2,000,000

22       **Sec. 903.** 2001 2nd sp.s. c 8 s 172 (uncodified) is amended to read  
23 as follows:

24 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

25 Tumwater Office Building 1 (01-S-003)

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

28       (1) Planning funds are provided to lease/develop a state office  
29 building of 150,000 to 200,000 square feet on state-owned property in  
30 Tumwater according to the terms of the agreement with the Port of  
31 Olympia when the property was acquired or within the preferred  
32 development/leasing areas in Thurston county. The building shall be  
33 constructed and financed so that agency occupancy costs will not exceed  
34 comparable private market rental rates. The comparable general office

1 space rate shall be calculated based on the three latest Thurston  
2 county leases of new space of at least 100,000 rentable square feet  
3 adjusted for inflation as determined by the department of general  
4 administration. The department of general administration shall  
5 coordinate with potential state agency tenants whose current lease  
6 expire near the time of occupancy so that buyout of current leases do  
7 not add to state expense.

8 (2) The department shall finance this project using a financing  
9 contract as authorized in section 907(2)(c), chapter 8, Laws of 2001  
10 2nd sp. sess., with title passing to the state if all payments are made  
11 as provided in the contract. Should the department choose to use a  
12 financing contract that does not provide for the issuance of  
13 certificates of participation, the financing contract shall be subject  
14 to approval by the state finance committee as required by RCW  
15 39.94.010. In approving a financing contract not providing for the use  
16 of certificates of participation, the state finance committee should be  
17 reasonably certain that the contract is excluded from the computation  
18 of indebtedness, particularly that the contract is not backed by the  
19 full faith and credit of the state and the legislature is expressly not  
20 obligated to appropriate funds to make payments. For purposes of this  
21 section, "financing contract" includes but is not limited to a  
22 certificate of participation and tax exempt financing similar to that  
23 authorized in RCW 47.79.140.

24 Appropriation:

25	State Building Construction Account--State . . . . .	\$200,000
26	Prior Biennia (Expenditures) . . . . .	\$0
27	Future Biennia (Projected Costs) . . . . .	\$0
28	TOTAL . . . . .	\$200,000

29 **Sec. 904.** 2002 c 238 s 109 (uncodified) is amended to read as  
30 follows:

31 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

32 Legislative Building: Rehabilitation (01-1-008)

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

35 (1) The appropriations in this section are subject to the  
36 conditions and limitations of sections 902 and 903 of this act.

1 (2) The department of general administration, in consultation with  
2 the legislature, the governor, and the state capitol committee, shall  
3 immediately begin planning and initiate an accelerated  
4 design/construction schedule for the renovation of the state  
5 legislative building as follows:

6 (a) No new permanent buildings shall be constructed, and the  
7 department shall follow standards for historic preservation;

8 (b) The goal shall be to reoccupy the building in time for the 2005  
9 legislative session;

10 (c) The department shall make temporary accommodations for the  
11 displacement of legislators and legislative staff in the John L.  
12 O'Brien building, the Pritchard building, the Cherberg building, and  
13 the Newhouse building, and may use modular space. Decisions on the use  
14 of space for the Pritchard building will be made by legislative  
15 leadership by July 1, 2001, to make it available for use by the  
16 legislature by April 1, 2002;

17 (d) The department shall temporarily move the state library from  
18 the Pritchard building by October 1, 2001, and, if needed, the  
19 department shall lease storage facilities in Thurston county for books  
20 and other library assets;

21 (e) The department shall make temporary accommodations for other  
22 tenants of the state legislative building as follows:

23 (i) The office of the insurance commissioner shall be temporarily  
24 moved to leased space in Thurston county;

25 (ii) The office of the governor shall be moved to the Insurance  
26 building;

27 (iii) The primary office of the code reviser and the lieutenant  
28 governor shall be moved to a location on the west capitol campus; and

29 (iv) The other tenants, including the office of the state  
30 treasurer, the office of the state auditor, and the office of the  
31 secretary of state shall be moved to leased space in Thurston county;

32 (f) The state legislative building shall be completely vacated by  
33 the office of the governor, the office of the secretary of state, the  
34 office of treasurer, and the office of the state auditor by November 1,  
35 2001, and by the legislature fourteen days after the end of the 2002  
36 legislative session to make it available for renovation by the  
37 contractor; and



1 (g) State contracts for the legislative building renovation,  
2 Nisqually earthquake repair, and future earthquake mitigation shall  
3 conform to all rules, regulations, and requirements of the federal  
4 emergency management agency.

5 (3) The state capitol committee, in conjunction with a legislative  
6 building renovation oversight committee consisting of two members from  
7 both the house of representatives and senate, each appointed by  
8 legislative leadership, shall periodically advise the department  
9 regarding the rehabilitation, the receipt and use of private funds, and  
10 other issues that may arise.

11 (4) The department shall report on the progress of accelerated  
12 planning, design, and relocations related to the renovation of the  
13 state legislative building to the legislature and the governor by July  
14 15, 2001, and November 15, 2001, and shall consult with the legislature  
15 and governor on major decisions including placement of the cafeteria  
16 and exiting stairs in the legislative building by August 31, 2001.

17 (5) In the event of any conflicts between the conditions and  
18 limitations in this section and section 3, chapter 123, Laws of 2001,  
19 the conditions and limitations of this section shall apply.

20 (6) (~~(\$154,000 of the capitol historic district construction~~  
21 ~~account appropriation is provided solely for the department of general~~  
22 ~~administration to contract for fund raising services for the~~  
23 ~~solicitation of charitable gifts, grants, or donations specifically for~~  
24 ~~the purpose of preservation and restoration of the state legislative~~  
25 ~~building and related educational exhibits and programs. By June 30,~~  
26 ~~2004, the amount provided by this subsection shall be reinvested to the~~  
27 ~~capitol historic district construction account from the proceeds of the~~  
28 ~~gifts, grants, and donations.)) The state building construction  
29 account appropriation is for estimated cost increases due to the  
30 unforeseen construction obstacles and code requirements discovered in  
31 design and early construction activities.~~

32 Reappropriation:

33 Capitol Building Construction Account--State . . . . .	\$2,000,000
34 Thurston County Capital Facilities	
35 Account--State . . . . .	\$2,500,000
36 Subtotal Reappropriation . . . . .	\$4,500,000

37 Appropriation:  
38 Capitol Historic District Construction

1	Account--State . . . . .	\$81,681,000
2	Thurston County Capital Facilities	
3	Account--State . . . . .	\$1,300,000
4	<u>State Building Construction Account--State . . . . .</u>	<u>\$6,000,000</u>
5	Subtotal Appropriation . . . . .	<del>(( \$82,981,000 ))</del>
6		<u>\$88,981,000</u>
7	Prior Biennia (Expenditures) . . . . .	\$1,000,000
8	Future Biennia (Projected Costs) . . . . .	\$2,300,000
9	TOTAL . . . . .	<del>(( \$90,781,000 ))</del>
10		<u>\$96,781,000</u>

11 **Sec. 905.** 2002 c 238 s 223 (uncodified) is amended to read as  
12 follows:

13 **FOR WESTERN WASHINGTON UNIVERSITY**

14 Job Creation and Infrastructure Projects (03-1-001)

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

17 (1) The following projects are eligible for funding:

18	Project	Amount
19	Miller hall . . . . .	\$1,650,000
20	Steam plant . . . . .	\$1,000,000
21	Air quality . . . . .	\$743,000
22	Utilities . . . . .	\$501,000
23	Viking substation . . . . .	\$103,000
24	Storm water detention . . . . .	\$75,000
25	Old main restoration . . . . .	\$582,000
26	Fire safety . . . . .	\$435,000
27	<u>Parks hall fire damage . . . . .</u>	<u>\$1,500,000</u>

28 (2) The university shall implement the eligible projects pursuant  
29 to sections 225 through 227 of this act and shall prioritize these  
30 projects to not exceed the amount appropriated in this section.

31 Appropriation:

32	Education Construction Account--State . . . . .	\$3,000,000
33	<u>State Building Construction Account--State . . . . .</u>	<u>\$1,500,000</u>
34	<u>Subtotal Appropriation . . . . .</u>	<u>\$4,500,000</u>
35	Prior Biennia (Expenditures) . . . . .	\$0

1	Future Biennia (Projected Costs) . . . . .	\$0
2	TOTAL . . . . .	(( <del>\$3,000,000</del> ))
3		<u>\$4,500,000</u>

4       **Sec. 906.** 2001 2nd sp.s. c 8 s 658 (uncodified) is amended to read  
5 as follows:

6       **FOR WASHINGTON STATE UNIVERSITY**

7       WSU Pullman - Energy Plant - Heat: Renovation (02-1-501)

8       The appropriation in this section is subject to the following  
9 conditions and limitations:

10       (1) The appropriation in this section is subject to the conditions  
11 and limitations of sections 902 and 903 of this act.

12       (2)(a) Any agreement or contract for the modernization or  
13 replacement of the existing steam generation plant currently located on  
14 the Pullman campus must comply with chapter 39.35C RCW. Prior to  
15 entering into an agreement or contract obligating itself on this  
16 project, the university shall have the project reviewed by the  
17 appropriate staff of the energy division of the department of  
18 community, trade, and economic development and the department of  
19 general administration, and shall consider any comments and suggestions  
20 made by these departments. If the project involves a private energy  
21 development firm, the following issues shall be considered in the  
22 development and implementation of the project:

- 23       (i) Regional and local utility needs for power;
- 24       (ii) Cost and certainty of fuel supplies;
- 25       (iii) Value of electricity produced and options for sale of surplus  
26 electricity;
- 27       (iv) The capability of the university to own and operate the  
28 facility should the private party terminate its involvement;
- 29       (v) Costs associated with interconnection with the local electric  
30 utility's transmission system;
- 31       (vi) Capability of the local electric utility to wheel electricity  
32 generated by the facility and the costs associated with wheeling;
- 33       (vii) Potential financial risks to the state or the university and  
34 measures to mitigate any risks; and
- 35       (viii) Benefits to the state and the university from the project  
36 including design configuration, ownership arrangement, operations, and

1 financial arrangements for the project based on the selection of  
2 project participants.

3 (b) The university shall report to the office of financial  
4 management and the energy and fiscal committees of the legislature on  
5 the development and implementation of this project, including  
6 consideration of the issues and the agency suggestions under subsection  
7 (2)(a) of this section, in December of 2001 and 2002.

8 Appropriation:

9	State Building Construction Account--State . . . . .	(( <del>\$23,000,000</del> ))
10		<u>\$24,539,000</u>
11	Prior Biennia (Expenditures) . . . . .	\$0
12	Future Biennia (Projected Costs) . . . . .	\$0
13	TOTAL . . . . .	(( <del>\$23,000,000</del> ))
14		<u>\$24,539,000</u>

15 **Sec. 907.** 2001 2nd sp.s. c 8 s 668 (uncodified) is amended to read  
16 as follows:

17 **FOR WASHINGTON STATE UNIVERSITY**

18 WSU Pullman - Teaching and Learning Center: New Facility (98-2-  
19 062)

20 The reappropriation in this section is subject to the conditions  
21 and limitations of section 906 of this act.

22 Reappropriation:

23	State Building Construction Account--State . . . . .	(( <del>\$8,000,000</del> ))
24		<u>\$6,461,000</u>
25	Prior Biennia (Expenditures) . . . . .	\$22,870,175
26	Future Biennia (Projected Costs) . . . . .	\$0
27	TOTAL . . . . .	(( <del>\$30,870,175</del> ))
28		<u>\$29,331,175</u>

29 **Sec. 908.** 2001 2nd sp.s. c 8 s 352 (uncodified) is amended to read  
30 as follows:

31 **FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

32 National Recreation Trails (NRTP) (02-4-006)

33 Appropriation:

34	Recreation Resources Account--Federal . . . . .	(( <del>\$2,132,936</del> ))
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1		<u>\$2,332,936</u>
2	Prior Biennia (Expenditures) . . . . .	\$0
3	Future Biennia (Projected Costs) . . . . .	\$977,000
4	TOTAL . . . . .	(( <del>\$3,109,936</del> ))
5		<u>\$3,309,936</u>

6        NEW SECTION.    **Sec. 909. INLAND NORTHWEST REGIONAL SPORTS PROJECT.**

7    2002 c 238 s 204 (uncodified) is repealed.

(End of part)

1 **PART X**  
2 **MISCELLANEOUS**

3 NEW SECTION. **Sec. 1001.** If any provision of this act or its  
4 application to any person or circumstance is held invalid, the  
5 remainder of the act or the application of the provision to other  
6 persons or circumstances is not affected.

7 NEW SECTION. **Sec. 1002.** This act is necessary for the immediate  
8 preservation of the public peace, health, or safety, or support of the  
9 state government and its existing public institutions, and takes effect  
10 immediately.

(End of part)

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**SSB 5403** - CONF REPT  
 By Conference Committee

1        On page 1, line 1 of the title, after "matters;" strike the  
 2 remainder of the title and insert "amending 2002 c 371 ss 112, 113,  
 3 114, 118, 119, 122, 125, 127, 128, 132, 133, 135, 137, 139, 143, 145,  
 4 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 216,  
 5 218, 219, 220, 221, 222, 224, 302, 303, 307, 308, 309, 401, 402, 501,  
 6 502, 504, 505, 506, 507, 509, 510, 511, 512, 513, 514, 515, 516, 518,  
 7 604, 605, 606, 607, 608, 609, 610, 612, 616, 617, 619, 701, 703, 704,  
 8 712, 719, 726, 727, and 802 (uncodified); amending 2002 c 238 ss 202,  
 9 109, and 223 (uncodified); amending 2001 2nd sp.s. c 8 ss 158, 172,  
 10 658, 668, and 352 (uncodified); amending 2001 2nd sp.s. c 7 s 506  
 11 (uncodified); adding new sections to 2001 2nd sp.s. c 7 (uncodified);  
 12 repealing 2002 c 238 s 204 (uncodified); making appropriations;  
 13 authorizing expenditures for capital expenditures; and declaring an  
 14 emergency."

--- END ---