
ENGROSSED SENATE BILL 5971

State of Washington

58th Legislature

2003 Regular Session

By Senators Fairley, Zarelli, Poulsen, Rossi, Hargrove, Deccio, Rasmussen and Winsley

Read first time 02/26/2003. Referred to Committee on Ways & Means.

1 AN ACT Relating to residential habilitation centers; amending RCW
2 28A.190.020, 28C.04.390, 50.62.020, 50.62.030, 50.04.075, 71A.20.020,
3 71A.20.050, 71A.20.080, and 72.05.010; reenacting and amending RCW
4 43.84.092; adding a new section to chapter 43.79 RCW; creating a new
5 section; and repealing RCW 71A.20.030.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that throughout
8 the entire history of the state of Washington, the staff and volunteers
9 at residential habilitation centers and their predecessor institutions
10 have provided compassionate care to persons with developmental
11 disabilities. This dedication and care has continued even while
12 changing social attitudes and family preferences have shifted the
13 demand for services from state institutions to community living.
14 Today, most individuals with developmental disabilities and their
15 families expect to live, learn, and work within their communities. The
16 Americans with disabilities act of 1990 bolstered those expectations.
17 Because of these changing expectations, the number of persons served in

1 residential habilitation centers continues to decline. This decline
2 results in increased costs to serve the remaining residents due
3 to significant fixed costs at the institutions. The result is fewer
4 resources available to support individuals with developmental
5 disabilities and their families in the community.

6 (2) The legislature intends to honor the legacy of compassionate
7 care at residential habilitation centers, by ensuring that state
8 funding and the value of state assets previously devoted to
9 institutional care is retained for services for individuals with
10 developmental disabilities living in the community. In order to
11 improve the cost-efficiency of care at residential habilitation centers
12 and begin to shift resources to expand community services, Fircrest
13 School shall be closed during the 2003-2005 biennium. The secretary of
14 social and health services shall develop and implement a transition
15 plan that ensures that residents of Fircrest School shall be offered
16 the choice of services at another residential habilitation center,
17 community services, or, if appropriate, services in a skilled nursing
18 facility. The proceeds from the eventual disposal of Fircrest property
19 shall be deposited in the Fircrest legacy trust account established in
20 section 2 of this act.

21 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.79 RCW
22 to read as follows:

23 The Fircrest legacy trust account is created in the state treasury.
24 All proceeds from the disposal of surplus property at Fircrest School
25 must be deposited into the account. "Proceeds" include the net
26 receipts from the sale of all or a portion of the property or the lease
27 payments for all or a portion of the property. Moneys in the account
28 may be spent only after appropriation. Expenditures from the account
29 may be used only for services to individuals with developmental
30 disabilities and their families.

31 **Sec. 3.** RCW 28A.190.020 and 1990 c 33 s 171 are each amended to
32 read as follows:

33 The term "residential school" as used in RCW 28A.190.020 through
34 28A.190.060, 72.01.200, 72.05.010 and 72.05.130, each as now or
35 hereafter amended, shall mean Green Hill school, Maple Lane school,
36 Naselle Youth Camp, Cedar Creek Youth Camp, Mission Creek Youth Camp,

1 Echo Glen, Lakeland Village, Rainier school, Yakima Valley school,
2 Interlake school, (~~Fircrest school,~~) Francis Haddon Morgan Center,
3 the Child Study and Treatment Center and Secondary School of Western
4 State Hospital, and such other schools, camps, and centers as are now
5 or hereafter established by the department of social and health
6 services for the diagnosis, confinement and rehabilitation of juveniles
7 committed by the courts or for the care and treatment of persons who
8 are exceptional in their needs by reason of mental and/or physical
9 deficiency: PROVIDED, That the term shall not include the state
10 schools for the deaf and blind or adult correctional institutions.

11 **Sec. 4.** RCW 28C.04.390 and 1999 c 121 s 1 are each amended to read
12 as follows:

13 (1) The college board worker retraining program funds shall be used
14 for training programs and related support services, including financial
15 aid, counseling, referral to training resources, job referral, and job
16 development that:

17 (a) Are consistent with the unified plan for work force
18 development;

19 (b) Provide increased enrollments for dislocated workers and
20 Fircrest employees who lost their jobs with the closure of Fircrest
21 School;

22 (c) Provide customized training opportunities for dislocated
23 workers and Fircrest employees who lost their jobs with the closure of
24 Fircrest School; and

25 (d) Provide increased enrollments and support services, including
26 financial aid for those students not receiving unemployment insurance
27 benefits, that do not replace or supplant any existing enrollments,
28 programs, support services, or funding sources.

29 (2) The college board shall develop a plan for use of the worker
30 retraining program funds in conjunction with the work force training
31 customer advisory committee established in subsection (3) of this
32 section. In developing the plan the college board shall:

33 (a) Provide that applicants for worker retraining program funds
34 shall solicit financial support for training programs and give priority
35 in receipt of funds to those applicants which are most successful in
36 matching public dollars with financial support;

1 (b) Provide that applicants for worker retraining program funds
2 shall develop training programs in partnership with local businesses,
3 industry associations, labor, and other partners as appropriate and
4 give priority in receipt of funds to those applicants who develop
5 customized training programs in partnership with local businesses,
6 industry associations, and labor organizations;

7 (c) Give priority in receipt of funds to those applicants serving
8 rural areas;

9 (d) Ensure that applicants receiving worker retraining program
10 funds gather information from local work force development councils on
11 employer work force needs, including the needs of businesses with less
12 than twenty-five employees; and

13 (e) Provide for specialized vocational training at a private career
14 school or college at the request of a recipient eligible under
15 subsection (1)(b) of this section. Available tuition for the training
16 is limited to the amount that would otherwise be payable per enrolled
17 quarter to a public institution.

18 (3) The executive director of the college board shall appoint a
19 work force training customer advisory committee by July 1, 1999, to:

20 (a) Assist in the development of the plan for the use of the
21 college board worker retraining program funds and recommend guidelines
22 to the college board for the operation of worker retraining programs;

23 (b) Recommend selection criteria for worker retraining programs and
24 grant applicants for receipt of worker retraining program grants;

25 (c) Provide advice to the college board on other work force
26 development activities of the community and technical colleges;

27 (d) Recommend selection criteria for job skills grants, consistent
28 with criteria established in this chapter and chapter 121, Laws of
29 1999. Such criteria shall include a prioritization of job skills
30 applicants in rural areas;

31 (e) Recommend guidelines to the college board for the operation of
32 the job skills program; and

33 (f) Recommend grant applicants for receipt of job skills program
34 grants.

35 (4) Members of the work force training customer advisory committee
36 shall consist of three college system representatives selected by the
37 executive director of the college board, three representatives of
38 business selected from nominations provided by statewide business

1 organizations, and three representatives of labor selected from
2 nominations provided by a statewide labor organization representing a
3 cross-section of workers in the state.

4 **Sec. 5.** RCW 50.62.020 and 1987 c 284 s 2 are each amended to read
5 as follows:

6 Unless the context clearly requires otherwise, the definitions in
7 this section apply throughout this chapter.

8 (1) "Job service" means the employment assistance program of the
9 employment security department;

10 (2) "Employment assistance" means services to unemployed persons
11 focused on and measured by the obtaining of employment;

12 (3) "Labor exchange" means those activities which match labor
13 supply and labor demand, including recruitment, screening, and referral
14 of qualified workers to employers;

15 (4) "Special account of the administrative contingency fund" means
16 that fund under RCW 50.24.014 established within the administrative
17 contingency fund of the employment security department which provides
18 revenue for the purposes of this chapter.

19 (5) "Continuous wage and benefit history" means an information and
20 research system utilizing a longitudinal data base containing
21 information on both employment and unemployment.

22 (6) "Long-term unemployed" means demographic groups of unemployment
23 insurance claimants identified by the employment security department
24 pursuant to RCW 50.62.040(1)(e) which have the highest percentages of
25 persons who have drawn at least fifteen weeks of unemployment insurance
26 benefits or have the highest percentage of persons who have exhausted
27 their unemployment insurance benefits.

28 (7) "Older unemployed workers" means unemployment insurance
29 claimants who are at least fifty years of age.

30 (8) "Unemployed Fircrest workers" are those persons employed at the
31 Fircrest School whose jobs were eliminated by the closure of Fircrest
32 School.

33 **Sec. 6.** RCW 50.62.030 and 1995 c 135 s 4 are each amended to read
34 as follows:

35 Job service resources shall be used to assist with the reemployment
36 of unemployed workers using the most efficient and effective means of

1 service delivery. The job service program of the employment security
2 department may undertake any program or activity for which funds are
3 available and which furthers the goals of this chapter. These programs
4 and activities shall include, but are not limited to:

5 (1) Giving unemployed Fircrest workers, older unemployed workers,
6 and the long-term unemployed the highest priority for all services made
7 available under this section. The employment security department shall
8 make the services provided under this chapter available to the
9 unemployed Fircrest workers, older unemployed workers, and the long-
10 term unemployed as soon as they register under the employment
11 assistance program;

12 (2) Supplementing basic employment services, with special job
13 search and claimant placement assistance designed to assist
14 unemployment insurance claimants to obtain employment;

15 (3) Providing employment services, such as recruitment, screening,
16 and referral of qualified workers, to agricultural areas where these
17 services have in the past contributed to positive economic conditions
18 for the agricultural industry; and

19 (4) Providing otherwise unobtainable information and analysis to
20 the legislature and program managers about issues related to employment
21 and unemployment.

22 **Sec. 7.** RCW 50.04.075 and 1984 c 181 s 1 are each amended to read
23 as follows:

24 "Dislocated worker" means any individual who:

25 (1) Has been terminated or received a notice of termination from
26 employment;

27 (2) Is eligible for or has exhausted entitlement to unemployment
28 compensation benefits; and

29 (3) Is unlikely to return to employment in the individual's
30 principal occupation or previous industry because of a diminishing
31 demand for their skills in that occupation or industry or is an
32 employee at Fircrest School whose job was terminated by the closure of
33 Fircrest School.

34 **Sec. 8.** RCW 71A.20.020 and 1994 c 215 s 1 are each amended to read
35 as follows:

36 The following residential habilitation centers are permanently

1 established to provide services to persons with developmental
2 disabilities: Lakeland Village, located at Medical Lake, Spokane
3 county; Rainier School, located at Buckley, Pierce county; Yakima
4 Valley School, located at Selah, Yakima county; (~~Firerest School,~~
5 ~~located at Seattle, King county;~~) and Frances Haddon Morgan
6 (~~Children's~~) Center, located at Bremerton, Kitsap county.

7 **Sec. 9.** RCW 71A.20.050 and 1990 c 33 s 589 are each amended to
8 read as follows:

9 (1) The secretary shall appoint a superintendent for each
10 residential habilitation center. The superintendent of a residential
11 habilitation center shall have a demonstrated history of knowledge,
12 understanding, and compassion for the needs, treatment, and training of
13 persons with developmental disabilities.

14 (2) The secretary shall have custody of all residents of the
15 residential habilitation centers and control of the medical,
16 educational, therapeutic, and dietetic treatment of all residents,
17 except that the school district that conducts the program of education
18 provided pursuant to RCW 28A.190.030 through 28A.190.050 shall have
19 control of and joint custody of residents while they are participating
20 in the program. The secretary shall cause surgery to be performed on
21 any resident only upon gaining the consent of a parent, guardian, or
22 limited guardian as authorized, except, if after reasonable effort to
23 locate the parents, guardian, or limited guardian as authorized, and
24 the health of the resident is certified by the attending physician to
25 be jeopardized unless such surgery is performed, the required consent
26 shall not be necessary.

27 (3) In the event that a resident must be transferred from one
28 residential habilitation center to another due to a reduction in
29 capacity or closure of the facility, the secretary shall consult with
30 the resident's family or guardian in the manner provided in RCW
31 71A.10.070. Consultation shall include assurance that residents
32 transferring from one residential habilitation center to another be
33 provided comparable or better services and care at their new
34 residential habilitation center. When more than one resident must be
35 transferred, the secretary shall consider the proximity and level of
36 family involvement when prioritizing transfers to the closest

1 appropriate residential habilitation center with available capacity.
2 A transfer under this section may not be delayed by proceedings under
3 RCW 71A.20.080.

4 **Sec. 10.** RCW 71A.20.080 and 1989 c 175 s 143 are each amended to
5 read as follows:

6 Whenever in the judgment of the secretary, the treatment and
7 training of any resident of a residential habilitation center has
8 progressed to the point that it is deemed advisable to return such
9 resident to the community, the secretary may grant placement on such
10 terms and conditions as the secretary may deem advisable after
11 consultation in the manner provided in RCW 71A.10.070. The secretary
12 shall give written notice of the decision to return a resident to the
13 community as provided in RCW 71A.10.060. The notice must include a
14 statement advising the recipient of the right to an adjudicative
15 proceeding under RCW 71A.10.050 and the time limits for filing an
16 application for an adjudicative proceeding. The notice must also
17 include a statement advising the recipient of the right to judicial
18 review of an adverse adjudicative order as provided in chapter 34.05
19 RCW.

20 Except under RCW 71A.20.050(3), a placement decision shall not be
21 implemented at any level during any period during which an appeal can
22 be taken or while an appeal is pending and undecided, unless authorized
23 by court order so long as the appeal is being diligently pursued.

24 The department of social and health services shall periodically
25 evaluate at reasonable intervals the adjustment of the resident to the
26 specific placement to determine whether the resident should be
27 continued in the placement or returned to the institution or given a
28 different placement.

29 **Sec. 11.** RCW 72.05.010 and 1985 c 378 s 9 are each amended to read
30 as follows:

31 The purposes of RCW 72.05.010 through 72.05.210 are: To provide
32 for every child with behavior problems, mentally and physically
33 handicapped persons, and hearing and visually impaired children, within
34 the purview of RCW 72.05.010 through 72.05.210, (~~as now or hereafter~~
35 ~~amended,~~) such care, guidance and instruction, control and treatment
36 as will best serve the welfare of the child or person and society; to

1 insure nonpolitical and qualified operation, supervision, management,
2 and control of the Green Hill school, the Maple Lane school, the
3 Naselle Youth Camp, the Mission Creek Youth Camp, Echo Glen, the
4 Cascadia Diagnostic Center, Lakeland Village, Rainier school, the
5 Yakima Valley school, Interlake school, (~~Firecrest school,~~) the
6 Francis Haddon Morgan Center, the Child Study and Treatment Center and
7 Secondary School of Western State Hospital, and like residential state
8 schools, camps and centers hereafter established, and to place them
9 under the department of social and health services except where
10 specified otherwise; and to provide for the persons committed or
11 admitted to those schools that type of care, instruction, and treatment
12 most likely to accomplish their rehabilitation and restoration to
13 normal citizenship.

14 **Sec. 12.** RCW 43.84.092 and 2002 c 242 s 2, 2002 c 114 s 24, and
15 2002 c 56 s 402 are each reenacted and amended to read as follows:

16 (1) All earnings of investments of surplus balances in the state
17 treasury shall be deposited to the treasury income account, which
18 account is hereby established in the state treasury.

19 (2) The treasury income account shall be utilized to pay or receive
20 funds associated with federal programs as required by the federal cash
21 management improvement act of 1990. The treasury income account is
22 subject in all respects to chapter 43.88 RCW, but no appropriation is
23 required for refunds or allocations of interest earnings required by
24 the cash management improvement act. Refunds of interest to the
25 federal treasury required under the cash management improvement act
26 fall under RCW 43.88.180 and shall not require appropriation. The
27 office of financial management shall determine the amounts due to or
28 from the federal government pursuant to the cash management improvement
29 act. The office of financial management may direct transfers of funds
30 between accounts as deemed necessary to implement the provisions of the
31 cash management improvement act, and this subsection. Refunds or
32 allocations shall occur prior to the distributions of earnings set
33 forth in subsection (4) of this section.

34 (3) Except for the provisions of RCW 43.84.160, the treasury income
35 account may be utilized for the payment of purchased banking services
36 on behalf of treasury funds including, but not limited to, depository,
37 safekeeping, and disbursement functions for the state treasury and

1 affected state agencies. The treasury income account is subject in all
2 respects to chapter 43.88 RCW, but no appropriation is required for
3 payments to financial institutions. Payments shall occur prior to
4 distribution of earnings set forth in subsection (4) of this section.

5 (4) Monthly, the state treasurer shall distribute the earnings
6 credited to the treasury income account. The state treasurer shall
7 credit the general fund with all the earnings credited to the treasury
8 income account except:

9 (a) The following accounts and funds shall receive their
10 proportionate share of earnings based upon each account's and fund's
11 average daily balance for the period: The capitol building
12 construction account, the Cedar River channel construction and
13 operation account, the Central Washington University capital projects
14 account, the charitable, educational, penal and reformatory
15 institutions account, the common school construction fund, the county
16 criminal justice assistance account, the county sales and use tax
17 equalization account, the data processing building construction
18 account, the deferred compensation administrative account, the deferred
19 compensation principal account, the department of retirement systems
20 expense account, the drinking water assistance account, the drinking
21 water assistance administrative account, the drinking water assistance
22 repayment account, the Eastern Washington University capital projects
23 account, the education construction fund, the emergency reserve fund,
24 the federal forest revolving account, the Fircrest legacy trust
25 account, the health services account, the public health services
26 account, the health system capacity account, the personal health
27 services account, the state higher education construction account, the
28 higher education construction account, the highway infrastructure
29 account, the industrial insurance premium refund account, the judges'
30 retirement account, the judicial retirement administrative account, the
31 judicial retirement principal account, the local leasehold excise tax
32 account, the local real estate excise tax account, the local sales and
33 use tax account, the medical aid account, the mobile home park
34 relocation fund, the multimodal transportation account, the municipal
35 criminal justice assistance account, the municipal sales and use tax
36 equalization account, the natural resources deposit account, the oyster
37 reserve land account, the perpetual surveillance and maintenance
38 account, the public employees' retirement system plan 1 account, the

1 public employees' retirement system combined plan 2 and plan 3 account,
2 the public facilities construction loan revolving account beginning
3 July 1, 2004, the public health supplemental account, the Puyallup
4 tribal settlement account, the regional transportation investment
5 district account, the resource management cost account, the site
6 closure account, the special wildlife account, the state employees'
7 insurance account, the state employees' insurance reserve account, the
8 state investment board expense account, the state investment board
9 commingled trust fund accounts, the supplemental pension account, the
10 Tacoma Narrows toll bridge account, the teachers' retirement system
11 plan 1 account, the teachers' retirement system combined plan 2 and
12 plan 3 account, the tobacco prevention and control account, the tobacco
13 settlement account, the transportation infrastructure account, the
14 tuition recovery trust fund, the University of Washington bond
15 retirement fund, the University of Washington building account, the
16 volunteer fire fighters' and reserve officers' relief and pension
17 principal fund, the volunteer fire fighters' and reserve officers'
18 administrative fund, the Washington fruit express account, the
19 Washington judicial retirement system account, the Washington law
20 enforcement officers' and fire fighters' system plan 1 retirement
21 account, the Washington law enforcement officers' and fire fighters'
22 system plan 2 retirement account, the Washington school employees'
23 retirement system combined plan 2 and 3 account, the Washington state
24 health insurance pool account, the Washington state patrol retirement
25 account, the Washington State University building account, the
26 Washington State University bond retirement fund, the water pollution
27 control revolving fund, and the Western Washington University capital
28 projects account. Earnings derived from investing balances of the
29 agricultural permanent fund, the normal school permanent fund, the
30 permanent common school fund, the scientific permanent fund, and the
31 state university permanent fund shall be allocated to their respective
32 beneficiary accounts. All earnings to be distributed under this
33 subsection (4)(a) shall first be reduced by the allocation to the state
34 treasurer's service fund pursuant to RCW 43.08.190.

35 (b) The following accounts and funds shall receive eighty percent
36 of their proportionate share of earnings based upon each account's or
37 fund's average daily balance for the period: The aeronautics account,
38 the aircraft search and rescue account, the county arterial

1 preservation account, the department of licensing services account, the
2 essential rail assistance account, the ferry bond retirement fund, the
3 grade crossing protective fund, the high capacity transportation
4 account, the highway bond retirement fund, the highway safety account,
5 the motor vehicle fund, the motorcycle safety education account, the
6 pilotage account, the public transportation systems account, the Puget
7 Sound capital construction account, the Puget Sound ferry operations
8 account, the recreational vehicle account, the rural arterial trust
9 account, the safety and education account, the special category C
10 account, the state patrol highway account, the transportation equipment
11 fund, the transportation fund, the transportation improvement account,
12 the transportation improvement board bond retirement account, and the
13 urban arterial trust account.

14 (5) In conformance with Article II, section 37 of the state
15 Constitution, no treasury accounts or funds shall be allocated earnings
16 without the specific affirmative directive of this section.

17 NEW SECTION. **Sec. 13.** RCW 71A.20.030 (Facilities for Interlake
18 School) and 1988 c 176 s 703 are each repealed.

19 NEW SECTION. **Sec. 14.** If any provision of this act or its
20 application to any person or circumstance is held invalid, the
21 remainder of the act or the application of the provision to other
22 persons or circumstances is not affected.

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