
SENATE BILL 5073

State of Washington 61st Legislature 2009 Regular Session

By Senators Zarelli, Swecker, Benton, and Parlette

Read first time 01/12/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to consolidating accounts into the state general
2 fund; amending RCW 3.50.100, 3.62.020, 3.62.040, 7.68.030, 7.68.035,
3 7.68.085, 9A.82.110, 9.68A.120, 10.82.090, 10.105.010, 28A.150.380,
4 28A.505.210, 28A.505.220, 35.20.220, 36.18.012, 36.18.025, 36.70A.130,
5 39.42.070, 41.05.068, 43.08.250, 43.17.150, 43.41.260, 43.72.900,
6 43.79.480, 43.99H.060, 43.99K.030, 43.99L.040, 43.135.025, 46.61.5058,
7 66.24.210, 66.24.290, 67.70.240, 67.70.340, 69.50.505, 70.05.125,
8 70.47.015, 70.96A.350, 70.146.010, 70.146.020, 70.146.075, 70.190.010,
9 72.09.111, 74.09.053, 77.12.201, 82.08.150, 82.24.026, 82.24.027,
10 82.24.028, 82.26.020, 82.32.390, 82.64.020, 83.100.220, 84.52.067, and
11 90.71.370; reenacting and amending RCW 2.56.030, 36.18.020, 43.84.092,
12 43.135.045, 48.14.0201, 69.50.520, 72.09.480, 82.04.260, and 82.24.020;
13 creating a new section; repealing RCW 41.45.230, 41.45.233, 70.146.030,
14 70.146.040, 70.146.060, 70.146.080, 83.100.230, and 84.52.068;
15 providing an effective date; and declaring an emergency.

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

17 NEW SECTION. **Sec. 1.** On July 1, 2009, the state treasurer shall
18 transfer to the state general fund all unexpended balances of the
19 public safety and education account, health services account, violence

1 reduction and drug enforcement account, student achievement fund,
2 education legacy trust account, pension funding stabilization account,
3 water quality account, and equal justice subaccount.

4 **Sec. 2.** RCW 2.56.030 and 2008 c 291 s 4 and 2008 c 279 s 3 are
5 each reenacted and amended to read as follows:

6 The administrator for the courts shall, under the supervision and
7 direction of the chief justice:

8 (1) Examine the administrative methods and systems employed in the
9 offices of the judges, clerks, stenographers, and employees of the
10 courts and make recommendations, through the chief justice, for the
11 improvement of the same;

12 (2) Examine the state of the dockets of the courts and determine
13 the need for assistance by any court;

14 (3) Make recommendations to the chief justice relating to the
15 assignment of judges where courts are in need of assistance and carry
16 out the direction of the chief justice as to the assignments of judges
17 to counties and districts where the courts are in need of assistance;

18 (4) Collect and compile statistical and other data and make reports
19 of the business transacted by the courts and transmit the same to the
20 chief justice to the end that proper action may be taken in respect
21 thereto;

22 (5) Prepare and submit budget estimates of state appropriations
23 necessary for the maintenance and operation of the judicial system and
24 make recommendations in respect thereto;

25 (6) Collect statistical and other data and make reports relating to
26 the expenditure of public moneys, state and local, for the maintenance
27 and operation of the judicial system and the offices connected
28 therewith;

29 (7) Obtain reports from clerks of courts in accordance with law or
30 rules adopted by the supreme court of this state on cases and other
31 judicial business in which action has been delayed beyond periods of
32 time specified by law or rules of court and make report thereof to
33 supreme court of this state;

34 (8) Act as secretary of the judicial conference referred to in RCW
35 2.56.060;

36 (9) Submit annually, as of February 1st, to the chief justice, a

1 report of the activities of the administrator's office for the
2 preceding calendar year including activities related to courthouse
3 security;

4 (10) Administer programs and standards for the training and
5 education of judicial personnel;

6 (11) Examine the need for new superior court and district court
7 judge positions under an objective workload analysis. The results of
8 the objective workload analysis shall be reviewed by the board for
9 judicial administration which shall make recommendations to the
10 legislature. It is the intent of the legislature that an objective
11 workload analysis become the basis for creating additional district and
12 superior court positions, and recommendations should address that
13 objective;

14 (12) Provide staff to the judicial retirement account plan under
15 chapter 2.14 RCW;

16 (13) Attend to such other matters as may be assigned by the supreme
17 court of this state;

18 (14) Within available funds, develop a curriculum for a general
19 understanding of child development, placement, and treatment resources,
20 as well as specific legal skills and knowledge of relevant statutes
21 including chapters 13.32A, 13.34, and 13.40 RCW, cases, court rules,
22 interviewing skills, and special needs of the abused or neglected
23 child. This curriculum shall be completed and made available to all
24 juvenile court judges, court personnel, and service providers and be
25 updated yearly to reflect changes in statutes, court rules, or case
26 law;

27 (15) Develop, in consultation with the entities set forth in RCW
28 2.56.150(3), a comprehensive statewide curriculum for persons who act
29 as guardians ad litem under Title 13 or 26 RCW. The curriculum shall
30 be made available July 1, 2008, and include specialty sections on child
31 development, child sexual abuse, child physical abuse, child neglect,
32 domestic violence, clinical and forensic investigative and interviewing
33 techniques, family reconciliation and mediation services, and relevant
34 statutory and legal requirements. The curriculum shall be made
35 available to all superior court judges, court personnel, and all
36 persons who act as guardians ad litem;

37 (16) Develop a curriculum for a general understanding of crimes of
38 malicious harassment, as well as specific legal skills and knowledge of

1 RCW 9A.36.080, relevant cases, court rules, and the special needs of
2 malicious harassment victims. This curriculum shall be made available
3 to all superior court and court of appeals judges and to all justices
4 of the supreme court;

5 (17) Develop, in consultation with the criminal justice training
6 commission and the commissions established under chapters 43.113,
7 43.115, and 43.117 RCW, a curriculum for a general understanding of
8 ethnic and cultural diversity and its implications for working with
9 youth of color and their families. The curriculum shall be available
10 to all superior court judges and court commissioners assigned to
11 juvenile court, and other court personnel. Ethnic and cultural
12 diversity training shall be provided annually so as to incorporate
13 cultural sensitivity and awareness into the daily operation of juvenile
14 courts statewide;

15 (18) Authorize the use of closed circuit television and other
16 electronic equipment in judicial proceedings. The administrator shall
17 promulgate necessary standards and procedures and shall provide
18 technical assistance to courts as required;

19 (19) Develop a Washington family law handbook in accordance with
20 RCW 2.56.180;

21 (20) Administer state funds for improving the operation of the
22 courts and provide support for court coordinating councils, under the
23 direction of the board for judicial administration;

24 (21) Administer the family and juvenile court improvement grant
25 program;

26 (22)(a) Administer and distribute amounts appropriated (~~from the~~
27 ~~equal justice subaccount under RCW 43.08.250(2)~~) for district court
28 judges' and qualifying elected municipal court judges' salary
29 contributions. The administrator for the courts shall develop a
30 distribution formula for these amounts that does not differentiate
31 between district and elected municipal court judges.

32 (b) A city qualifies for state contribution of elected municipal
33 court judges' salaries under (a) of this subsection if:

34 (i) The judge is serving in an elected position;

35 (ii) The city has established by ordinance that a full-time judge
36 is compensated at a rate equivalent to at least ninety-five percent,
37 but not more than one hundred percent, of a district court judge salary
38 or for a part-time judge on a pro rata basis the same equivalent; and

1 (iii) The city has certified to the office of the administrator for
2 the courts that the conditions in (b)(i) and (ii) of this subsection
3 have been met;

4 (23) Subject to the availability of funds specifically appropriated
5 therefor, assist courts in the development and implementation of
6 language assistance plans required under RCW 2.43.090.

7 **Sec. 3.** RCW 3.50.100 and 2004 c 15 s 3 are each amended to read as
8 follows:

9 (1) Costs in civil and criminal actions may be imposed as provided
10 in district court. All fees, costs, fines, forfeitures and other money
11 imposed by any municipal court for the violation of any municipal or
12 town ordinances shall be collected by the court clerk and, together
13 with any other noninterest revenues received by the clerk, shall be
14 deposited with the city or town treasurer as a part of the general fund
15 of the city or town, or deposited in such other fund of the city or
16 town, or deposited in such other funds as may be designated by the laws
17 of the state of Washington.

18 (2) Except as provided in RCW 10.99.080, the city treasurer shall
19 remit monthly thirty-two percent of the noninterest money received
20 under this section, other than for parking infractions, and certain
21 costs to the state treasurer. "Certain costs" as used in this
22 subsection, means those costs awarded to prevailing parties in civil
23 actions under RCW 4.84.010 or 36.18.040, or those costs awarded against
24 convicted defendants in criminal actions under RCW 10.01.160,
25 10.46.190, or 36.18.040, or other similar statutes if such costs are
26 specifically designated as costs by the court and are awarded for the
27 specific reimbursement of costs incurred by the state, county, city, or
28 town in the prosecution of the case, including the fees of defense
29 counsel. Money remitted under this subsection to the state treasurer
30 shall be deposited (~~as provided in RCW 43.08.250~~) in the state
31 general fund.

32 (3) The balance of the noninterest money received under this
33 section shall be retained by the city and deposited as provided by law.

34 (4) Penalties, fines, bail forfeitures, fees, and costs may accrue
35 interest at the rate of twelve percent per annum, upon assignment to a
36 collection agency. Interest may accrue only while the case is in
37 collection status.

1 (5) Interest retained by the court on penalties, fines, bail
2 forfeitures, fees, and costs shall be split twenty-five percent to the
3 state treasurer for deposit in the (~~public safety and education~~
4 ~~account as provided in RCW 43.08.250~~) state general fund, twenty-five
5 percent to the state treasurer for deposit in the judicial information
6 system account as provided in RCW 2.68.020, twenty-five percent to the
7 city general fund, and twenty-five percent to the city general fund to
8 fund local courts.

9 **Sec. 4.** RCW 3.62.020 and 2004 c 15 s 4 are each amended to read as
10 follows:

11 (1) Except as provided in subsection (4) of this section, all
12 costs, fees, fines, forfeitures and penalties assessed and collected in
13 whole or in part by district courts, except costs, fines, forfeitures
14 and penalties assessed and collected, in whole or in part, because of
15 the violation of city ordinances, shall be remitted by the clerk of the
16 district court to the county treasurer at least monthly, together with
17 a financial statement as required by the state auditor, noting the
18 information necessary for crediting of such funds as required by law.

19 (2) Except as provided in RCW 10.99.080, the county treasurer shall
20 remit thirty-two percent of the noninterest money received under
21 subsection (1) of this section except certain costs to the state
22 treasurer. "Certain costs" as used in this subsection, means those
23 costs awarded to prevailing parties in civil actions under RCW 4.84.010
24 or 36.18.040, or those costs awarded against convicted defendants in
25 criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other
26 similar statutes if such costs are specifically designated as costs by
27 the court and are awarded for the specific reimbursement of costs
28 incurred by the state or county in the prosecution of the case,
29 including the fees of defense counsel. Money remitted under this
30 subsection to the state treasurer shall be deposited (~~as provided in~~
31 ~~RCW 43.08.250~~) in the state general fund.

32 (3) The balance of the noninterest money received by the county
33 treasurer under subsection (1) of this section shall be deposited in
34 the county current expense fund.

35 (4) All money collected for county parking infractions shall be
36 remitted by the clerk of the district court at least monthly, with the

1 information required under subsection (1) of this section, to the
2 county treasurer for deposit in the county current expense fund.

3 (5) Penalties, fines, bail forfeitures, fees, and costs may accrue
4 interest at the rate of twelve percent per annum, upon assignment to a
5 collection agency. Interest may accrue only while the case is in
6 collection status.

7 (6) Interest retained by the court on penalties, fines, bail
8 forfeitures, fees, and costs shall be split twenty-five percent to the
9 state treasurer for deposit in the (~~public safety and education~~
10 ~~account as provided in RCW 43.08.250~~) state general fund, twenty-five
11 percent to the state treasurer for deposit in the judicial information
12 system account as provided in RCW 2.68.020, twenty-five percent to the
13 county current expense fund, and twenty-five percent to the county
14 current expense fund to fund local courts.

15 **Sec. 5.** RCW 3.62.040 and 2004 c 15 s 8 are each amended to read as
16 follows:

17 (1) Except as provided in subsection (4) of this section, all
18 costs, fines, forfeitures and penalties assessed and collected, in
19 whole or in part, by district courts because of violations of city
20 ordinances shall be remitted by the clerk of the district court at
21 least monthly directly to the treasurer of the city wherein the
22 violation occurred.

23 (2) Except as provided in RCW 10.99.080, the city treasurer shall
24 remit monthly thirty-two percent of the noninterest money received
25 under this section, other than for parking infractions and certain
26 costs, to the state treasurer. "Certain costs" as used in this
27 subsection, means those costs awarded to prevailing parties in civil
28 actions under RCW 4.84.010 or 36.18.040, or those costs awarded against
29 convicted defendants in criminal actions under RCW 10.01.160,
30 10.46.190, or 36.18.040, or other similar statutes if such costs are
31 specifically designated as costs by the court and are awarded for the
32 specific reimbursement of costs incurred by the state, county, city, or
33 town in the prosecution of the case, including the fees of defense
34 counsel. Money remitted under this subsection to the state treasurer
35 shall be deposited (~~as provided in RCW 43.08.250~~) in the state
36 general fund.

1 (3) The balance of the noninterest money received under this
2 section shall be retained by the city and deposited as provided by law.

3 (4) All money collected for city parking infractions shall be
4 remitted by the clerk of the district court at least monthly to the
5 city treasurer for deposit in the city's general fund.

6 (5) Penalties, fines, bail forfeitures, fees, and costs may accrue
7 interest at the rate of twelve percent per annum, upon assignment to a
8 collection agency. Interest may accrue only while the case is in
9 collection status.

10 (6) Interest retained by the court on penalties, fines, bail
11 forfeitures, fees, and costs shall be split twenty-five percent to the
12 state treasurer for deposit in the (~~public safety and education~~
13 ~~account as provided in RCW 43.08.250~~) state general fund, twenty-five
14 percent to the state treasurer for deposit in the judicial information
15 system account as provided in RCW 2.68.020, twenty-five percent to the
16 city general fund, and twenty-five percent to the city general fund to
17 fund local courts.

18 **Sec. 6.** RCW 7.68.030 and 1989 1st ex.s. c 5 s 2 are each amended
19 to read as follows:

20 It shall be the duty of the director to establish and administer a
21 program of benefits to innocent victims of criminal acts within the
22 terms and limitations of this chapter. In so doing, the director
23 shall, in accordance with chapter 34.05 RCW, adopt rules and
24 regulations necessary to the administration of this chapter, and the
25 provisions contained in chapter 51.04 RCW, including but not limited to
26 RCW 51.04.020, 51.04.030, 51.04.040, 51.04.050 and 51.04.100 as now or
27 hereafter amended, shall apply where appropriate in keeping with the
28 intent of this chapter. The director may apply for and, subject to
29 appropriation, expend federal funds under Public Law 98-473 and any
30 other federal program providing financial assistance to state crime
31 victim compensation programs. The federal funds shall be deposited in
32 the (~~public safety and education account in the~~) state general fund
33 and may be expended only for purposes authorized by applicable federal
34 law.

35 **Sec. 7.** RCW 7.68.035 and 2000 c 71 s 3 are each amended to read as
36 follows:

1 (1)(a) When any person is found guilty in any superior court of
2 having committed a crime, except as provided in subsection (2) of this
3 section, there shall be imposed by the court upon such convicted person
4 a penalty assessment. The assessment shall be in addition to any other
5 penalty or fine imposed by law and shall be five hundred dollars for
6 each case or cause of action that includes one or more convictions of
7 a felony or gross misdemeanor and two hundred fifty dollars for any
8 case or cause of action that includes convictions of only one or more
9 misdemeanors.

10 (b) When any juvenile is adjudicated of any offense in any juvenile
11 offense disposition under Title 13 RCW, except as provided in
12 subsection (2) of this section, there shall be imposed upon the
13 juvenile offender a penalty assessment. The assessment shall be in
14 addition to any other penalty or fine imposed by law and shall be one
15 hundred dollars for each case or cause of action that includes one or
16 more adjudications for a felony or gross misdemeanor and seventy-five
17 dollars for each case or cause of action that includes adjudications of
18 only one or more misdemeanors.

19 (2) The assessment imposed by subsection (1) of this section shall
20 not apply to motor vehicle crimes defined in Title 46 RCW except those
21 defined in the following sections: RCW 46.61.520, 46.61.522,
22 46.61.024, 46.52.090, 46.70.140, 46.61.502, 46.61.504, 46.52.101,
23 46.20.410, 46.52.020, 46.10.130, 46.09.130, 46.61.5249, 46.61.525,
24 46.61.685, 46.61.530, 46.61.500, 46.61.015, 46.52.010, 46.44.180,
25 46.10.090(2), and 46.09.120(2).

26 (3) When any person accused of having committed a crime posts bail
27 in superior court pursuant to the provisions of chapter 10.19 RCW and
28 such bail is forfeited, there shall be deducted from the proceeds of
29 such forfeited bail a penalty assessment, in addition to any other
30 penalty or fine imposed by law, equal to the assessment which would be
31 applicable under subsection (1) of this section if the person had been
32 convicted of the crime.

33 (4) Such penalty assessments shall be paid by the clerk of the
34 superior court to the county treasurer who shall monthly transmit the
35 money as provided in RCW 10.82.070. Each county shall deposit fifty
36 percent of the money it receives per case or cause of action under
37 subsection (1) of this section and retains under RCW 10.82.070, not
38 less than one and seventy-five one-hundredths percent of the remaining

1 money it retains under RCW 10.82.070 and the money it retains under
2 chapter 3.62 RCW, and all money it receives under subsection (7) of
3 this section into a fund maintained exclusively for the support of
4 comprehensive programs to encourage and facilitate testimony by the
5 victims of crimes and witnesses to crimes. A program shall be
6 considered "comprehensive" only after approval of the department upon
7 application by the county prosecuting attorney. The department shall
8 approve as comprehensive only programs which:

9 (a) Provide comprehensive services to victims and witnesses of all
10 types of crime with particular emphasis on serious crimes against
11 persons and property. It is the intent of the legislature to make
12 funds available only to programs which do not restrict services to
13 victims or witnesses of a particular type or types of crime and that
14 such funds supplement, not supplant, existing local funding levels;

15 (b) Are administered by the county prosecuting attorney either
16 directly through the prosecuting attorney's office or by contract
17 between the county and agencies providing services to victims of crime;

18 (c) Make a reasonable effort to inform the known victim or his
19 surviving dependents of the existence of this chapter and the procedure
20 for making application for benefits;

21 (d) Assist victims in the restitution and adjudication process; and

22 (e) Assist victims of violent crimes in the preparation and
23 presentation of their claims to the department of labor and industries
24 under this chapter.

25 Before a program in any county west of the Cascade mountains is
26 submitted to the department for approval, it shall be submitted for
27 review and comment to each city within the county with a population of
28 more than one hundred fifty thousand. The department will consider if
29 the county's proposed comprehensive plan meets the needs of crime
30 victims in cases adjudicated in municipal, district or superior courts
31 and of crime victims located within the city and county.

32 (5) Upon submission to the department of a letter of intent to
33 adopt a comprehensive program, the prosecuting attorney shall retain
34 the money deposited by the county under subsection (4) of this section
35 until such time as the county prosecuting attorney has obtained
36 approval of a program from the department. Approval of the
37 comprehensive plan by the department must be obtained within one year
38 of the date of the letter of intent to adopt a comprehensive program.

1 The county prosecuting attorney shall not make any expenditures from
2 the money deposited under subsection (4) of this section until approval
3 of a comprehensive plan by the department. If a county prosecuting
4 attorney has failed to obtain approval of a program from the department
5 under subsection (4) of this section or failed to obtain approval of a
6 comprehensive program within one year after submission of a letter of
7 intent under this section, the county treasurer shall monthly transmit
8 one hundred percent of the money deposited by the county under
9 subsection (4) of this section to the state treasurer for deposit in
10 the ((public safety and education account established under RCW
11 43.08.250)) state general fund.

12 (6) County prosecuting attorneys are responsible to make every
13 reasonable effort to insure that the penalty assessments of this
14 chapter are imposed and collected.

15 (7) Every city and town shall transmit monthly one and seventy-five
16 one-hundredths percent of all money, other than money received for
17 parking infractions, retained under RCW ((3.46.1207)) 3.50.100((7)) and
18 35.20.220 to the county treasurer for deposit as provided in subsection
19 (4) of this section.

20 **Sec. 8.** RCW 7.68.085 and 1990 c 3 s 504 are each amended to read
21 as follows:

22 The director of labor and industries shall institute a cap on
23 medical benefits of one hundred fifty thousand dollars per injury or
24 death. Payment for medical services in excess of the cap shall be made
25 available to any innocent victim under the same conditions as other
26 medical services and if the medical services are:

- 27 (1) Necessary for a previously accepted condition;
28 (2) Necessary to protect the victim's life or prevent deterioration
29 of the victim's previously accepted condition; and
30 (3) Not available from an alternative source.

31 ((The director of financial management and the director of labor
32 and industries shall monitor expenditures from the public safety and
33 education account. Once each fiscal quarter, the director of financial
34 management shall determine if expenditures from the public safety and
35 education account during the prior fiscal quarter exceeded allotments
36 by more than ten percent. Within thirty days of a determination that
37 expenditures exceeded allotments by more than ten percent, the director

1 of financial management shall develop and implement a plan to reduce
2 expenditures from the account to a level that does not exceed the
3 allotments. Such a plan may include across the board reductions in
4 allotments from the account to all nonjudicial agencies except for the
5 crime victims compensation program. In implementing the plan, the
6 director of financial management shall seek the cooperation of judicial
7 agencies in reducing their expenditures from the account. The director
8 of financial management shall notify the legislative fiscal committees
9 prior to implementation of the plan.

10 Development and implementation of the plan is not required if the
11 director of financial management notifies the legislative fiscal
12 committees that increases in the official revenue forecast for the
13 public safety and education account for that fiscal quarter will
14 eliminate the need to reduce expenditures from the account. The
15 official revenue forecast for the public safety and education account
16 shall be prepared by the economic and revenue forecast council pursuant
17 to RCW 82.33.020 and 82.33.010.)

18 For the purposes of this section, an individual will not be
19 required to use his or her assets other than funds recovered as a
20 result of a civil action or criminal restitution, for medical expenses
21 or pain and suffering, in order to qualify for an alternative source of
22 payment.

23 ((The director shall, in cooperation with the department of social
24 and health services, establish by October 1, 1989, a process to aid
25 crime victims in identifying and applying for appropriate alternative
26 benefit programs, if any, administered by the department of social and
27 health services.))

28 **Sec. 9.** RCW 9A.82.110 and 2001 c 222 s 15 are each amended to read
29 as follows:

30 (1) ((Any payments or forfeiture to the state general fund ordered
31 under RCW 9A.82.100 (4) or (5) shall be deposited in the public safety
32 and education account.

33 (2)) In an action brought by the attorney general on behalf of the
34 state under RCW 9A.82.100(1)(b)(i) in which the state prevails, any
35 payments ordered in excess of the actual damages sustained shall be
36 deposited in the ((public safety and education account)) state general
37 fund.

1 ~~((3) It is the intent of the legislature that the money deposited~~
2 ~~in the public safety and education account pursuant to this chapter be~~
3 ~~appropriated to promote crime victims' compensation.~~

4 (4)) (2)(a) The county legislative authority may establish an
5 antiprofitereering revolving fund to be administered by the county
6 prosecuting attorney under the conditions and for the purposes provided
7 by this subsection. Disbursements from the fund shall be on
8 authorization of the county prosecuting attorney. No appropriation is
9 required for disbursements.

10 (b) Any prosecution and investigation costs, including attorney's
11 fees, recovered for the state by the county prosecuting attorney as a
12 result of enforcement of civil and criminal statutes pertaining to any
13 offense included in the definition of criminal profiteering, whether by
14 final judgment, settlement, or otherwise, shall be deposited, as
15 directed by a court of competent jurisdiction, in the fund established
16 by this subsection. In an action brought by a prosecuting attorney on
17 behalf of the county under RCW 9A.82.100(1)(b)(i) in which the county
18 prevails, any payments ordered in excess of the actual damages
19 sustained shall be deposited in the (~~public safety and education~~
20 ~~account in the~~) state general fund.

21 (c) The county legislative authority may prescribe a maximum level
22 of moneys in the antiprofitereering revolving fund. Moneys exceeding the
23 prescribed maximum shall be transferred to the county current expense
24 fund.

25 (d) The moneys in the fund shall be used by the county prosecuting
26 attorney for the investigation and prosecution of any offense, within
27 the jurisdiction of the county prosecuting attorney, included in the
28 definition of criminal profiteering, including civil enforcement.

29 (e) If a county has not established an antiprofitereering revolving
30 fund, any payments or forfeitures ordered to the county under this
31 chapter shall be deposited to the county current expense fund.

32 **Sec. 10.** RCW 9.68A.120 and 1999 c 143 s 8 are each amended to read
33 as follows:

34 The following are subject to seizure and forfeiture:

35 (1) All visual or printed matter that depicts a minor engaged in
36 sexually explicit conduct.

1 (2) All raw materials, equipment, and other tangible personal
2 property of any kind used or intended to be used to manufacture or
3 process any visual or printed matter that depicts a minor engaged in
4 sexually explicit conduct, and all conveyances, including aircraft,
5 vehicles, or vessels that are used or intended for use to transport, or
6 in any manner to facilitate the transportation of, visual or printed
7 matter in violation of RCW 9.68A.050 or 9.68A.060, but:

8 (a) No conveyance used by any person as a common carrier in the
9 transaction of business as a common carrier is subject to forfeiture
10 under this section unless it appears that the owner or other person in
11 charge of the conveyance is a consenting party or privy to a violation
12 of this chapter;

13 (b) No property is subject to forfeiture under this section by
14 reason of any act or omission established by the owner of the property
15 to have been committed or omitted without the owner's knowledge or
16 consent;

17 (c) A forfeiture of property encumbered by a bona fide security
18 interest is subject to the interest of the secured party if the secured
19 party neither had knowledge of nor consented to the act or omission;
20 and

21 (d) When the owner of a conveyance has been arrested under this
22 chapter the conveyance may not be subject to forfeiture unless it is
23 seized or process is issued for its seizure within ten days of the
24 owner's arrest.

25 (3) All personal property, moneys, negotiable instruments,
26 securities, or other tangible or intangible property furnished or
27 intended to be furnished by any person in exchange for visual or
28 printed matter depicting a minor engaged in sexually explicit conduct,
29 or constituting proceeds traceable to any violation of this chapter.

30 (4) Property subject to forfeiture under this chapter may be seized
31 by any law enforcement officer of this state upon process issued by any
32 superior court having jurisdiction over the property. Seizure without
33 process may be made if:

34 (a) The seizure is incident to an arrest or a search under a search
35 warrant or an inspection under an administrative inspection warrant;

36 (b) The property subject to seizure has been the subject of a prior
37 judgment in favor of the state in a criminal injunction or forfeiture
38 proceeding based upon this chapter;

1 (c) A law enforcement officer has probable cause to believe that
2 the property is directly or indirectly dangerous to health or safety;
3 or

4 (d) The law enforcement officer has probable cause to believe that
5 the property was used or is intended to be used in violation of this
6 chapter.

7 (5) In the event of seizure under subsection (4) of this section,
8 proceedings for forfeiture shall be deemed commenced by the seizure.
9 The law enforcement agency under whose authority the seizure was made
10 shall cause notice to be served within fifteen days following the
11 seizure on the owner of the property seized and the person in charge
12 thereof and any person having any known right or interest therein, of
13 the seizure and intended forfeiture of the seized property. The notice
14 may be served by any method authorized by law or court rule including
15 but not limited to service by certified mail with return receipt
16 requested. Service by mail shall be deemed complete upon mailing
17 within the fifteen day period following the seizure.

18 (6) If no person notifies the seizing law enforcement agency in
19 writing of the person's claim of ownership or right to possession of
20 seized items within forty-five days of the seizure, the item seized
21 shall be deemed forfeited.

22 (7) If any person notifies the seizing law enforcement agency in
23 writing of the person's claim of ownership or right to possession of
24 seized items within forty-five days of the seizure, the person or
25 persons shall be afforded a reasonable opportunity to be heard as to
26 the claim or right. The hearing shall be before an administrative law
27 judge appointed under chapter 34.12 RCW, except that any person
28 asserting a claim or right may remove the matter to a court of
29 competent jurisdiction if the aggregate value of the article or
30 articles involved is more than five hundred dollars. The hearing
31 before an administrative law judge and any appeal therefrom shall be
32 under Title 34 RCW. In a court hearing between two or more claimants
33 to the article or articles involved, the prevailing party shall be
34 entitled to a judgment for costs and reasonable attorney's fees. The
35 burden of producing evidence shall be upon the person claiming to be
36 the lawful owner or the person claiming to have the lawful right to
37 possession of the seized items. The seizing law enforcement agency
38 shall promptly return the article or articles to the claimant upon a

1 determination by the administrative law judge or court that the
2 claimant is lawfully entitled to possession thereof of the seized
3 items.

4 (8) If property is sought to be forfeited on the ground that it
5 constitutes proceeds traceable to a violation of this chapter, the
6 seizing law enforcement agency must prove by a preponderance of the
7 evidence that the property constitutes proceeds traceable to a
8 violation of this chapter.

9 (9) When property is forfeited under this chapter the seizing law
10 enforcement agency may:

11 (a) Retain it for official use or upon application by any law
12 enforcement agency of this state release the property to that agency
13 for the exclusive use of enforcing this chapter;

14 (b) Sell that which is not required to be destroyed by law and
15 which is not harmful to the public. The proceeds and all moneys
16 forfeited under this chapter shall be used for payment of all proper
17 expenses of the investigation leading to the seizure, including any
18 money delivered to the subject of the investigation by the law
19 enforcement agency, and of the proceedings for forfeiture and sale,
20 including expenses of seizure, maintenance of custody, advertising,
21 actual costs of the prosecuting or city attorney, and court costs.
22 Fifty percent of the money remaining after payment of these expenses
23 shall be deposited in the (~~public safety and education account~~
24 ~~established under RCW 43.08.250~~) state general fund and fifty percent
25 shall be deposited in the general fund of the state, county, or city of
26 the seizing law enforcement agency; or

27 (c) Request the appropriate sheriff or director of public safety to
28 take custody of the property and remove it for disposition in
29 accordance with law.

30 **Sec. 11.** RCW 10.82.090 and 2004 c 121 s 1 are each amended to read
31 as follows:

32 (1) Except as provided in subsection (2) of this section, financial
33 obligations imposed in a judgment shall bear interest from the date of
34 the judgment until payment, at the rate applicable to civil judgments.
35 All nonrestitution interest retained by the court shall be split
36 twenty-five percent to the state treasurer for deposit in the (~~public~~
37 ~~safety and education account as provided in RCW 43.08.250~~) state

1 general fund, twenty-five percent to the state treasurer for deposit in
2 the judicial information system account as provided in RCW 2.68.020,
3 twenty-five percent to the county current expense fund, and twenty-five
4 percent to the county current expense fund to fund local courts.

5 (2) The court may, on motion by the offender, following the
6 offender's release from total confinement, reduce or waive the interest
7 on legal financial obligations levied as a result of a criminal
8 conviction. The court may reduce or waive the interest only as an
9 incentive for the offender to meet his or her legal financial
10 obligations. The court may not waive the interest on the restitution
11 portion of the legal financial obligation and may only reduce the
12 interest on the restitution portion of the legal financial obligation
13 if the principal of the restitution has been paid in full. The
14 offender must show that he or she has personally made a good faith
15 effort to pay, that the interest accrual is causing a significant
16 hardship, and that he or she will be unable to pay the principal and
17 interest in full and that reduction or waiver of the interest will
18 likely enable the offender to pay the full principal and any remaining
19 interest thereon. For purposes of this section, "good faith effort"
20 means that the offender has either (a) paid the principal amount in
21 full; or (b) made twenty-four consecutive monthly payments, excluding
22 any payments mandatorily deducted by the department of corrections, on
23 his or her legal financial obligations under his or her payment
24 agreement with the court. The court may grant the motion, establish a
25 payment schedule, and retain jurisdiction over the offender for
26 purposes of reviewing and revising the reduction or waiver of interest.
27 This section applies to persons convicted as adults or in juvenile
28 court.

29 **Sec. 12.** RCW 10.105.010 and 1993 c 288 s 2 are each amended to
30 read as follows:

31 (1) The following are subject to seizure and forfeiture and no
32 property right exists in them: All personal property, including, but
33 not limited to, any item, object, tool, substance, device, weapon,
34 machine, vehicle of any kind, money, security, or negotiable
35 instrument, which has been or was actually employed as an
36 instrumentality in the commission of, or in aiding or abetting in the
37 commission of any felony, or which was furnished or was intended to be

1 furnished by any person in the commission of, as a result of, or as
2 compensation for the commission of, any felony, or which was acquired
3 in whole or in part with proceeds traceable to the commission of a
4 felony. No property may be forfeited under this section until after
5 there has been a superior court conviction of the owner of the property
6 for the felony in connection with which the property was employed,
7 furnished, or acquired.

8 A forfeiture of property encumbered by a bona fide security
9 interest is subject to the interest of the secured party if at the time
10 the security interest was created, the secured party neither had
11 knowledge of nor consented to the commission of the felony.

12 (2) Personal property subject to forfeiture under this chapter may
13 be seized by any law enforcement officer of this state upon process
14 issued by any superior court having jurisdiction over the property.
15 Seizure of personal property without process may be made if:

16 (a) The seizure is incident to an arrest or a search under a search
17 warrant;

18 (b) The property subject to seizure has been the subject of a prior
19 judgment in favor of the state in a criminal injunction or forfeiture
20 proceeding;

21 (c) A law enforcement officer has probable cause to believe that
22 the property is directly dangerous to health or safety; or

23 (d) The law enforcement officer has probable cause to believe that
24 the property was used or is intended to be used in the commission of a
25 felony.

26 (3) In the event of seizure pursuant to this section, proceedings
27 for forfeiture shall be deemed commenced by the seizure. The law
28 enforcement agency under whose authority the seizure was made shall
29 cause notice to be served within fifteen days following the seizure on
30 the owner of the property seized and the person in charge thereof and
31 any person having any known right or interest therein, including any
32 community property interest, of the seizure and intended forfeiture of
33 the seized property. The notice of seizure may be served by any method
34 authorized by law or court rule including but not limited to service by
35 certified mail with return receipt requested. Service by mail shall be
36 deemed complete upon mailing within the fifteen day period following
37 the seizure. Notice of seizure in the case of property subject to a
38 security interest that has been perfected by filing a financing

1 statement in accordance with chapter (~~62A.9~~) 62A.9A RCW, or a
2 certificate of title shall be made by service upon the secured party or
3 the secured party's assignee at the address shown on the financing
4 statement or the certificate of title.

5 (4) If no person notifies the seizing law enforcement agency in
6 writing of the person's claim of ownership or right to possession of
7 items specified in subsection (1) of this section within forty-five
8 days of the seizure, the item seized shall be deemed forfeited.

9 (5) If a person notifies the seizing law enforcement agency in
10 writing of the person's claim of ownership or right to possession of
11 the seized property within forty-five days of the seizure, the law
12 enforcement agency shall give the person or persons a reasonable
13 opportunity to be heard as to the claim or right. The hearing shall be
14 before the chief law enforcement officer of the seizing agency or the
15 chief law enforcement officer's designee, except where the seizing
16 agency is a state agency as defined in RCW 34.12.020(4), the hearing
17 shall be before the chief law enforcement officer of the seizing agency
18 or an administrative law judge appointed under chapter 34.12 RCW,
19 except that any person asserting a claim or right may remove the matter
20 to a court of competent jurisdiction. Removal may only be accomplished
21 according to the rules of civil procedure. The person seeking removal
22 of the matter must serve process against the state, county, political
23 subdivision, or municipality that operates the seizing agency, and any
24 other party of interest, in accordance with RCW 4.28.080 or 4.92.020,
25 within forty-five days after the person seeking removal has notified
26 the seizing law enforcement agency of the person's claim of ownership
27 or right to possession. The court to which the matter is to be removed
28 shall be the district court when the aggregate value of the property is
29 within the jurisdictional limit set forth in RCW 3.66.020. A hearing
30 before the seizing agency and any appeal therefrom shall be under Title
31 34 RCW. In a court hearing between two or more claimants to the
32 property involved, the prevailing party shall be entitled to a judgment
33 for costs and reasonable attorney's fees. The burden of producing
34 evidence shall be upon the person claiming to be the lawful owner or
35 the person claiming to have the lawful right to possession of the
36 property. The seizing law enforcement agency shall promptly return the
37 property to the claimant upon a determination by the administrative law

1 judge or court that the claimant is the present lawful owner or is
2 lawfully entitled to possession of the property.

3 (6) When property is forfeited under this chapter, after satisfying
4 any court-ordered victim restitution, the seizing law enforcement
5 agency may:

6 (a) Retain it for official use or upon application by any law
7 enforcement agency of this state release such property to such agency
8 for the exclusive use of enforcing the criminal law;

9 (b) Sell that which is not required to be destroyed by law and
10 which is not harmful to the public.

11 (7) By January 31st of each year, each seizing agency shall remit
12 to the state treasurer an amount equal to ten percent of the net
13 proceeds of any property forfeited during the preceding calendar year.
14 Money remitted shall be deposited in the (~~public safety and education~~
15 ~~account~~) state general fund.

16 (a) The net proceeds of forfeited property is the value of the
17 forfeitable interest in the property after deducting the cost of
18 satisfying any bona fide security interest to which the property is
19 subject at the time of seizure; and in the case of sold property, after
20 deducting the cost of sale, including reasonable fees or commissions
21 paid to independent selling agents.

22 (b) The value of sold forfeited property is the sale price. The
23 value of retained forfeited property is the fair market value of the
24 property at the time of seizure, determined when possible by reference
25 to an applicable commonly used index, such as the index used by the
26 department of licensing for valuation of motor vehicles. A seizing
27 agency may use, but need not use, an independent qualified appraiser to
28 determine the value of retained property. If an appraiser is used, the
29 value of the property appraised is net of the cost of the appraisal.
30 The value of destroyed property and retained firearms or illegal
31 property is zero.

32 (c) Retained property and net proceeds not required to be paid to
33 the state treasurer, or otherwise required to be spent under this
34 section, shall be retained by the seizing law enforcement agency
35 exclusively for the expansion and improvement of law enforcement
36 activity. Money retained under this section may not be used to
37 supplant preexisting funding sources.

1 **Sec. 13.** RCW 28A.150.380 and 2001 c 3 s 10 are each amended to
2 read as follows:

3 (1) The state legislature shall, at each regular session in an odd-
4 numbered year, appropriate from the state general fund for the current
5 use of the common schools such amounts as needed for state support to
6 the common schools during the ensuing biennium as provided in this
7 chapter, RCW 28A.160.150 through 28A.160.210, 28A.300.170, and
8 28A.500.010.

9 (2) The state legislature shall also, at each regular session in an
10 odd-numbered year, appropriate from the ((~~student achievement fund~~
11 ~~and~~)) education construction fund solely for the purposes of and in
12 accordance with the provisions of the student achievement act during
13 the ensuing biennium.

14 **Sec. 14.** RCW 28A.505.210 and 2005 c 497 s 105 are each amended to
15 read as follows:

16 School districts shall have the authority to decide the best use of
17 ((~~student achievement~~)) funds distributed under RCW 28A.505.220 to
18 assist students in meeting and exceeding the new, higher academic
19 standards in each district consistent with the provisions of chapter 3,
20 Laws of 2001.

21 (1) ((~~Student achievement~~)) Funds shall be allocated for the
22 following uses:

23 (a) To reduce class size by hiring certificated elementary
24 classroom teachers in grades K-4 and paying nonemployee-related costs
25 associated with those new teachers;

26 (b) To make selected reductions in class size in grades 5-12, such
27 as small high school writing classes;

28 (c) To provide extended learning opportunities to improve student
29 academic achievement in grades K-12, including, but not limited to,
30 extended school year, extended school day, before-and-after-school
31 programs, special tutoring programs, weekend school programs, summer
32 school, and all-day kindergarten;

33 (d) To provide additional professional development for educators,
34 including additional paid time for curriculum and lesson redesign and
35 alignment, training to ensure that instruction is aligned with state
36 standards and student needs, reimbursement for higher education costs
37 related to enhancing teaching skills and knowledge, and mentoring

1 programs to match teachers with skilled, master teachers. The funding
2 shall not be used for salary increases or additional compensation for
3 existing teaching duties, but may be used for extended year and
4 extended day teaching contracts;

5 (e) To provide early assistance for children who need
6 prekindergarten support in order to be successful in school;

7 (f) To provide improvements or additions to school building
8 facilities which are directly related to the class size reductions and
9 extended learning opportunities under (a) through (c) of this
10 subsection.

11 (2) Annually on or before May 1st, the school district board of
12 directors shall meet at the time and place designated for the purpose
13 of a public hearing on the proposed use of these funds to improve
14 student achievement for the coming year. Any person may appear or by
15 written submission have the opportunity to comment on the proposed plan
16 for the use of these funds. No later than August 31st, as a part of
17 the process under RCW 28A.505.060, each school district shall adopt a
18 plan for the use of these funds for the upcoming school year.
19 Annually, each school district shall provide to the citizens of their
20 district a public accounting of the funds made available to the
21 district during the previous school year under chapter 3, Laws of 2001,
22 how the funds were used, and the progress the district has made in
23 increasing student achievement, as measured by required state
24 assessments and other assessments deemed appropriate by the district.
25 Copies of this report shall be provided to the superintendent of public
26 instruction.

27 **Sec. 15.** RCW 28A.505.220 and 2008 c 170 s 401 are each amended to
28 read as follows:

29 (1) Total distributions from the (~~student achievement~~) general
30 fund to each school district shall be based upon the average number of
31 full-time equivalent students in the school district during the
32 previous school year as reported to the office of the superintendent of
33 public instruction by August 31st of the previous school year. The
34 superintendent of public instruction shall ensure that moneys generated
35 by skill center students are returned to skill centers.

36 (2) The allocation rate per full-time equivalent student shall be
37 three hundred dollars in the 2005-06 school year, three hundred

1 seventy-five dollars in the 2006-07 school year, and four hundred fifty
2 dollars in the 2007-08 school year. For each subsequent school year,
3 the amount allocated per full-time equivalent student shall be adjusted
4 for inflation as defined in RCW 43.135.025(8). These allocations per
5 full-time equivalent student (~~((from the student achievement fund))~~)
6 shall be supported from the (~~((following sources:~~

7 ~~(a) Distributions from state property tax proceeds deposited into~~
8 ~~the student achievement fund under RCW 84.52.068; and~~

9 ~~(b) Distributions from the education legacy trust account created~~
10 ~~in RCW 83.100.230.~~

11 ~~(3) Any funds deposited in the student achievement fund under RCW~~
12 ~~43.135.045 shall be allocated to school districts on a one-time basis~~
13 ~~using a rate per full-time equivalent student. These funds are~~
14 ~~provided in addition to any amounts allocated in subsection (2) of this~~
15 ~~section)) general fund.~~

16 ~~((+4))~~ (3) The school district annual amounts as defined in
17 subsection (2) of this section shall be distributed on the monthly
18 apportionment schedule as defined in RCW 28A.510.250.

19 **Sec. 16.** RCW 35.20.220 and 2004 c 15 s 9 are each amended to read
20 as follows:

21 (1) The chief clerk, under the supervision and direction of the
22 court administrator of the municipal court, shall have the custody and
23 care of the books, papers and records of (~~(said))~~ the court(~~(+he))~~.
24 The chief clerk or a deputy shall be present (~~(by himself or deputy))~~
25 during the session of (~~(said))~~ the court(~~(+)~~) and (~~(shall have))~~ has
26 the power to swear all witnesses and jurors, (~~(and))~~ administer oaths
27 and affidavits, and take acknowledgments. (~~(He))~~ The chief clerk shall
28 keep the records of (~~(said))~~ the court(~~(+)~~) and shall issue all process
29 under his or her hand and the seal of (~~(said))~~ the court(~~(+and))~~. The
30 chief clerk shall do and perform all things and have the same powers
31 pertaining to (~~(his))~~ the office as the clerks of the superior courts
32 have in their office. He or she shall receive all fines, penalties,
33 and fees of every kind(~~(+)~~) and keep a full, accurate, and detailed
34 account of the same(~~(+and))~~. The chief clerk shall on each day pay
35 into the city treasury all money received for (~~(said))~~ the city during
36 the day previous, with a detailed account of the same, and taking the
37 treasurer's receipt therefor.

1 (2) Except as provided in RCW 10.99.080, the city treasurer shall
2 remit monthly thirty-two percent of the noninterest money received
3 under this section, other than for parking infractions and certain
4 costs to the state treasurer. "Certain costs" as used in this
5 subsection, means those costs awarded to prevailing parties in civil
6 actions under RCW 4.84.010 or 36.18.040, or those costs awarded against
7 convicted defendants in criminal actions under RCW 10.01.160,
8 10.46.190, or 36.18.040, or other similar statutes if such costs are
9 specifically designated as costs by the court and are awarded for the
10 specific reimbursement of costs incurred by the state, county, city, or
11 town in the prosecution of the case, including the fees of defense
12 counsel. Money remitted under this subsection to the state treasurer
13 shall be deposited (~~as provided in RCW 43.08.250~~) in the state
14 general fund.

15 (3) The balance of the noninterest money received under this
16 section shall be retained by the city and deposited as provided by law.

17 (4) Penalties, fines, bail forfeitures, fees, and costs may accrue
18 interest at the rate of twelve percent per annum, upon assignment to a
19 collection agency. Interest may accrue only while the case is in
20 collection status.

21 (5) Interest retained by the court on penalties, fines, bail
22 forfeitures, fees, and costs shall be split twenty-five percent to the
23 state treasurer for deposit in the (~~public safety and education~~
24 ~~account as provided in RCW 43.08.250~~) state general fund, twenty-five
25 percent to the state treasurer for deposit in the judicial information
26 system account as provided in RCW 2.68.020, twenty-five percent to the
27 city general fund, and twenty-five percent to the city general fund to
28 fund local courts.

29 **Sec. 17.** RCW 36.18.012 and 2006 c 192 s 1 are each amended to read
30 as follows:

31 (1) Revenue collected under this section is subject to division
32 with the state (~~for deposit in the public safety and education account~~
33 ~~under RCW 36.18.025~~).

34 (2) The party filing a transcript or abstract of judgment or
35 verdict from a United States court held in this state, or from the
36 superior court of another county or from a district court in the county
37 of issuance, shall pay at the time of filing a fee of twenty dollars.

1 (3) The clerk shall collect a fee of twenty dollars for: Filing a
2 paper not related to or a part of a proceeding, civil or criminal, or
3 a probate matter, required or permitted to be filed in the clerk's
4 office for which no other charge is provided by law.

5 (4) If the defendant serves or files an answer to an unlawful
6 detainer complaint under chapter 59.18 or 59.20 RCW, the plaintiff
7 shall pay before proceeding with the unlawful detainer action one
8 hundred twelve dollars.

9 (5) Any party filing a counterclaim, cross-claim, or third-party
10 claim in an unlawful detainer action under chapter 59.18 or 59.20 RCW
11 shall pay the equivalent to the total filing fee of an unlawful
12 detainer action pursuant to RCW 36.18.020, including the fee for an
13 unlawful detainer answer pursuant to subsection (4) of this section.

14 (6) For a restrictive covenant for filing a petition to strike
15 discriminatory provisions in real estate under RCW 49.60.227 a fee of
16 twenty dollars must be charged.

17 (7) A fee of twenty dollars must be charged for filing a will only,
18 when no probate of the will is contemplated.

19 (8) A fee of twenty dollars must be charged for filing a petition,
20 written agreement, or written memorandum in a nonjudicial probate
21 dispute under RCW 11.96A.220, if it is filed within an existing case in
22 the same court.

23 (9) A fee of thirty-five dollars must be charged for filing a
24 petition regarding a common law lien under RCW 60.70.060.

25 (10) For the filing of a tax warrant for unpaid taxes or
26 overpayment of benefits by any agency of the state of Washington, a fee
27 of five dollars on or after July 22, 2001, and for the filing of such
28 a tax warrant or overpayment of benefits on or after July 1, 2003, a
29 fee of twenty dollars, of which forty-six percent of the first five
30 dollars is directed to the (~~public safety and education account~~
31 ~~established under RCW 43.08.250~~) state general fund.

32 **Sec. 18.** RCW 36.18.020 and 2005 c 457 s 19 and 2005 c 374 s 5 are
33 each reenacted and amended to read as follows:

34 (1) Revenue collected under this section is subject to division
35 with the state (~~public safety and education account~~) under RCW
36 36.18.025 and with the county or regional law library fund under RCW
37 27.24.070.

1 (2) Clerks of superior courts shall collect the following fees for
2 their official services:

3 (a) In addition to any other fee required by law, the party filing
4 the first or initial paper in any civil action, including, but not
5 limited to an action for restitution, adoption, or change of name, and
6 any party filing a counterclaim, cross-claim, or third-party claim in
7 any such civil action, shall pay, at the time the paper is filed, a fee
8 of two hundred dollars except, in an unlawful detainer action under
9 chapter 59.18 or 59.20 RCW for which the plaintiff shall pay a case
10 initiating filing fee of forty-five dollars, or in proceedings filed
11 under RCW 28A.225.030 alleging a violation of the compulsory attendance
12 laws where the petitioner shall not pay a filing fee. The forty-five
13 dollar filing fee under this subsection for an unlawful detainer action
14 shall not include an order to show cause or any other order or judgment
15 except a default order or default judgment in an unlawful detainer
16 action.

17 (b) Any party, except a defendant in a criminal case, filing the
18 first or initial paper on an appeal from a court of limited
19 jurisdiction or any party on any civil appeal, shall pay, when the
20 paper is filed, a fee of two hundred dollars.

21 (c) For filing of a petition for judicial review as required under
22 RCW 34.05.514 a filing fee of two hundred dollars.

23 (d) For filing of a petition for unlawful harassment under RCW
24 10.14.040 a filing fee of fifty-three dollars.

25 (e) For filing the notice of debt due for the compensation of a
26 crime victim under RCW 7.68.120(2)(a) a fee of two hundred dollars.

27 (f) In probate proceedings, the party instituting such proceedings,
28 shall pay at the time of filing the first paper therein, a fee of two
29 hundred dollars.

30 (g) For filing any petition to contest a will admitted to probate
31 or a petition to admit a will which has been rejected, or a petition
32 objecting to a written agreement or memorandum as provided in RCW
33 11.96A.220, there shall be paid a fee of two hundred dollars.

34 (h) Upon conviction or plea of guilty, upon failure to prosecute an
35 appeal from a court of limited jurisdiction as provided by law, or upon
36 affirmance of a conviction by a court of limited jurisdiction, a
37 defendant in a criminal case shall be liable for a fee of two hundred
38 dollars.

1 (i) With the exception of demands for jury hereafter made and
2 garnishments hereafter issued, civil actions and probate proceedings
3 filed prior to midnight, July 1, 1972, shall be completed and governed
4 by the fee schedule in effect as of January 1, 1972: PROVIDED, That no
5 fee shall be assessed if an order of dismissal on the clerk's record be
6 filed as provided by rule of the supreme court.

7 (3) No fee shall be collected when a petition for relinquishment of
8 parental rights is filed pursuant to RCW 26.33.080 or for forms and
9 instructional brochures provided under RCW 26.50.030.

10 **Sec. 19.** RCW 36.18.025 and 2001 c 146 s 3 are each amended to read
11 as follows:

12 Forty-six percent of the money received from filing fees paid
13 pursuant to RCW 36.18.020, except those collected for the filing of
14 warrants for unpaid taxes or overpayments by state agencies as outlined
15 in RCW 36.18.012(10), shall be transmitted by the county treasurer each
16 month to the state treasurer for deposit in the (~~(public safety and~~
17 ~~education account established under RCW 43.08.250)) state general fund.~~

18 **Sec. 20.** RCW 36.70A.130 and 2006 c 285 s 2 are each amended to
19 read as follows:

20 (1)(a) Each comprehensive land use plan and development regulations
21 shall be subject to continuing review and evaluation by the county or
22 city that adopted them. Except as otherwise provided, a county or city
23 shall take legislative action to review and, if needed, revise its
24 comprehensive land use plan and development regulations to ensure the
25 plan and regulations comply with the requirements of this chapter
26 according to the time periods specified in subsection (4) of this
27 section.

28 (b) Except as otherwise provided, a county or city not planning
29 under RCW 36.70A.040 shall take action to review and, if needed, revise
30 its policies and development regulations regarding critical areas and
31 natural resource lands adopted according to this chapter to ensure
32 these policies and regulations comply with the requirements of this
33 chapter according to the time periods specified in subsection (4) of
34 this section. Legislative action means the adoption of a resolution or
35 ordinance following notice and a public hearing indicating at a

1 minimum, a finding that a review and evaluation has occurred and
2 identifying the revisions made, or that a revision was not needed and
3 the reasons therefor.

4 (c) The review and evaluation required by this subsection may be
5 combined with the review required by subsection (3) of this section.
6 The review and evaluation required by this subsection shall include,
7 but is not limited to, consideration of critical area ordinances and,
8 if planning under RCW 36.70A.040, an analysis of the population
9 allocated to a city or county from the most recent ten-year population
10 forecast by the office of financial management.

11 (d) Any amendment of or revision to a comprehensive land use plan
12 shall conform to this chapter. Any amendment of or revision to
13 development regulations shall be consistent with and implement the
14 comprehensive plan.

15 (2)(a) Each county and city shall establish and broadly disseminate
16 to the public a public participation program consistent with RCW
17 36.70A.035 and 36.70A.140 that identifies procedures and schedules
18 whereby updates, proposed amendments, or revisions of the comprehensive
19 plan are considered by the governing body of the county or city no more
20 frequently than once every year. "Updates" means to review and revise,
21 if needed, according to subsection (1) of this section, and the time
22 periods specified in subsection (4) of this section or in accordance
23 with the provisions of subsections (5) and (8) of this section.
24 Amendments may be considered more frequently than once per year under
25 the following circumstances:

26 (i) The initial adoption of a subarea plan that does not modify the
27 comprehensive plan policies and designations applicable to the subarea;

28 (ii) The adoption or amendment of a shoreline master program under
29 the procedures set forth in chapter 90.58 RCW;

30 (iii) The amendment of the capital facilities element of a
31 comprehensive plan that occurs concurrently with the adoption or
32 amendment of a county or city budget;

33 (iv) Until June 30, 2006, the designation of recreational lands
34 under RCW 36.70A.1701. A county amending its comprehensive plan
35 pursuant to this subsection (2)(a)(iv) may not do so more frequently
36 than every eighteen months; and

37 (v) The adoption of comprehensive plan amendments necessary to
38 enact a planned action under RCW 43.21C.031(2), provided that

1 amendments are considered in accordance with the public participation
2 program established by the county or city under this subsection (2)(a)
3 and all persons who have requested notice of a comprehensive plan
4 update are given notice of the amendments and an opportunity to
5 comment.

6 (b) Except as otherwise provided in (a) of this subsection, all
7 proposals shall be considered by the governing body concurrently so the
8 cumulative effect of the various proposals can be ascertained.
9 However, after appropriate public participation a county or city may
10 adopt amendments or revisions to its comprehensive plan that conform
11 with this chapter whenever an emergency exists or to resolve an appeal
12 of a comprehensive plan filed with a growth management hearings board
13 or with the court.

14 (3)(a) Each county that designates urban growth areas under RCW
15 36.70A.110 shall review, at least every ten years, its designated urban
16 growth area or areas, and the densities permitted within both the
17 incorporated and unincorporated portions of each urban growth area. In
18 conjunction with this review by the county, each city located within an
19 urban growth area shall review the densities permitted within its
20 boundaries, and the extent to which the urban growth occurring within
21 the county has located within each city and the unincorporated portions
22 of the urban growth areas.

23 (b) The county comprehensive plan designating urban growth areas,
24 and the densities permitted in the urban growth areas by the
25 comprehensive plans of the county and each city located within the
26 urban growth areas, shall be revised to accommodate the urban growth
27 projected to occur in the county for the succeeding twenty-year period.
28 The review required by this subsection may be combined with the review
29 and evaluation required by RCW 36.70A.215.

30 (4) The department shall establish a schedule for counties and
31 cities to take action to review and, if needed, revise their
32 comprehensive plans and development regulations to ensure the plan and
33 regulations comply with the requirements of this chapter. Except as
34 provided in subsections (5) and (8) of this section, the schedule
35 established by the department shall provide for the reviews and
36 evaluations to be completed as follows:

37 (a) On or before December 1, 2004, and every seven years

1 thereafter, for Clallam, Clark, Jefferson, King, Kitsap, Pierce,
2 Snohomish, Thurston, and Whatcom counties and the cities within those
3 counties;

4 (b) On or before December 1, 2005, and every seven years
5 thereafter, for Cowlitz, Island, Lewis, Mason, San Juan, Skagit, and
6 Skamania counties and the cities within those counties;

7 (c) On or before December 1, 2006, and every seven years
8 thereafter, for Benton, Chelan, Douglas, Grant, Kittitas, Spokane, and
9 Yakima counties and the cities within those counties; and

10 (d) On or before December 1, 2007, and every seven years
11 thereafter, for Adams, Asotin, Columbia, Ferry, Franklin, Garfield,
12 Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille,
13 Stevens, Wahkiakum, Walla Walla, and Whitman counties and the cities
14 within those counties.

15 (5)(a) Nothing in this section precludes a county or city from
16 conducting the review and evaluation required by this section before
17 the time limits established in subsection (4) of this section.
18 Counties and cities may begin this process early and may be eligible
19 for grants from the department, subject to available funding, if they
20 elect to do so.

21 (b) A county that is subject to a schedule established by the
22 department under subsection (4)(b) through (d) of this section and
23 meets the following criteria may comply with the requirements of this
24 section at any time within the thirty-six months following the date
25 established in the applicable schedule: The county has a population of
26 less than fifty thousand and has had its population increase by no more
27 than seventeen percent in the ten years preceding the date established
28 in the applicable schedule as of that date.

29 (c) A city that is subject to a schedule established by the
30 department under subsection (4)(b) through (d) of this section and
31 meets the following criteria may comply with the requirements of this
32 section at any time within the thirty-six months following the date
33 established in the applicable schedule: The city has a population of
34 no more than five thousand and has had its population increase by the
35 greater of either no more than one hundred persons or no more than
36 seventeen percent in the ten years preceding the date established in
37 the applicable schedule as of that date.

1 (d) State agencies are encouraged to provide technical assistance
2 to the counties and cities in the review of critical area ordinances,
3 comprehensive plans, and development regulations.

4 (6) A county or city subject to the time periods in subsection
5 (4)(a) of this section that, pursuant to an ordinance adopted by the
6 county or city establishing a schedule for periodic review of its
7 comprehensive plan and development regulations, has conducted a review
8 and evaluation of its comprehensive plan and development regulations
9 and, on or after January 1, 2001, has taken action in response to that
10 review and evaluation shall be deemed to have conducted the first
11 review required by subsection (4)(a) of this section. Subsequent
12 review and evaluation by the county or city of its comprehensive plan
13 and development regulations shall be conducted in accordance with the
14 time periods established under subsection (4)(a) of this section.

15 (7) The requirements imposed on counties and cities under this
16 section shall be considered "requirements of this chapter" under the
17 terms of RCW 36.70A.040(1). Only those counties and cities: (a)
18 Complying with the schedules in this section; (b) demonstrating
19 substantial progress towards compliance with the schedules in this
20 section for development regulations that protect critical areas; or (c)
21 complying with the extension provisions of subsection (5)(b) or (c) of
22 this section may receive grants, loans, pledges, or financial
23 guarantees from ~~((those accounts))~~ the account established in RCW
24 43.155.050 ~~((and 70.146.030))~~. A county or city that is fewer than
25 twelve months out of compliance with the schedules in this section for
26 development regulations that protect critical areas is making
27 substantial progress towards compliance. Only those counties and
28 cities in compliance with the schedules in this section may receive
29 preference for grants or loans subject to the provisions of RCW
30 43.17.250.

31 (8) Except as provided in subsection (5)(b) and (c) of this
32 section:

33 (a) Counties and cities required to satisfy the requirements of
34 this section according to the schedule established by subsection (4)(b)
35 through (d) of this section may comply with the requirements of this
36 section for development regulations that protect critical areas one
37 year after the dates established in subsection (4)(b) through (d) of
38 this section;

1 (b) Counties and cities complying with the requirements of this
2 section one year after the dates established in subsection (4)(b)
3 through (d) of this section for development regulations that protect
4 critical areas shall be deemed in compliance with the requirements of
5 this section; and

6 (c) This subsection (8) applies only to the counties and cities
7 specified in subsection (4)(b) through (d) of this section, and only to
8 the requirements of this section for development regulations that
9 protect critical areas that must be satisfied by December 1, 2005,
10 December 1, 2006, and December 1, 2007.

11 (9) Notwithstanding subsection (8) of this section and the
12 substantial progress provisions of subsections (7) and (10) of this
13 section, only those counties and cities complying with the schedule in
14 subsection (4) of this section, or the extension provisions of
15 subsection (5)(b) or (c) of this section, may receive preferences for
16 grants, loans, pledges, or financial guarantees from ~~((those accounts))~~
17 the account established in RCW 43.155.050 ~~((and 70.146.030))~~.

18 (10) Until December 1, 2005, and notwithstanding subsection (7) of
19 this section, a county or city subject to the time periods in
20 subsection (4)(a) of this section demonstrating substantial progress
21 towards compliance with the schedules in this section for its
22 comprehensive land use plan and development regulations may receive
23 grants, loans, pledges, or financial guarantees from ~~((those accounts))~~
24 the account established in RCW 43.155.050 ~~((and 70.146.030))~~. A county
25 or city that is fewer than twelve months out of compliance with the
26 schedules in this section for its comprehensive land use plan and
27 development regulations is deemed to be making substantial progress
28 towards compliance.

29 **Sec. 21.** RCW 39.42.070 and 2007 c 215 s 2 are each amended to read
30 as follows:

31 (1) On or after the effective date of this act, the treasurer shall
32 compute general state revenues for the three fiscal years immediately
33 preceding such date and shall determine the arithmetic mean thereof.
34 As soon as is practicable after the close of each fiscal year
35 thereafter, he or she shall do likewise. In determining the amount of
36 general state revenues, the treasurer shall include all state money
37 received in the treasury from each and every source whatsoever except:

1 (a) Fees and revenues derived from the ownership or operation of any
2 undertaking, facility or project; (b) moneys received as gifts, grants,
3 donations, aid or assistance or otherwise from the United States or any
4 department, bureau or corporation thereof, or any person, firm or
5 corporation, public or private, when the terms and conditions of such
6 gift, grant, donation, aid or assistance require the application and
7 disbursement of such moneys otherwise than for the general purposes of
8 the state of Washington; (c) moneys to be paid into and received from
9 retirement system funds, and performance bonds and deposits; (d) moneys
10 to be paid into and received from trust funds including but not limited
11 to moneys received from taxes levied for specific purposes and the
12 several permanent funds of the state and the moneys derived therefrom
13 but excluding bond redemption funds; (e) proceeds received from the
14 sale of bonds or other evidences of indebtedness. Upon computing
15 general state revenues, the treasurer shall make and file in the office
16 of the secretary of state, a certificate containing the results of such
17 computations. Copies of said certificate shall be sent to each elected
18 official of the state and each member of the legislature. The
19 treasurer shall, at the same time, advise each elected official and
20 each member of the legislature of the current available debt capacity
21 of the state, and may make estimated projections for one or more years
22 concerning debt capacity.

23 (2) For purposes of this chapter, general state revenues shall also
24 include revenues that are deposited in the general fund under RCW
25 82.45.180(2), lottery revenues as provided in RCW 67.70.240(3),
26 revenues paid into the general fund under RCW 84.52.067(~~(, and revenues~~
27 ~~deposited into the student achievement fund and distributed to school~~
28 ~~districts as provided in RCW 84.52.068))~~).

29 **Sec. 22.** RCW 41.05.068 and 2005 c 195 s 2 are each amended to read
30 as follows:

31 The authority may participate as an employer-sponsored program
32 established in section 1860D-22 of the medicare prescription drug,
33 improvement, and modernization act of 2003, P.L. 108-173 et seq., to
34 receive federal employer subsidy funds for continuing to provide
35 retired employee health coverage, including a pharmacy benefit. The
36 administrator, in consultation with the office of financial management,
37 shall evaluate participation in the employer incentive program,

1 including but not limited to any necessary program changes to meet the
2 eligibility requirements that employer-sponsored retiree health
3 coverage provide prescription drug coverage at least equal to the
4 actuarial value of standard prescription drug coverage under medicare
5 part D. Any employer subsidy moneys received from participation in the
6 federal employer incentive program shall be deposited in the ((health
7 ~~services account established in RCW 43.72.900~~) state general fund.

8 NEW SECTION. **Sec. 23.** The following acts or parts of acts are
9 each repealed:

10 (1) RCW 41.45.230 (Pension funding stabilization account--Creation)
11 and 2008 c 329 s 910 & 2006 c 56 s 1; and

12 (2) RCW 41.45.233 (Pension funding stabilization account--State
13 investment board) and 2006 c 56 s 2.

14 **Sec. 24.** RCW 43.08.250 and 2008 c 329 s 913 are each amended to
15 read as follows:

16 (1) The money received by the state treasurer from fees, fines,
17 forfeitures, penalties, reimbursements or assessments by any court
18 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be
19 deposited in the ((~~public safety and education account which is hereby
20 created in the state treasury. The legislature shall appropriate the
21 funds in the account to promote traffic safety education, highway
22 safety, criminal justice training, crime victims' compensation,
23 judicial education, the judicial information system, civil
24 representation of indigent persons under RCW 2.53.030, winter
25 recreation parking, drug court operations, and state game programs.
26 Through the fiscal biennium ending June 30, 2009, the legislature may
27 appropriate moneys from the public safety and education account for
28 purposes of appellate indigent defense and other operations of the
29 office of public defense, the criminal litigation unit of the attorney
30 general's office, the treatment alternatives to street crimes program,
31 crime victims advocacy programs, justice information network
32 telecommunication planning, treatment for supplemental security income
33 clients, sexual assault treatment, operations of the administrative
34 office of the courts, security in the common schools, alternative
35 school start up grants, programs for disruptive students, criminal
36 justice data collection, Washington state patrol criminal justice~~

1 activities, drug court operations, unified family courts, local court
2 backlog assistance, financial assistance to local jurisdictions for
3 extraordinary costs incurred in the adjudication of criminal cases,
4 domestic violence treatment and related services, the department of
5 corrections' costs in implementing chapter 196, Laws of 1999,
6 reimbursement of local governments for costs associated with
7 implementing criminal and civil justice legislation, the replacement of
8 the department of corrections' offender-based tracking system, secure
9 and semi-secure crisis residential centers, HOPE beds, the family
10 policy council and community public health and safety networks, the
11 street youth program, public notification about registered sex
12 offenders, and narcotics or methamphetamine-related enforcement,
13 education, training, and drug and alcohol treatment services. During
14 the 2007-2009 fiscal biennium, the legislature may transfer from the
15 public safety and education account to the state general fund such
16 amounts as to reflect the excess fund balance of the fund)) state
17 general fund.

18 (2)((~~(a) The equal justice subaccount is created as a subaccount of~~
19 ~~the public safety and education account.~~) The money received by the
20 state treasurer from the increase in fees imposed by sections 9, 10,
21 12, 13, 14, 17, and 19, chapter 457, Laws of 2005 shall be deposited in
22 the ((~~equal justice subaccount and shall be appropriated only for:~~

23 ~~(i) Criminal indigent defense assistance and enhancement at the~~
24 ~~trial court level, including a criminal indigent defense pilot program;~~

25 ~~(ii) Representation of parents in dependency and termination~~
26 ~~proceedings;~~

27 ~~(iii) Civil legal representation of indigent persons; and~~

28 ~~(iv) Contribution to district court judges' salaries and to~~
29 ~~eligible elected municipal court judges' salaries.~~

30 ~~(b) For the 2005-07 fiscal biennium, an amount equal to twenty five~~
31 ~~percent of revenues to the equal justice subaccount, less one million~~
32 ~~dollars, shall be appropriated from the equal justice subaccount to the~~
33 ~~administrator for the courts for purposes of (a)(iv) of this~~
34 ~~subsection. For the 2007-09 fiscal biennium and subsequent fiscal~~
35 ~~biennia, an amount equal to fifty percent of revenues to the equal~~
36 ~~justice subaccount shall be appropriated from the equal justice~~
37 ~~subaccount to the administrator for the courts for the purposes of~~
38 ~~(a)(iv) of this subsection)) state general fund.~~

1 **Sec. 25.** RCW 43.17.150 and 1986 c 246 s 1 are each amended to read
2 as follows:

3 (1) Each state agency is authorized to receive property or money
4 made available by the attorney general of the United States under
5 section 881(e) of Title 21 of the United States Code and, except as
6 required to the contrary under subsection (2) of this section, to use
7 the property or spend the money for such purposes as are permitted
8 under both federal law and the state law specifying the powers and
9 duties of the agency.

10 (2) Unless precluded by federal law, all funds received by a state
11 agency under section 881(e) of Title 21 of the United States Code shall
12 be promptly deposited into the (~~public safety and education account~~
13 ~~established in RCW 43.08.250~~) state general fund.

14 **Sec. 26.** RCW 43.41.260 and 1995 c 265 s 21 are each amended to
15 read as follows:

16 The health care authority, the office of financial management, and
17 the department of social and health services shall together monitor the
18 enrollee level in the basic health plan and the medicaid caseload of
19 children funded from the (~~health services account~~) state general
20 fund. The office of financial management shall adjust the funding
21 levels by interagency reimbursement of funds between the basic health
22 plan and medicaid and adjust the funding levels between the health care
23 authority and the medical assistance administration of the department
24 of social and health services to maximize combined enrollment.

25 **Sec. 27.** RCW 43.72.900 and 2005 c 518 s 930 are each amended to
26 read as follows:

27 (~~(1) The health services account is created in the state treasury.~~
28 ~~Moneys in the account may be spent only after appropriation. Subject~~
29 ~~to the transfers described in subsection (3) of this section, moneys in~~
30 ~~the account may be expended only for maintaining and expanding health~~
31 ~~services access for low income residents, maintaining and expanding the~~
32 ~~public health system, maintaining and improving the capacity of the~~
33 ~~health care system, containing health care costs, and the regulation,~~
34 ~~planning, and administering of the health care system.~~

35 (2)) Funds deposited into the (~~health services account~~) state

1 general fund under RCW 82.24.028 (~~and 82.26.028~~) shall be used solely
2 as follows:

3 ~~((a) Five million dollars for the state fiscal year beginning July
4 1, 2002, and five million dollars for the state fiscal year beginning
5 July 1, 2003, shall be appropriated by the legislature for programs
6 that effectively improve the health of low income persons, including
7 efforts to reduce diseases and illnesses that harm low income persons.
8 The department of health shall submit a report to the legislature on
9 March 1, 2002, evaluating the cost-effectiveness of programs that
10 improve the health of low income persons and address diseases and
11 illnesses that disproportionately affect low income persons, and making
12 recommendations to the legislature on which of these programs could
13 most effectively utilize the funds appropriated under this subsection.~~

14 ~~(b))~~ (1) Ten percent of the funds deposited into the ~~((health
15 services account))~~ state general fund under RCW 82.24.028 (~~and
16 82.26.028 remaining after the appropriation under (a) of this
17 subsection))~~ shall be transferred no less frequently than annually by
18 the treasurer to the tobacco prevention and control account established
19 by RCW 43.79.480. The funds transferred shall be used exclusively for
20 implementation of the Washington state tobacco prevention and control
21 plan and shall be used only to supplement, and not supplant, funds in
22 the tobacco prevention and control account as of January 1, 2001(~~(
23 however, these funds may be used to replace funds appropriated by the
24 legislature for further implementation of the Washington state tobacco
25 prevention and control plan for the biennium beginning July 1, 2001)~~).
26 For each state fiscal year beginning on and after July 1, 2002, the
27 legislature shall appropriate no less than twenty-six million two
28 hundred forty thousand dollars from the tobacco prevention and control
29 account for implementation of the Washington state tobacco prevention
30 and control plan.

31 ~~((c))~~ (2) Because of its demonstrated effectiveness in improving
32 the health of low-income persons and addressing illnesses and diseases
33 that harm low-income persons, the remainder of the funds deposited into
34 the ~~((health services account))~~ state general fund under RCW 82.24.028
35 (~~and 82.26.028~~) shall be appropriated solely for Washington basic
36 health plan enrollment as provided in chapter 70.47 RCW. Funds
37 appropriated under this subsection may be used to support outreach and

1 enrollment activities only to the extent necessary to achieve the
2 enrollment goals described in this section.

3 ~~((3) Prior to expenditure for the purposes described in subsection
4 (2) of this section, funds deposited into the health services account
5 under RCW 82.24.028 and 82.26.028 shall first be transferred to the
6 following accounts to ensure the continued availability of previously
7 dedicated revenues for certain existing programs:~~

8 ~~(a) To the violence reduction and drug enforcement account under
9 RCW 69.50.520, two million two hundred forty nine thousand five hundred
10 dollars for the state fiscal year beginning July 1, 2001, four million
11 two hundred forty eight thousand dollars for the state fiscal year
12 beginning July 1, 2002, seven million seven hundred eighty nine
13 thousand dollars for the biennium beginning July 1, 2003, six million
14 nine hundred thirty two thousand dollars for the biennium beginning
15 July 1, 2005, and six million nine hundred thirty two thousand dollars
16 for each biennium thereafter, as required by RCW 82.24.020(2);~~

17 ~~(b) To the health services account under this section, nine million
18 seventy seven thousand dollars for the state fiscal year beginning July
19 1, 2001, seventeen million one hundred eighty eight thousand dollars
20 for the state fiscal year beginning July 1, 2002, thirty one million
21 seven hundred fifty five thousand dollars for the biennium beginning
22 July 1, 2003, twenty eight million six hundred twenty two thousand
23 dollars for the biennium beginning July 1, 2005, and twenty eight
24 million six hundred twenty two thousand dollars for each biennium
25 thereafter, as required by RCW 82.24.020(3); and~~

26 ~~(c) To the water quality account under RCW 70.146.030, two million
27 two hundred three thousand five hundred dollars for the state fiscal
28 year beginning July 1, 2001, four million two hundred forty four
29 thousand dollars for the state fiscal year beginning July 1, 2002,
30 eight million one hundred eighty two thousand dollars for the biennium
31 beginning July 1, 2003, seven million eight hundred eighty five
32 thousand dollars for the biennium beginning July 1, 2005, and seven
33 million eight hundred eighty five thousand dollars for each biennium
34 thereafter, as required by RCW 82.24.027(2)(a).~~

35 ~~During the 2005-2007 fiscal biennium, the legislature may transfer
36 from the health services account such amounts as reflect the excess
37 fund balance of the account to the state general fund.)~~

1 **Sec. 28.** RCW 43.79.480 and 2005 c 424 s 12 are each amended to
2 read as follows:

3 (1) Moneys received by the state of Washington in accordance with
4 the settlement of the state's legal action against tobacco product
5 manufacturers, exclusive of costs and attorneys' fees, shall be
6 deposited in the tobacco settlement account created in this section
7 except as these moneys are sold or assigned under chapter 43.340 RCW.

8 (2) The tobacco settlement account is created in the state
9 treasury. Moneys in the tobacco settlement account may only be
10 transferred to the (~~health services account~~) state general fund for
11 the purposes set forth in RCW 43.72.900, and to the tobacco prevention
12 and control account for purposes set forth in this section. The
13 legislature shall transfer amounts received as strategic contribution
14 payments as defined in RCW 43.350.010 to the life sciences discovery
15 fund created in RCW 43.350.070.

16 (3) The tobacco prevention and control account is created in the
17 state treasury. The source of revenue for this account is moneys
18 transferred to the account from the tobacco settlement account,
19 investment earnings, donations to the account, and other revenues as
20 directed by law. Expenditures from the account are subject to
21 appropriation.

22 **Sec. 29.** RCW 43.84.092 and 2008 c 128 s 19 and 2008 c 106 s 4 are
23 each reenacted and amended to read as follows:

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

27 (2) The treasury income account shall be utilized to pay or receive
28 funds associated with federal programs as required by the federal cash
29 management improvement act of 1990. The treasury income account is
30 subject in all respects to chapter 43.88 RCW, but no appropriation is
31 required for refunds or allocations of interest earnings required by
32 the cash management improvement act. Refunds of interest to the
33 federal treasury required under the cash management improvement act
34 fall under RCW 43.88.180 and shall not require appropriation. The
35 office of financial management shall determine the amounts due to or
36 from the federal government pursuant to the cash management improvement
37 act. The office of financial management may direct transfers of funds

1 between accounts as deemed necessary to implement the provisions of the
2 cash management improvement act, and this subsection. Refunds or
3 allocations shall occur prior to the distributions of earnings set
4 forth in subsection (4) of this section.

5 (3) Except for the provisions of RCW 43.84.160, the treasury income
6 account may be utilized for the payment of purchased banking services
7 on behalf of treasury funds including, but not limited to, depository,
8 safekeeping, and disbursement functions for the state treasury and
9 affected state agencies. The treasury income account is subject in all
10 respects to chapter 43.88 RCW, but no appropriation is required for
11 payments to financial institutions. Payments shall occur prior to
12 distribution of earnings set forth in subsection (4) of this section.

13 (4) Monthly, the state treasurer shall distribute the earnings
14 credited to the treasury income account. The state treasurer shall
15 credit the general fund with all the earnings credited to the treasury
16 income account except:

17 The following accounts and funds shall receive their proportionate
18 share of earnings based upon each account's and fund's average daily
19 balance for the period: The aeronautics account, the aircraft search
20 and rescue account, the budget stabilization account, the capitol
21 building construction account, the Cedar River channel construction and
22 operation account, the Central Washington University capital projects
23 account, the charitable, educational, penal and reformatory
24 institutions account, the cleanup settlement account, the Columbia
25 river basin water supply development account, the common school
26 construction fund, the county arterial preservation account, the county
27 criminal justice assistance account, the county sales and use tax
28 equalization account, the data processing building construction
29 account, the deferred compensation administrative account, the deferred
30 compensation principal account, the department of licensing services
31 account, the department of retirement systems expense account, the
32 developmental disabilities community trust account, the drinking water
33 assistance account, the drinking water assistance administrative
34 account, the drinking water assistance repayment account, the Eastern
35 Washington University capital projects account, the education
36 construction fund, (~~the education legacy trust account,~~) the election
37 account, the energy freedom account, the essential rail assistance
38 account, The Evergreen State College capital projects account, the

1 federal forest revolving account, the ferry bond retirement fund, the
2 freight congestion relief account, the freight mobility investment
3 account, the freight mobility multimodal account, the grade crossing
4 protective fund, (~~the health services account,~~) the public health
5 services account, the health system capacity account, the personal
6 health services account, the high capacity transportation account, the
7 state higher education construction account, the higher education
8 construction account, the highway bond retirement fund, the highway
9 infrastructure account, the highway safety account, the high occupancy
10 toll lanes operations account, the industrial insurance premium refund
11 account, the judges' retirement account, the judicial retirement
12 administrative account, the judicial retirement principal account, the
13 local leasehold excise tax account, the local real estate excise tax
14 account, the local sales and use tax account, the medical aid account,
15 the mobile home park relocation fund, the motor vehicle fund, the
16 motorcycle safety education account, the multimodal transportation
17 account, the municipal criminal justice assistance account, the
18 municipal sales and use tax equalization account, the natural resources
19 deposit account, the oyster reserve land account, (~~the pension funding
20 stabilization account,~~) the perpetual surveillance and maintenance
21 account, the public employees' retirement system plan 1 account, the
22 public employees' retirement system combined plan 2 and plan 3 account,
23 the public facilities construction loan revolving account beginning
24 July 1, 2004, the public health supplemental account, the public
25 transportation systems account, the public works assistance account,
26 the Puget Sound capital construction account, the Puget Sound ferry
27 operations account, the Puyallup tribal settlement account, the real
28 estate appraiser commission account, the recreational vehicle account,
29 the regional mobility grant program account, the resource management
30 cost account, the rural arterial trust account, the rural Washington
31 loan fund, the safety and education account, the site closure account,
32 the small city pavement and sidewalk account, the special category C
33 account, the special wildlife account, the state employees' insurance
34 account, the state employees' insurance reserve account, the state
35 investment board expense account, the state investment board commingled
36 trust fund accounts, the state patrol highway account, the supplemental
37 pension account, the Tacoma Narrows toll bridge account, the teachers'
38 retirement system plan 1 account, the teachers' retirement system

1 combined plan 2 and plan 3 account, the tobacco prevention and control
2 account, the tobacco settlement account, the transportation 2003
3 account (nickel account), the transportation equipment fund, the
4 transportation fund, the transportation improvement account, the
5 transportation improvement board bond retirement account, the
6 transportation infrastructure account, the transportation partnership
7 account, the traumatic brain injury account, the tuition recovery trust
8 fund, the University of Washington bond retirement fund, the University
9 of Washington building account, the urban arterial trust account, the
10 volunteer firefighters' and reserve officers' relief and pension
11 principal fund, the volunteer firefighters' and reserve officers'
12 administrative fund, the Washington fruit express account, the
13 Washington judicial retirement system account, the Washington law
14 enforcement officers' and firefighters' system plan 1 retirement
15 account, the Washington law enforcement officers' and firefighters'
16 system plan 2 retirement account, the Washington public safety
17 employees' plan 2 retirement account, the Washington school employees'
18 retirement system combined plan 2 and 3 account, the Washington state
19 health insurance pool account, the Washington state patrol retirement
20 account, the Washington State University building account, the
21 Washington State University bond retirement fund, the water pollution
22 control revolving fund, and the Western Washington University capital
23 projects account. Earnings derived from investing balances of the
24 agricultural permanent fund, the normal school permanent fund, the
25 permanent common school fund, the scientific permanent fund, and the
26 state university permanent fund shall be allocated to their respective
27 beneficiary accounts. All earnings to be distributed under this
28 subsection (4)(a) shall first be reduced by the allocation to the state
29 treasurer's service fund pursuant to RCW 43.08.190.

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

33 **Sec. 30.** RCW 43.99H.060 and 1991 sp.s. c 31 s 15 are each amended
34 to read as follows:

35 (1) For bonds issued for the purposes of RCW 43.99H.020(16), on
36 each date on which any interest or principal and interest payment is
37 due, the board of regents or the board of trustees of Washington State

1 University shall cause the amount computed in RCW 43.99H.040(1) to be
2 paid out of the appropriate building account or capital projects
3 account to the state treasurer for deposit into the general fund of the
4 state treasury.

5 (2) For bonds issued for the purposes of RCW 43.99H.020(15), on
6 each date on which any interest or principal and interest payment is
7 due, the state treasurer shall transfer the amount computed in RCW
8 43.99H.040(2) from the capitol campus reserve account, hereby created
9 in the state treasury, to the general fund of the state treasury. At
10 the time of sale of the bonds issued for the purposes of RCW
11 43.99H.020(15), and on or before June 30th of each succeeding year
12 while such bonds remain outstanding, the state finance committee shall
13 determine, based on current balances and estimated receipts and
14 expenditures from the capitol campus reserve account, that portion of
15 principal and interest on such RCW 43.99H.020(15) bonds which will, by
16 virtue of payments from the capitol campus reserve account, be
17 reimbursed from sources other than "general state revenues" as that
18 term is defined in Article VIII, section 1 of the state Constitution.
19 The amount so determined by the state finance committee, as from time
20 to time adjusted in accordance with this subsection, shall not
21 constitute indebtedness for purposes of the limitations set forth in
22 RCW 39.42.060.

23 (3) For bonds issued for the purposes of RCW 43.99H.020(17), on
24 each date on which any interest or principal and interest payment is
25 due, the director of the department of labor and industries shall cause
26 fifty percent of the amount computed in RCW 43.99H.040(3) to be
27 transferred from the accident fund created in RCW 51.44.010 and fifty
28 percent of the amount computed in RCW 43.99H.040(3) to be transferred
29 from the medical aid fund created in RCW 51.44.020, to the general fund
30 of the state treasury.

31 (4) For bonds issued for the purposes of RCW 43.99H.020(18), on
32 each date on which any interest or principal and interest payment is
33 due, the board of regents of the University of Washington shall cause
34 the amount computed in RCW 43.99H.040(4) to be paid out of University
35 of Washington nonappropriated local funds to the state treasurer for
36 deposit into the general fund of the state treasury.

37 ~~(5) ((For bonds issued for the purposes of RCW 43.99H.020(20), on~~
38 ~~each date on which any interest or principal and interest payment is~~

1 ~~due, the state treasurer shall transfer the amount computed in RCW~~
2 ~~43.99H.040(5) from the public safety and education account created in~~
3 ~~RCW 43.08.250 to the general fund of the state treasury.~~

4 ~~(6))~~ For bonds issued for the purposes of RCW 43.99H.020(4), on
5 each date on which any interest or principal and interest payment is
6 due, the state treasurer shall transfer from property taxes in the
7 state general fund levied for the support of the common schools under
8 RCW 84.52.065 to the general fund of the state treasury for
9 unrestricted use the amount computed in RCW 43.99H.040(6).

10 **Sec. 31.** RCW 43.99K.030 and 2005 c 487 s 8 are each amended to
11 read as follows:

12 (1)(a) The debt-limit general fund bond retirement account shall be
13 used for the payment of the principal of and interest on the bonds
14 authorized in RCW 43.99K.020 (1), (2), and (3).

15 (b) The debt-limit reimbursable bond retirement account shall be
16 used for the payment of the principal of and interest on the bonds
17 authorized in RCW 43.99K.020(4).

18 (c) The nondebt-limit reimbursable bond retirement account shall be
19 used for the payment of the principal of and interest on the bonds
20 authorized in RCW 43.99K.020(5).

21 (2) The state finance committee shall, on or before June 30th of
22 each year, certify to the state treasurer the amount needed in the
23 ensuing twelve months to meet the bond retirement and interest
24 requirements. On each date on which any interest or principal and
25 interest payment is due, the state treasurer shall withdraw from any
26 general state revenues received in the state treasury and deposit in
27 the debt-limit general fund bond retirement account, debt-limit
28 reimbursable bond retirement account, nondebt-limit reimbursable bond
29 retirement account, as necessary, an amount equal to the amount
30 certified by the state finance committee to be due on the payment date.

31 ~~(3) ((On each date on which any interest or principal and interest~~
32 ~~payment is due on bonds issued for the purposes of RCW 43.99K.020(4),~~
33 ~~the state treasurer shall transfer from the public safety and education~~
34 ~~account to the general fund of the state treasury the amount computed~~
35 ~~in subsection (2) of this section for the bonds issued for the purposes~~
36 ~~of RCW 43.99K.020(4)).~~

1 ~~(4)~~) On each date on which any interest or principal and interest
2 payment is due on bonds issued for the purposes of RCW 43.99K.020(5),
3 the board of regents of the University of Washington shall cause to be
4 paid out of University of Washington nonappropriated local funds to the
5 state treasurer for deposit into the general fund of the state treasury
6 the amount computed in subsection (2) of this section for bonds issued
7 for the purposes of RCW 43.99K.020(5).

8 ~~((5))~~ (4) Bonds issued under this section and RCW 43.99K.010 and
9 43.99K.020 shall state that they are a general obligation of the state
10 of Washington, shall pledge the full faith and credit of the state to
11 the payment of the principal thereof and the interest thereon, and
12 shall contain an unconditional promise to pay the principal and
13 interest as the same shall become due.

14 ~~((6))~~ (5) The owner and holder of each of the bonds or the
15 trustee for the owner and holder of any of the bonds may by mandamus or
16 other appropriate proceeding require the transfer and payment of funds
17 as directed in this section.

18 **Sec. 32.** RCW 43.99L.040 and 1997 c 456 s 4 are each amended to
19 read as follows:

20 (1) The debt-limit reimbursable bond retirement account shall be
21 used for the payment of the principal of and interest on the bonds
22 authorized in RCW 43.99L.020(2).

23 (2) The state finance committee shall, on or before June 30th of
24 each year, certify to the state treasurer the amount needed in the
25 ensuing twelve months to meet the ~~((bonds-[bond]))~~ bond retirement and
26 interest requirements on the bonds authorized in RCW 43.99L.020(2).

27 (3) On each date on which any interest or principal and interest
28 payment is due on bonds issued for the purpose of RCW 43.99L.020(2),
29 the state treasurer shall transfer from the ~~((public safety and
30 education account))~~ state general fund to the debt-limit reimbursable
31 bond retirement account the amount computed in subsection (2) of this
32 section for the bonds issued for the purpose of RCW 43.99L.020(2).

33 **Sec. 33.** RCW 43.135.025 and 2005 c 72 s 4 are each amended to read
34 as follows:

35 (1) The state shall not expend from the general fund ~~((and related~~

1 funds)) during any fiscal year state moneys in excess of the state
2 expenditure limit established under this chapter.

3 (2) Except pursuant to a declaration of emergency under RCW
4 43.135.035 or pursuant to an appropriation under RCW
5 43.135.045(~~(4)(b)~~) (2), the state treasurer shall not issue or redeem
6 any check, warrant, or voucher that will result in a state general fund
7 (~~or related fund~~) expenditure for any fiscal year in excess of the
8 state expenditure limit established under this chapter. A violation of
9 this subsection constitutes a violation of RCW 43.88.290 and shall
10 subject the state treasurer to the penalties provided in RCW 43.88.300.

11 (3) The state expenditure limit for any fiscal year shall be the
12 previous fiscal year's state expenditure limit increased by a
13 percentage rate that equals the fiscal growth factor.

14 (4) For purposes of computing the state expenditure limit for the
15 fiscal year beginning July 1, 2007, the phrase "the previous fiscal
16 year's state expenditure limit" means the total state expenditures from
17 the state general fund (~~and related funds~~), not including federal
18 funds, for the fiscal year beginning July 1, 2006, plus the fiscal
19 growth factor.

20 (5) A state expenditure limit committee is established for the
21 purpose of determining and adjusting the state expenditure limit as
22 provided in this chapter. The members of the state expenditure limit
23 committee are the director of financial management, the attorney
24 general or the attorney general's designee, and the chairs and ranking
25 minority members of the senate committee on ways and means and the
26 house of representatives committee on (~~appropriations~~) ways and
27 means. All actions of the state expenditure limit committee taken
28 pursuant to this chapter require an affirmative vote of at least four
29 members.

30 (6) Each November, the state expenditure limit committee shall
31 adjust the expenditure limit for the preceding fiscal year based on
32 actual expenditures and known changes in the fiscal growth factor and
33 then project an expenditure limit for the next two fiscal years. If,
34 by November 30th, the state expenditure limit committee has not adopted
35 the expenditure limit adjustment and projected expenditure limit as
36 provided in subsection (5) of this section, the attorney general or his
37 or her designee shall adjust or project the expenditure limit, as
38 necessary.

1 (7) "Fiscal growth factor" means the average growth in state
2 personal income for the prior ten fiscal years.

3 (8) "General fund" means the state general fund.

4 ~~((9) "Related fund" means the health services account, violence
5 reduction and drug enforcement account, public safety and education
6 account, water quality account, or student achievement fund.))~~

7 **Sec. 34.** RCW 43.135.045 and 2007 c 520 s 6035 and 2007 c 484 s 5
8 are each reenacted and amended to read as follows:

9 ~~((1) The student achievement fund is hereby created in the state
10 treasury.~~

11 (2)) The education construction fund is hereby created in the
12 state treasury.

13 ((a)) (1) Funds may be appropriated from the education
14 construction fund exclusively for common school construction or higher
15 education construction. During the 2007-2009 fiscal biennium, funds
16 may also be used for higher education facilities preservation and
17 maintenance.

18 ((b)) (2) Funds may be appropriated for any other purpose only if
19 approved by a two-thirds vote of each house of the legislature and if
20 approved by a vote of the people at the next general election. An
21 appropriation approved by the people under this subsection shall result
22 in an adjustment to the state expenditure limit only for the fiscal
23 period for which the appropriation is made and shall not affect any
24 subsequent fiscal period.

25 ~~((3) Funds from the student achievement fund shall be appropriated
26 to the superintendent of public instruction strictly for distribution
27 to school districts to meet the provisions set out in the student
28 achievement act. Allocations shall be made on an equal per full-time
29 equivalent student basis to each school district.))~~

30 **Sec. 35.** RCW 46.61.5058 and 1998 c 207 s 2 are each amended to
31 read as follows:

32 (1) Upon the arrest of a person or upon the filing of a complaint,
33 citation, or information in a court of competent jurisdiction, based
34 upon probable cause to believe that a person has violated RCW 46.61.502
35 or 46.61.504 or any similar municipal ordinance, if such person has a
36 prior offense within seven years as defined in RCW 46.61.5055, and

1 where the person has been provided written notice that any transfer,
2 sale, or encumbrance of such person's interest in the vehicle over
3 which that person was actually driving or had physical control when the
4 violation occurred, is unlawful pending either acquittal, dismissal,
5 sixty days after conviction, or other termination of the charge, such
6 person shall be prohibited from encumbering, selling, or transferring
7 his or her interest in such vehicle, except as otherwise provided in
8 (a), (b), and (c) of this subsection, until either acquittal,
9 dismissal, sixty days after conviction, or other termination of the
10 charge. The prohibition against transfer of title shall not be stayed
11 pending the determination of an appeal from the conviction.

12 (a) A vehicle encumbered by a bona fide security interest may be
13 transferred to the secured party or to a person designated by the
14 secured party;

15 (b) A leased or rented vehicle may be transferred to the lessor,
16 rental agency, or to a person designated by the lessor or rental
17 agency; and

18 (c) A vehicle may be transferred to a third party or a vehicle
19 dealer who is a bona fide purchaser or may be subject to a bona fide
20 security interest in the vehicle unless it is established that (i) in
21 the case of a purchase by a third party or vehicle dealer, such party
22 or dealer had actual notice that the vehicle was subject to the
23 prohibition prior to the purchase, or (ii) in the case of a security
24 interest, the holder of the security interest had actual notice that
25 the vehicle was subject to the prohibition prior to the encumbrance of
26 title.

27 (2) On conviction for a violation of either RCW 46.61.502 or
28 46.61.504 or any similar municipal ordinance where the person convicted
29 has a prior offense within seven years as defined in RCW 46.61.5055,
30 the motor vehicle the person was driving or over which the person had
31 actual physical control at the time of the offense, if the person has
32 a financial interest in the vehicle, is subject to seizure and
33 forfeiture pursuant to this section.

34 (3) A vehicle subject to forfeiture under this chapter may be
35 seized by a law enforcement officer of this state upon process issued
36 by a court of competent jurisdiction. Seizure of a vehicle may be made
37 without process if the vehicle subject to seizure has been the subject

1 of a prior judgment in favor of the state in a forfeiture proceeding
2 based upon this section.

3 (4) Seizure under subsection (3) of this section automatically
4 commences proceedings for forfeiture. The law enforcement agency under
5 whose authority the seizure was made shall cause notice of the seizure
6 and intended forfeiture of the seized vehicle to be served within
7 fifteen days after the seizure on the owner of the vehicle seized, on
8 the person in charge of the vehicle, and on any person having a known
9 right or interest in the vehicle, including a community property
10 interest. The notice of seizure may be served by any method authorized
11 by law or court rule, including but not limited to service by certified
12 mail with return receipt requested. Service by mail is complete upon
13 mailing within the fifteen-day period after the seizure. Notice of
14 seizure in the case of property subject to a security interest that has
15 been perfected on a certificate of title shall be made by service upon
16 the secured party or the secured party's assignee at the address shown
17 on the financing statement or the certificate of title.

18 (5) If no person notifies the seizing law enforcement agency in
19 writing of the person's claim of ownership or right to possession of
20 the seized vehicle within forty-five days of the seizure, the vehicle
21 is deemed forfeited.

22 (6) If a person notifies the seizing law enforcement agency in
23 writing of the person's claim of ownership or right to possession of
24 the seized vehicle within forty-five days of the seizure, the law
25 enforcement agency shall give the person or persons a reasonable
26 opportunity to be heard as to the claim or right. The hearing shall be
27 before the chief law enforcement officer of the seizing agency or the
28 chief law enforcement officer's designee, except where the seizing
29 agency is a state agency as defined in RCW 34.12.020, the hearing shall
30 be before the chief law enforcement officer of the seizing agency or an
31 administrative law judge appointed under chapter 34.12 RCW, except that
32 any person asserting a claim or right may remove the matter to a court
33 of competent jurisdiction. Removal may only be accomplished according
34 to the rules of civil procedure. The person seeking removal of the
35 matter must serve process against the state, county, political
36 subdivision, or municipality that operates the seizing agency, and any
37 other party of interest, in accordance with RCW 4.28.080 or 4.92.020,
38 within forty-five days after the person seeking removal has notified

1 the seizing law enforcement agency of the person's claim of ownership
2 or right to possession. The court to which the matter is to be removed
3 shall be the district court when the aggregate value of the vehicle is
4 within the jurisdictional limit set forth in RCW 3.66.020. A hearing
5 before the seizing agency and any appeal therefrom shall be under Title
6 34 RCW. In a court hearing between two or more claimants to the
7 vehicle involved, the prevailing party shall be entitled to a judgment
8 for costs and reasonable attorneys' fees. The burden of producing
9 evidence shall be upon the person claiming to be the legal owner or the
10 person claiming to have the lawful right to possession of the vehicle.
11 The seizing law enforcement agency shall promptly return the vehicle to
12 the claimant upon a determination by the administrative law judge or
13 court that the claimant is the present legal owner under Title 46 RCW
14 or is lawfully entitled to possession of the vehicle.

15 (7) When a vehicle is forfeited under this chapter the seizing law
16 enforcement agency may sell the vehicle, retain it for official use, or
17 upon application by a law enforcement agency of this state release the
18 vehicle to that agency for the exclusive use of enforcing this title;
19 provided, however, that the agency shall first satisfy any bona fide
20 security interest to which the vehicle is subject under subsection
21 (1)(a) or (c) of this section.

22 (8) When a vehicle is forfeited, the seizing agency shall keep a
23 record indicating the identity of the prior owner, if known, a
24 description of the vehicle, the disposition of the vehicle, the value
25 of the vehicle at the time of seizure, and the amount of proceeds
26 realized from disposition of the vehicle.

27 (9) Each seizing agency shall retain records of forfeited vehicles
28 for at least seven years.

29 (10) Each seizing agency shall file a report including a copy of
30 the records of forfeited vehicles with the state treasurer each
31 calendar quarter.

32 (11) The quarterly report need not include a record of a forfeited
33 vehicle that is still being held for use as evidence during the
34 investigation or prosecution of a case or during the appeal from a
35 conviction.

36 (12) By January 31st of each year, each seizing agency shall remit
37 to the state treasurer an amount equal to ten percent of the net

1 proceeds of vehicles forfeited during the preceding calendar year.
2 Money remitted shall be deposited in the (~~public safety and education~~
3 ~~account~~) state general fund.

4 (13) The net proceeds of a forfeited vehicle is the value of the
5 forfeitable interest in the vehicle after deducting the cost of
6 satisfying a bona fide security interest to which the vehicle is
7 subject at the time of seizure; and in the case of a sold vehicle,
8 after deducting the cost of sale, including reasonable fees or
9 commissions paid to independent selling agents.

10 (14) The value of a sold forfeited vehicle is the sale price. The
11 value of a retained forfeited vehicle is the fair market value of the
12 vehicle at the time of seizure, determined when possible by reference
13 to an applicable commonly used index, such as the index used by the
14 department of licensing. A seizing agency may, but need not, use an
15 independent qualified appraiser to determine the value of retained
16 vehicles. If an appraiser is used, the value of the vehicle appraised
17 is net of the cost of the appraisal.

18 **Sec. 36.** RCW 48.14.0201 and 2005 c 405 s 1, 2005 c 223 s 6, and
19 2005 c 7 s 1 are each reenacted and amended to read as follows:

20 (1) As used in this section, "taxpayer" means a health maintenance
21 organization as defined in RCW 48.46.020, a health care service
22 contractor as defined in RCW 48.44.010, or a self-funded multiple
23 employer welfare arrangement as defined in RCW 48.125.010.

24 (2) Each taxpayer shall pay a tax on or before the first day of
25 March of each year to the state treasurer through the insurance
26 commissioner's office. The tax shall be equal to the total amount of
27 all premiums and prepayments for health care services received by the
28 taxpayer during the preceding calendar year multiplied by the rate of
29 two percent.

30 (3) Taxpayers shall prepay their tax obligations under this
31 section. The minimum amount of the prepayments shall be percentages of
32 the taxpayer's tax obligation for the preceding calendar year
33 recomputed using the rate in effect for the current year. For the
34 prepayment of taxes due during the first calendar year, the minimum
35 amount of the prepayments shall be percentages of the taxpayer's tax
36 obligation that would have been due had the tax been in effect during

1 the previous calendar year. The tax prepayments shall be paid to the
2 state treasurer through the commissioner's office by the due dates and
3 in the following amounts:

4 (a) On or before June 15, forty-five percent;

5 (b) On or before September 15, twenty-five percent;

6 (c) On or before December 15, twenty-five percent.

7 (4) For good cause demonstrated in writing, the commissioner may
8 approve an amount smaller than the preceding calendar year's tax
9 obligation as recomputed for calculating the health maintenance
10 organization's, health care service contractor's, self-funded multiple
11 employer welfare arrangement's, or certified health plan's prepayment
12 obligations for the current tax year.

13 (5) Moneys collected under this section shall be deposited in the
14 general fund (~~((through March 31, 1996, and in the health services~~
15 ~~account under RCW 43.72.900 after March 31, 1996))).~~

16 (6) The taxes imposed in this section do not apply to:

17 (a) Amounts received by any taxpayer from the United States or any
18 instrumentality thereof as prepayments for health care services
19 provided under Title XVIII (medicare) of the federal social security
20 act.

21 (b) Amounts received by any taxpayer from the state of Washington
22 as prepayments for health care services provided under:

23 (i) The medical care services program as provided in RCW 74.09.035;

24 (ii) The Washington basic health plan on behalf of subsidized
25 enrollees as provided in chapter 70.47 RCW; or

26 (iii) The medicaid program on behalf of elderly or (~~disabled~~)
27 clients with disabilities as provided in chapter 74.09 RCW when these
28 prepayments are received prior to July 1, 2009, and are associated with
29 a managed care contract program that has been implemented on a
30 voluntary demonstration or pilot project basis.

31 (c) Amounts received by any health care service contractor, as
32 defined in RCW 48.44.010, as prepayments for health care services
33 included within the definition of practice of dentistry under RCW
34 18.32.020.

35 (d) Participant contributions to self-funded multiple employer
36 welfare arrangements that are not taxable in this state.

37 (7) Beginning January 1, 2000, the state does hereby preempt the
38 field of imposing excise or privilege taxes upon taxpayers and no

1 county, city, town, or other municipal subdivision shall have the right
2 to impose any such taxes upon such taxpayers. This subsection shall be
3 limited to premiums and payments for health benefit plans offered by
4 health care service contractors under chapter 48.44 RCW, health
5 maintenance organizations under chapter 48.46 RCW, and self-funded
6 multiple employer welfare arrangements as defined in RCW 48.125.010.
7 The preemption authorized by this subsection shall not impair the
8 ability of a county, city, town, or other municipal subdivision to
9 impose excise or privilege taxes upon the health care services directly
10 delivered by the employees of a health maintenance organization under
11 chapter 48.46 RCW.

12 (8)(a) The taxes imposed by this section apply to a self-funded
13 multiple employer welfare arrangement only in the event that they are
14 not preempted by the employee retirement income security act of 1974,
15 as amended, 29 U.S.C. Sec. 1001 et seq. The arrangements and the
16 commissioner shall initially request an advisory opinion from the
17 United States department of labor or obtain a declaratory ruling from
18 a federal court on the legality of imposing state premium taxes on
19 these arrangements. Once the legality of the taxes has been
20 determined, the multiple employer welfare arrangement certified by the
21 insurance commissioner must begin payment of these taxes.

22 (b) If there has not been a final determination of the legality of
23 these taxes, then beginning on the earlier of (i) the date the fourth
24 multiple employer welfare arrangement has been certified by the
25 insurance commissioner, or (ii) April 1, 2006, the arrangement shall
26 deposit the taxes imposed by this section into an interest bearing
27 escrow account maintained by the arrangement. Upon a final
28 determination that the taxes are not preempted by the employee
29 retirement income security act of 1974, as amended, 29 U.S.C. Sec. 1001
30 et seq., all funds in the interest bearing escrow account shall be
31 transferred to the state treasurer.

32 (9) The effect of transferring contracts for health care services
33 from one taxpayer to another taxpayer is to transfer the tax prepayment
34 obligation with respect to the contracts.

35 (10) On or before June 1st of each year, the commissioner shall
36 notify each taxpayer required to make prepayments in that year of the
37 amount of each prepayment and shall provide remittance forms to be used

1 by the taxpayer. However, a taxpayer's responsibility to make
2 prepayments is not affected by failure of the commissioner to send, or
3 the taxpayer to receive, the notice or forms.

4 **Sec. 37.** RCW 66.24.210 and 2008 c 94 s 8 are each amended to read
5 as follows:

6 (1) There is hereby imposed upon all wines except cider sold to
7 wine distributors and the Washington state liquor control board, within
8 the state a tax at the rate of twenty and one-fourth cents per liter.
9 Any domestic winery or certificate of approval holder acting as a
10 distributor of its own production shall pay taxes imposed by this
11 section. There is hereby imposed on all cider sold to wine
12 distributors and the Washington state liquor control board within the
13 state a tax at the rate of three and fifty-nine one-hundredths cents
14 per liter. However, wine sold or shipped in bulk from one winery to
15 another winery shall not be subject to such tax.

16 (a) The tax provided for in this section shall be collected by
17 direct payments based on wine purchased by wine distributors.

18 (b) Except as provided in subsection (7) of this section, every
19 person purchasing wine under the provisions of this section shall on or
20 before the twentieth day of each month report to the board all
21 purchases during the preceding calendar month in such manner and upon
22 such forms as may be prescribed by the board, and with such report
23 shall pay the tax due from the purchases covered by such report unless
24 the same has previously been paid. Any such purchaser of wine whose
25 applicable tax payment is not postmarked by the twentieth day following
26 the month of purchase will be assessed a penalty at the rate of two
27 percent a month or fraction thereof. The board may require that every
28 such person shall execute to and file with the board a bond to be
29 approved by the board, in such amount as the board may fix, securing
30 the payment of the tax. If any such person fails to pay the tax when
31 due, the board may forthwith suspend or cancel the license until all
32 taxes are paid.

33 (c) Any licensed retailer authorized to purchase wine from a
34 certificate of approval holder with a direct shipment endorsement or a
35 domestic winery shall make monthly reports to the liquor control board
36 on wine purchased during the preceding calendar month in the manner and
37 upon such forms as may be prescribed by the board.

1 (2) An additional tax is imposed equal to the rate specified in RCW
2 82.02.030 multiplied by the tax payable under subsection (1) of this
3 section. All revenues collected during any month from this additional
4 tax shall be transferred to the state general fund by the twenty-fifth
5 day of the following month.

6 (3) An additional tax is imposed on wines subject to tax under
7 subsection (1) of this section, at the rate of one-fourth of one cent
8 per liter for wine sold after June 30, 1987. After June 30, 1996, such
9 additional tax does not apply to cider. An additional tax of five one-
10 hundredths of one cent per liter is imposed on cider sold after June
11 30, 1996. All revenues collected under this subsection (3) shall be
12 disbursed quarterly to the Washington wine commission for use in
13 carrying out the purposes of chapter 15.88 RCW.

14 (4) An additional tax is imposed on all wine subject to tax under
15 subsection (1) of this section. The additional tax is equal to twenty-
16 three and forty-four one-hundredths cents per liter on fortified wine
17 as defined in RCW 66.04.010 when bottled or packaged by the
18 manufacturer, one cent per liter on all other wine except cider, and
19 eighteen one-hundredths of one cent per liter on cider. All revenues
20 collected during any month from this additional tax shall be deposited
21 in the (~~violence reduction and drug enforcement account under RCW~~
22 ~~69.50.520~~) state general fund by the twenty-fifth day of the following
23 month.

24 (5)(a) An additional tax is imposed on all cider subject to tax
25 under subsection (1) of this section. The additional tax is equal to
26 two and four one-hundredths cents per liter of cider sold after June
27 30, 1996, and before July 1, 1997, and is equal to four and seven one-
28 hundredths cents per liter of cider sold after June 30, 1997.

29 (b) All revenues collected from the additional tax imposed under
30 this subsection (5) shall be deposited in the (~~health services account~~
31 ~~under RCW 43.72.900~~) state general fund.

32 (6) For the purposes of this section, "cider" means table wine that
33 contains not less than one-half of one percent of alcohol by volume and
34 not more than seven percent of alcohol by volume and is made from the
35 normal alcoholic fermentation of the juice of sound, ripe apples or
36 pears. "Cider" includes, but is not limited to, flavored, sparkling,
37 or carbonated cider and cider made from condensed apple or pear must.

1 (7) For the purposes of this section, out-of-state wineries shall
2 pay taxes under this section on wine sold and shipped directly to
3 Washington state residents in a manner consistent with the requirements
4 of a wine distributor under subsections (1) through (4) of this
5 section, except wineries shall be responsible for the tax and not the
6 resident purchaser.

7 **Sec. 38.** RCW 66.24.290 and 2006 c 302 s 7 are each amended to read
8 as follows:

9 (1) Any microbrewer or domestic brewery or beer distributor
10 licensed under this title may sell and deliver beer and strong beer to
11 holders of authorized licenses direct, but to no other person, other
12 than the board. Any certificate of approval holder authorized to act
13 as a distributor under RCW 66.24.270 shall pay the taxes imposed by
14 this section.

15 (a) Every such brewery or beer distributor shall report all sales
16 to the board monthly, pursuant to the regulations, and shall pay to the
17 board as an added tax for the privilege of manufacturing and selling
18 the beer and strong beer within the state a tax of one dollar and
19 thirty cents per barrel of thirty-one gallons on sales to licensees
20 within the state and on sales to licensees within the state of bottled
21 and canned beer, including strong beer, shall pay a tax computed in
22 gallons at the rate of one dollar and thirty cents per barrel of
23 thirty-one gallons.

24 (b) Any brewery or beer distributor whose applicable tax payment is
25 not postmarked by the twentieth day following the month of sale will be
26 assessed a penalty at the rate of two percent per month or fraction
27 thereof. Beer and strong beer shall be sold by breweries and
28 distributors in sealed barrels or packages.

29 (c) The moneys collected under this subsection shall be distributed
30 as follows: (i) Three-tenths of a percent shall be distributed to
31 border areas under RCW 66.08.195; and (ii) of the remaining moneys:
32 (A) Twenty percent shall be distributed to counties in the same manner
33 as under RCW 66.08.200; and (B) eighty percent shall be distributed to
34 incorporated cities and towns in the same manner as under RCW
35 66.08.210.

36 (d) Any licensed retailer authorized to purchase beer from a
37 certificate of approval holder with a direct shipment endorsement or a

1 brewery or microbrewery shall make monthly reports to the liquor
2 control board on beer purchased during the preceding calendar month in
3 the manner and upon such forms as may be prescribed by the board.

4 (2) An additional tax is imposed on all beer and strong beer
5 subject to tax under subsection (1) of this section. The additional
6 tax is equal to two dollars per barrel of thirty-one gallons. All
7 revenues collected during any month from this additional tax shall be
8 deposited in the (~~violence reduction and drug enforcement account~~
9 ~~under RCW 69.50.520~~) state general fund by the twenty-fifth day of the
10 following month.

11 (3)(a) An additional tax is imposed on all beer and strong beer
12 subject to tax under subsection (1) of this section. The additional
13 tax is equal to ninety-six cents per barrel of thirty-one gallons
14 through June 30, 1995, two dollars and thirty-nine cents per barrel of
15 thirty-one gallons for the period July 1, 1995, through June 30, 1997,
16 and four dollars and seventy-eight cents per barrel of thirty-one
17 gallons thereafter.

18 (b) The additional tax imposed under this subsection does not apply
19 to the sale of the first sixty thousand barrels of beer each year by
20 breweries that are entitled to a reduced rate of tax under 26 U.S.C.
21 Sec. 5051, as existing on July 1, 1993, or such subsequent date as may
22 be provided by the board by rule consistent with the purposes of this
23 exemption.

24 (c) All revenues collected from the additional tax imposed under
25 this subsection (3) shall be deposited in the (~~health services account~~
26 ~~under RCW 43.72.900~~) state general fund.

27 (4) An additional tax is imposed on all beer and strong beer that
28 is subject to tax under subsection (1) of this section that is in the
29 first sixty thousand barrels of beer and strong beer by breweries that
30 are entitled to a reduced rate of tax under 26 U.S.C. Sec. 5051, as
31 existing on July 1, 1993, or such subsequent date as may be provided by
32 the board by rule consistent with the purposes of the exemption under
33 subsection (3)(b) of this section. The additional tax is equal to one
34 dollar and forty-eight and two-tenths cents per barrel of thirty-one
35 gallons. By the twenty-fifth day of the following month, three percent
36 of the revenues collected from this additional tax shall be distributed
37 to border areas under RCW 66.08.195 and the remaining moneys shall be
38 transferred to the state general fund.

1 (5) The board may make refunds for all taxes paid on beer and
2 strong beer exported from the state for use outside the state.

3 (6) The board may require filing with the board of a bond to be
4 approved by it, in such amount as the board may fix, securing the
5 payment of the tax. If any licensee fails to pay the tax when due, the
6 board may forthwith suspend or cancel his or her license until all
7 taxes are paid.

8 **Sec. 39.** RCW 67.70.240 and 2001 c 3 s 4 are each amended to read
9 as follows:

10 The moneys in the state lottery account shall be used only:

11 (1) For the payment of prizes to the holders of winning lottery
12 tickets or shares;

13 (2) For purposes of making deposits into the reserve account
14 created by RCW 67.70.250 and into the lottery administrative account
15 created by RCW 67.70.260;

16 (3) For purposes of making deposits into the education construction
17 fund (~~(and student achievement fund)~~) created in RCW 43.135.045. (~~For~~
18 ~~the transition period from July 1, 2001, until and including June 30,~~
19 ~~2002, fifty percent of the moneys not otherwise obligated under this~~
20 ~~section shall be placed in the student achievement fund and fifty~~
21 ~~percent of these moneys shall be placed in the education construction~~
22 ~~fund. On and after July 1, 2002, until June 30, 2004, seventy five~~
23 ~~percent of these moneys shall be placed in the student achievement fund~~
24 ~~and twenty five percent shall be placed in the education construction~~
25 ~~fund.)) On and after July 1, 2004, all deposits not otherwise~~
26 obligated under this section shall be placed in the education
27 construction fund. Moneys in the state lottery account deposited in
28 the education construction fund (~~(and the student achievement fund)~~)
29 are included in "general state revenues" under RCW 39.42.070;

30 (4) For distribution to a county for the purpose of paying the
31 principal and interest payments on bonds issued by the county to
32 construct a baseball stadium, as defined in RCW 82.14.0485, including
33 reasonably necessary preconstruction costs. Three million dollars
34 shall be distributed under this subsection during calendar year 1996.
35 During subsequent years, such distributions shall equal the prior
36 year's distributions increased by four percent. Distributions under

1 this subsection shall cease when the bonds issued for the construction
2 of the baseball stadium are retired, but not more than twenty years
3 after the tax under RCW 82.14.0485 is first imposed;

4 (5) For distribution to the stadium and exhibition center account,
5 created in RCW 43.99N.060. Subject to the conditions of RCW
6 43.99N.070, six million dollars shall be distributed under this
7 subsection during the calendar year 1998. During subsequent years,
8 such distribution shall equal the prior year's distributions increased
9 by four percent. No distribution may be made under this subsection
10 after December 31, 1999, unless the conditions for issuance of the
11 bonds under RCW 43.99N.020(2) are met. Distributions under this
12 subsection shall cease when the bonds are retired, but not later than
13 December 31, 2020;

14 (6) For the purchase and promotion of lottery games and game-
15 related services; and

16 (7) For the payment of agent compensation.

17 The office of financial management shall require the allotment of
18 all expenses paid from the account and shall report to the ways and
19 means committees of the senate and house of representatives any changes
20 in the allotments.

21 **Sec. 40.** RCW 67.70.340 and 2005 c 369 s 4 are each amended to read
22 as follows:

23 (1) The legislature recognizes that creating a shared game lottery
24 could result in less revenue being raised by the existing state lottery
25 ticket sales. The legislature further recognizes that the ~~((two
26 funds))~~ fund most impacted by this potential event ~~((are the student
27 achievement fund and))~~ is the education construction account.
28 Therefore, it is the intent of the legislature to use some of the
29 proceeds from the shared game lottery to make up the difference that
30 the potential state lottery revenue loss would have on ~~((the student
31 achievement fund and))~~ the education construction account. The
32 legislature further intends to use some of the proceeds from the shared
33 game lottery to fund programs and services related to problem and
34 pathological gambling.

35 (2) The ~~((student achievement fund and the))~~ education construction
36 account ~~((are))~~ is expected to ~~((collectively))~~ receive one hundred two
37 million dollars annually from state lottery games other than the shared

1 game lottery. For fiscal year 2003 and thereafter, if the amount of
2 lottery revenues earmarked for the (~~student achievement fund and the~~)
3 education construction account is less than one hundred two million
4 dollars, the commission, after making the transfer required under
5 subsection (3) of this section, must transfer sufficient moneys from
6 revenues derived from the shared game lottery into the (~~student
7 achievement fund and the~~) education construction account to bring the
8 total revenue up to one hundred two million dollars. (~~The funds
9 transferred from the shared game lottery account under this subsection
10 must be divided between the student achievement fund and the education
11 construction account in a manner consistent with RCW 67.70.240(3).~~)

12 (3)(a) The commission shall transfer, from revenue derived from the
13 shared game lottery, to the problem gambling account created in RCW
14 43.20A.892, an amount equal to the percentage specified in (b) of this
15 subsection of net receipts. For purposes of this subsection, "net
16 receipts" means the difference between (i) revenue received from the
17 sale of lottery tickets or shares and revenue received from the sale of
18 shared game lottery tickets or shares; and (ii) the sum of payments
19 made to winners.

20 (b) In fiscal year 2006, the percentage to be transferred to the
21 problem gambling account is one-tenth of one percent. In fiscal year
22 2007 and subsequent fiscal years, the percentage to be transferred to
23 the problem gambling account is thirteen one-hundredths of one percent.

24 (4) The remaining net revenues, if any, in the shared game lottery
25 account after the transfers pursuant to this section shall be deposited
26 into the general fund.

27 **Sec. 41.** RCW 69.50.505 and 2008 c 6 s 631 are each amended to read
28 as follows:

29 (1) The following are subject to seizure and forfeiture and no
30 property right exists in them:

31 (a) All controlled substances which have been manufactured,
32 distributed, dispensed, acquired, or possessed in violation of this
33 chapter or chapter 69.41 or 69.52 RCW, and all hazardous chemicals, as
34 defined in RCW 64.44.010, used or intended to be used in the
35 manufacture of controlled substances;

36 (b) All raw materials, products, and equipment of any kind which

1 are used, or intended for use, in manufacturing, compounding,
2 processing, delivering, importing, or exporting any controlled
3 substance in violation of this chapter or chapter 69.41 or 69.52 RCW;

4 (c) All property which is used, or intended for use, as a container
5 for property described in (a) or (b) of this subsection;

6 (d) All conveyances, including aircraft, vehicles, or vessels,
7 which are used, or intended for use, in any manner to facilitate the
8 sale, delivery, or receipt of property described in (a) or (b) of this
9 subsection, except that:

10 (i) No conveyance used by any person as a common carrier in the
11 transaction of business as a common carrier is subject to forfeiture
12 under this section unless it appears that the owner or other person in
13 charge of the conveyance is a consenting party or privy to a violation
14 of this chapter or chapter 69.41 or 69.52 RCW;

15 (ii) No conveyance is subject to forfeiture under this section by
16 reason of any act or omission established by the owner thereof to have
17 been committed or omitted without the owner's knowledge or consent;

18 (iii) No conveyance is subject to forfeiture under this section if
19 used in the receipt of only an amount of marijuana for which possession
20 constitutes a misdemeanor under RCW 69.50.4014;

21 (iv) A forfeiture of a conveyance encumbered by a bona fide
22 security interest is subject to the interest of the secured party if
23 the secured party neither had knowledge of nor consented to the act or
24 omission; and

25 (v) When the owner of a conveyance has been arrested under this
26 chapter or chapter 69.41 or 69.52 RCW the conveyance in which the
27 person is arrested may not be subject to forfeiture unless it is seized
28 or process is issued for its seizure within ten days of the owner's
29 arrest;

30 (e) All books, records, and research products and materials,
31 including formulas, microfilm, tapes, and data which are used, or
32 intended for use, in violation of this chapter or chapter 69.41 or
33 69.52 RCW;

34 (f) All drug paraphernalia;

35 (g) All moneys, negotiable instruments, securities, or other
36 tangible or intangible property of value furnished or intended to be
37 furnished by any person in exchange for a controlled substance in
38 violation of this chapter or chapter 69.41 or 69.52 RCW, all tangible

1 or intangible personal property, proceeds, or assets acquired in whole
2 or in part with proceeds traceable to an exchange or series of
3 exchanges in violation of this chapter or chapter 69.41 or 69.52 RCW,
4 and all moneys, negotiable instruments, and securities used or intended
5 to be used to facilitate any violation of this chapter or chapter 69.41
6 or 69.52 RCW. A forfeiture of money, negotiable instruments,
7 securities, or other tangible or intangible property encumbered by a
8 bona fide security interest is subject to the interest of the secured
9 party if, at the time the security interest was created, the secured
10 party neither had knowledge of nor consented to the act or omission.
11 No personal property may be forfeited under this subsection (1)(g), to
12 the extent of the interest of an owner, by reason of any act or
13 omission which that owner establishes was committed or omitted without
14 the owner's knowledge or consent; and

15 (h) All real property, including any right, title, and interest in
16 the whole of any lot or tract of land, and any appurtenances or
17 improvements which are being used with the knowledge of the owner for
18 the manufacturing, compounding, processing, delivery, importing, or
19 exporting of any controlled substance, or which have been acquired in
20 whole or in part with proceeds traceable to an exchange or series of
21 exchanges in violation of this chapter or chapter 69.41 or 69.52 RCW,
22 if such activity is not less than a class C felony and a substantial
23 nexus exists between the commercial production or sale of the
24 controlled substance and the real property. However:

25 (i) No property may be forfeited pursuant to this subsection
26 (1)(h), to the extent of the interest of an owner, by reason of any act
27 or omission committed or omitted without the owner's knowledge or
28 consent;

29 (ii) The bona fide gift of a controlled substance, legend drug, or
30 imitation controlled substance shall not result in the forfeiture of
31 real property;

32 (iii) The possession of marijuana shall not result in the
33 forfeiture of real property unless the marijuana is possessed for
34 commercial purposes, the amount possessed is five or more plants or one
35 pound or more of marijuana, and a substantial nexus exists between the
36 possession of marijuana and the real property. In such a case, the
37 intent of the offender shall be determined by the preponderance of the
38 evidence, including the offender's prior criminal history, the amount

1 of marijuana possessed by the offender, the sophistication of the
2 activity or equipment used by the offender, and other evidence which
3 demonstrates the offender's intent to engage in commercial activity;

4 (iv) The unlawful sale of marijuana or a legend drug shall not
5 result in the forfeiture of real property unless the sale was forty
6 grams or more in the case of marijuana or one hundred dollars or more
7 in the case of a legend drug, and a substantial nexus exists between
8 the unlawful sale and the real property; and

9 (v) A forfeiture of real property encumbered by a bona fide
10 security interest is subject to the interest of the secured party if
11 the secured party, at the time the security interest was created,
12 neither had knowledge of nor consented to the act or omission.

13 (2) Real or personal property subject to forfeiture under this
14 chapter may be seized by any board inspector or law enforcement officer
15 of this state upon process issued by any superior court having
16 jurisdiction over the property. Seizure of real property shall include
17 the filing of a lis pendens by the seizing agency. Real property
18 seized under this section shall not be transferred or otherwise
19 conveyed until ninety days after seizure or until a judgment of
20 forfeiture is entered, whichever is later: PROVIDED, That real
21 property seized under this section may be transferred or conveyed to
22 any person or entity who acquires title by foreclosure or deed in lieu
23 of foreclosure of a security interest. Seizure of personal property
24 without process may be made if:

25 (a) The seizure is incident to an arrest or a search under a search
26 warrant or an inspection under an administrative inspection warrant;

27 (b) The property subject to seizure has been the subject of a prior
28 judgment in favor of the state in a criminal injunction or forfeiture
29 proceeding based upon this chapter;

30 (c) A board inspector or law enforcement officer has probable cause
31 to believe that the property is directly or indirectly dangerous to
32 health or safety; or

33 (d) The board inspector or law enforcement officer has probable
34 cause to believe that the property was used or is intended to be used
35 in violation of this chapter.

36 (3) In the event of seizure pursuant to subsection (2) of this
37 section, proceedings for forfeiture shall be deemed commenced by the
38 seizure. The law enforcement agency under whose authority the seizure

1 was made shall cause notice to be served within fifteen days following
2 the seizure on the owner of the property seized and the person in
3 charge thereof and any person having any known right or interest
4 therein, including any community property interest, of the seizure and
5 intended forfeiture of the seized property. Service of notice of
6 seizure of real property shall be made according to the rules of civil
7 procedure. However, the state may not obtain a default judgment with
8 respect to real property against a party who is served by substituted
9 service absent an affidavit stating that a good faith effort has been
10 made to ascertain if the defaulted party is incarcerated within the
11 state, and that there is no present basis to believe that the party is
12 incarcerated within the state. Notice of seizure in the case of
13 property subject to a security interest that has been perfected by
14 filing a financing statement in accordance with chapter 62A.9A RCW, or
15 a certificate of title, shall be made by service upon the secured party
16 or the secured party's assignee at the address shown on the financing
17 statement or the certificate of title. The notice of seizure in other
18 cases may be served by any method authorized by law or court rule
19 including but not limited to service by certified mail with return
20 receipt requested. Service by mail shall be deemed complete upon
21 mailing within the fifteen day period following the seizure.

22 (4) If no person notifies the seizing law enforcement agency in
23 writing of the person's claim of ownership or right to possession of
24 items specified in subsection (1)(d), (g), or (h) of this section
25 within forty-five days of the seizure in the case of personal property
26 and ninety days in the case of real property, the item seized shall be
27 deemed forfeited. The community property interest in real property of
28 a person whose spouse or domestic partner committed a violation giving
29 rise to seizure of the real property may not be forfeited if the person
30 did not participate in the violation.

31 (5) If any person notifies the seizing law enforcement agency in
32 writing of the person's claim of ownership or right to possession of
33 items specified in subsection (1)(b), (c), (d), (e), (f), (g), or (h)
34 of this section within forty-five days of the seizure in the case of
35 personal property and ninety days in the case of real property, the
36 person or persons shall be afforded a reasonable opportunity to be
37 heard as to the claim or right. The hearing shall be before the chief
38 law enforcement officer of the seizing agency or the chief law

1 enforcement officer's designee, except where the seizing agency is a
2 state agency as defined in RCW 34.12.020(4), the hearing shall be
3 before the chief law enforcement officer of the seizing agency or an
4 administrative law judge appointed under chapter 34.12 RCW, except that
5 any person asserting a claim or right may remove the matter to a court
6 of competent jurisdiction. Removal of any matter involving personal
7 property may only be accomplished according to the rules of civil
8 procedure. The person seeking removal of the matter must serve process
9 against the state, county, political subdivision, or municipality that
10 operates the seizing agency, and any other party of interest, in
11 accordance with RCW 4.28.080 or 4.92.020, within forty-five days after
12 the person seeking removal has notified the seizing law enforcement
13 agency of the person's claim of ownership or right to possession. The
14 court to which the matter is to be removed shall be the district court
15 when the aggregate value of personal property is within the
16 jurisdictional limit set forth in RCW 3.66.020. A hearing before the
17 seizing agency and any appeal therefrom shall be under Title 34 RCW.
18 In all cases, the burden of proof is upon the law enforcement agency to
19 establish, by a preponderance of the evidence, that the property is
20 subject to forfeiture.

21 The seizing law enforcement agency shall promptly return the
22 article or articles to the claimant upon a determination by the
23 administrative law judge or court that the claimant is the present
24 lawful owner or is lawfully entitled to possession thereof of items
25 specified in subsection (1)(b), (c), (d), (e), (f), (g), or (h) of this
26 section.

27 (6) In any proceeding to forfeit property under this title, where
28 the claimant substantially prevails, the claimant is entitled to
29 reasonable attorneys' fees reasonably incurred by the claimant. In
30 addition, in a court hearing between two or more claimants to the
31 article or articles involved, the prevailing party is entitled to a
32 judgment for costs and reasonable attorneys' fees.

33 (7) When property is forfeited under this chapter the board or
34 seizing law enforcement agency may:

35 (a) Retain it for official use or upon application by any law
36 enforcement agency of this state release such property to such agency
37 for the exclusive use of enforcing the provisions of this chapter;

1 (b) Sell that which is not required to be destroyed by law and
2 which is not harmful to the public;

3 (c) Request the appropriate sheriff or director of public safety to
4 take custody of the property and remove it for disposition in
5 accordance with law; or

6 (d) Forward it to the drug enforcement administration for
7 disposition.

8 (8)(a) When property is forfeited, the seizing agency shall keep a
9 record indicating the identity of the prior owner, if known, a
10 description of the property, the disposition of the property, the value
11 of the property at the time of seizure, and the amount of proceeds
12 realized from disposition of the property.

13 (b) Each seizing agency shall retain records of forfeited property
14 for at least seven years.

15 (c) Each seizing agency shall file a report including a copy of the
16 records of forfeited property with the state treasurer each calendar
17 quarter.

18 (d) The quarterly report need not include a record of forfeited
19 property that is still being held for use as evidence during the
20 investigation or prosecution of a case or during the appeal from a
21 conviction.

22 (9)(a) By January 31st of each year, each seizing agency shall
23 remit to the state treasurer an amount equal to ten percent of the net
24 proceeds of any property forfeited during the preceding calendar year.
25 Money remitted shall be deposited in the (~~violence reduction and drug~~
26 ~~enforcement account under RCW 69.50.520~~) state general fund.

27 (b) The net proceeds of forfeited property is the value of the
28 forfeitable interest in the property after deducting the cost of
29 satisfying any bona fide security interest to which the property is
30 subject at the time of seizure; and in the case of sold property, after
31 deducting the cost of sale, including reasonable fees or commissions
32 paid to independent selling agents, and the cost of any valid
33 landlord's claim for damages under subsection (15) of this section.

34 (c) The value of sold forfeited property is the sale price. The
35 value of retained forfeited property is the fair market value of the
36 property at the time of seizure, determined when possible by reference
37 to an applicable commonly used index, such as the index used by the
38 department of licensing for valuation of motor vehicles. A seizing

1 agency may use, but need not use, an independent qualified appraiser to
2 determine the value of retained property. If an appraiser is used, the
3 value of the property appraised is net of the cost of the appraisal.
4 The value of destroyed property and retained firearms or illegal
5 property is zero.

6 (10) Forfeited property and net proceeds not required to be paid to
7 the state treasurer shall be retained by the seizing law enforcement
8 agency exclusively for the expansion and improvement of controlled
9 substances related law enforcement activity. Money retained under this
10 section may not be used to supplant preexisting funding sources.

11 (11) Controlled substances listed in Schedule I, II, III, IV, and
12 V that are possessed, transferred, sold, or offered for sale in
13 violation of this chapter are contraband and shall be seized and
14 summarily forfeited to the state. Controlled substances listed in
15 Schedule I, II, III, IV, and V, which are seized or come into the
16 possession of the board, the owners of which are unknown, are
17 contraband and shall be summarily forfeited to the board.

18 (12) Species of plants from which controlled substances in
19 Schedules I and II may be derived which have been planted or cultivated
20 in violation of this chapter, or of which the owners or cultivators are
21 unknown, or which are wild growths, may be seized and summarily
22 forfeited to the board.

23 (13) The failure, upon demand by a board inspector or law
24 enforcement officer, of the person in occupancy or in control of land
25 or premises upon which the species of plants are growing or being
26 stored to produce an appropriate registration or proof that he or she
27 is the holder thereof constitutes authority for the seizure and
28 forfeiture of the plants.

29 (14) Upon the entry of an order of forfeiture of real property, the
30 court shall forward a copy of the order to the assessor of the county
31 in which the property is located. Orders for the forfeiture of real
32 property shall be entered by the superior court, subject to court
33 rules. Such an order shall be filed by the seizing agency in the
34 county auditor's records in the county in which the real property is
35 located.

36 (15) A landlord may assert a claim against proceeds from the sale
37 of assets seized and forfeited under subsection (7)(b) of this section,
38 only if:

1 (a) A law enforcement officer, while acting in his or her official
2 capacity, directly caused damage to the complaining landlord's property
3 while executing a search of a tenant's residence; and

4 (b) The landlord has applied any funds remaining in the tenant's
5 deposit, to which the landlord has a right under chapter 59.18 RCW, to
6 cover the damage directly caused by a law enforcement officer prior to
7 asserting a claim under the provisions of this section;

8 (i) Only if the funds applied under (b) of this subsection are
9 insufficient to satisfy the damage directly caused by a law enforcement
10 officer, may the landlord seek compensation for the damage by filing a
11 claim against the governmental entity under whose authority the law
12 enforcement agency operates within thirty days after the search;

13 (ii) Only if the governmental entity denies or fails to respond to
14 the landlord's claim within sixty days of the date of filing, may the
15 landlord collect damages under this subsection by filing within thirty
16 days of denial or the expiration of the sixty-day period, whichever
17 occurs first, a claim with the seizing law enforcement agency. The
18 seizing law enforcement agency must notify the landlord of the status
19 of the claim by the end of the thirty-day period. Nothing in this
20 section requires the claim to be paid by the end of the sixty-day or
21 thirty-day period.

22 (c) For any claim filed under (b) of this subsection, the law
23 enforcement agency shall pay the claim unless the agency provides
24 substantial proof that the landlord either:

25 (i) Knew or consented to actions of the tenant in violation of this
26 chapter or chapter 69.41 or 69.52 RCW; or

27 (ii) Failed to respond to a notification of the illegal activity,
28 provided by a law enforcement agency under RCW 59.18.075, within seven
29 days of receipt of notification of the illegal activity.

30 (16) The landlord's claim for damages under subsection (15) of this
31 section may not include a claim for loss of business and is limited to:

32 (a) Damage to tangible property and clean-up costs;

33 (b) The lesser of the cost of repair or fair market value of the
34 damage directly caused by a law enforcement officer;

35 (c) The proceeds from the sale of the specific tenant's property
36 seized and forfeited under subsection (7)(b) of this section; and

37 (d) The proceeds available after the seizing law enforcement agency

1 satisfies any bona fide security interest in the tenant's property and
2 costs related to sale of the tenant's property as provided by
3 subsection (9)(b) of this section.

4 (17) Subsections (15) and (16) of this section do not limit any
5 other rights a landlord may have against a tenant to collect for
6 damages. However, if a law enforcement agency satisfies a landlord's
7 claim under subsection (15) of this section, the rights the landlord
8 has against the tenant for damages directly caused by a law enforcement
9 officer under the terms of the landlord and tenant's contract are
10 subrogated to the law enforcement agency.

11 **Sec. 42.** RCW 69.50.520 and 2005 c 518 s 937, 2005 c 514 s 1107,
12 and 2005 c 514 s 202 are each reenacted and amended to read as follows:

13 ~~((The violence reduction and drug enforcement account is created in
14 the state treasury.))~~ All designated receipts from RCW 9.41.110(8),
15 66.24.210(4), 66.24.290(2), 69.50.505(9)(a), 82.08.150 (5) ~~((and
16 (7)(b)(iii))~~), 82.24.020(2), ~~((82.24.026(2)(c),~~) and 82.64.020~~((, and
17 section 420, chapter 271, Laws of 1989))~~ shall be deposited into the
18 ~~((account. Expenditures from the account may be used only for funding
19 services and programs under chapter 271, Laws of 1989 and chapter 7,
20 Laws of 1994 sp. sess., including state incarceration costs. Funds
21 from the account may also be appropriated to reimburse local
22 governments for costs associated with implementing criminal justice
23 legislation including chapter 338, Laws of 1997. During the 2003-2005
24 and 2005-2007 bienniums, funds from the account may also be used for
25 costs associated with providing grants to local governments in
26 accordance with chapter 338, Laws of 1997, funding drug offender
27 treatment services in accordance with RCW 70.96A.350, maintenance and
28 operating costs of the Washington association of sheriffs and police
29 chiefs jail reporting system, maintenance and operating costs of the
30 juvenile rehabilitation administration's client activity tracking
31 system, civil indigent legal representation, multijurisdictional
32 narcotics task forces, transfers to the health services account, and
33 grants to community networks under chapter 70.190 RCW by the family
34 policy council)) state general fund.~~

35 **Sec. 43.** RCW 70.05.125 and 1998 c 266 s 1 are each amended to read
36 as follows:

1 (1) The county public health account is created in the state
2 treasury. Funds deposited in the county public health account shall be
3 distributed by the state treasurer to each local public health
4 jurisdiction based upon amounts certified to it by the department of
5 community, trade, and economic development in consultation with the
6 Washington state association of counties. The account shall include
7 funds distributed under RCW (~~(82.44.110 and)~~) 82.14.200(8) and such
8 funds as are appropriated to the account from the (~~(health services~~
9 ~~account under RCW 43.72.900)~~) state general fund, the public health
10 services account under RCW 43.72.902, and such other funds as the
11 legislature may appropriate to it.

12 (2)(a) The director of the department of community, trade, and
13 economic development shall certify the amounts to be distributed to
14 each local public health jurisdiction using 1995 as the base year of
15 actual city contributions to local public health.

16 (b) Only if funds are available and in an amount no greater than
17 available funds under RCW 82.14.200(8), the department of community,
18 trade, and economic development shall adjust the amount certified under
19 (a) of this subsection to compensate for any annexation of an area with
20 fifty thousand residents or more to any city as a result of a petition
21 during calendar year 1996 or 1997, or for any city that became newly
22 incorporated as a result of an election during calendar year 1994 or
23 1995. The amount to be adjusted shall be equal to the amount which
24 otherwise would have been lost to the health jurisdiction due to the
25 annexation or incorporation as calculated using the jurisdiction's 1995
26 funding formula.

27 (c) The county treasurer shall certify the actual 1995 city
28 contribution to the department. Funds in excess of the base shall be
29 distributed proportionately among the health jurisdictions based on
30 incorporated population figures as last determined by the office of
31 financial management.

32 (3) Moneys distributed under this section shall be expended
33 exclusively for local public health purposes.

34 **Sec. 44.** RCW 70.47.015 and 2008 c 217 s 99 are each amended to
35 read as follows:

36 (1) The legislature finds that the basic health plan has been an

1 effective program in providing health coverage for uninsured residents.
2 Further, since 1993, substantial amounts of public funds have been
3 allocated for subsidized basic health plan enrollment.

4 (2) It is the intent of the legislature that the basic health plan
5 enrollment be expanded expeditiously, consistent with funds available
6 in the ((~~health services account~~)) state general fund, with the goal of
7 two hundred thousand adult subsidized basic health plan enrollees and
8 one hundred thirty thousand children covered through expanded medical
9 assistance services by June 30, 1997, with the priority of providing
10 needed health services to children in conjunction with other public
11 programs.

12 (3) Effective January 1, 1996, basic health plan enrollees whose
13 income is less than one hundred twenty-five percent of the federal
14 poverty level shall pay at least a ten-dollar premium share.

15 (4) No later than July 1, 1996, the administrator shall implement
16 procedures whereby hospitals licensed under chapters 70.41 and 71.12
17 RCW, health carrier, rural health care facilities regulated under
18 chapter 70.175 RCW, and community and migrant health centers funded
19 under RCW 41.05.220, may expeditiously assist patients and their
20 families in applying for basic health plan or medical assistance
21 coverage, and in submitting such applications directly to the health
22 care authority or the department of social and health services. The
23 health care authority and the department of social and health services
24 shall make every effort to simplify and expedite the application and
25 enrollment process.

26 (5) No later than July 1, 1996, the administrator shall implement
27 procedures whereby disability insurance producers, licensed under
28 chapter 48.17 RCW, may expeditiously assist patients and their families
29 in applying for basic health plan or medical assistance coverage, and
30 in submitting such applications directly to the health care authority
31 or the department of social and health services. Insurance producers
32 may receive a commission for each individual sale of the basic health
33 plan to anyone not signed up within the previous five years and a
34 commission for each group sale of the basic health plan, if funding for
35 this purpose is provided in a specific appropriation to the health care
36 authority. No commission shall be provided upon a renewal.
37 Commissions shall be determined based on the estimated annual cost of
38 the basic health plan, however, commissions shall not result in a

1 reduction in the premium amount paid to health carriers. For purposes
2 of this section "health carrier" is as defined in RCW 48.43.005. The
3 administrator may establish: (a) Minimum educational requirements that
4 must be completed by the insurance producers; (b) an appointment
5 process for insurance producers marketing the basic health plan; or (c)
6 standards for revocation of the appointment of an insurance producer to
7 submit applications for cause, including untrustworthy or incompetent
8 conduct or harm to the public. The health care authority and the
9 department of social and health services shall make every effort to
10 simplify and expedite the application and enrollment process.

11 **Sec. 45.** RCW 70.96A.350 and 2008 c 329 s 918 are each amended to
12 read as follows:

13 (1) The criminal justice treatment account is created in the state
14 treasury. Moneys in the account may be expended solely for: (a)
15 Substance abuse treatment and treatment support services for offenders
16 with an addiction or a substance abuse problem that, if not treated,
17 would result in addiction, against whom charges are filed by a
18 prosecuting attorney in Washington state; (b) the provision of drug and
19 alcohol treatment services and treatment support services for
20 nonviolent offenders within a drug court program; and (c) during the
21 2007-2009 biennium, operation of the integrated crisis response and
22 intensive case management pilots contracted with the department of
23 social and health services division of alcohol and substance abuse.
24 Moneys in the account may be spent only after appropriation.

25 (2) For purposes of this section:

26 (a) "Treatment" means services that are critical to a participant's
27 successful completion of his or her substance abuse treatment program,
28 but does not include the following services: Housing other than that
29 provided as part of an inpatient substance abuse treatment program,
30 vocational training, and mental health counseling; and

31 (b) "Treatment support" means transportation to or from inpatient
32 or outpatient treatment services when no viable alternative exists, and
33 child care services that are necessary to ensure a participant's
34 ability to attend outpatient treatment sessions.

35 (3) Revenues to the criminal justice treatment account consist of:

36 (a) Funds transferred to the account pursuant to this section; and (b)
37 any other revenues appropriated to or deposited in the account.

1 (4)(a) For the fiscal biennium beginning July 1, 2003, the state
2 treasurer shall transfer eight million nine hundred fifty thousand
3 dollars from the general fund into the criminal justice treatment
4 account, divided into eight equal quarterly payments. For the fiscal
5 year beginning July 1, 2005, and each subsequent fiscal year, the state
6 treasurer shall transfer eight million two hundred fifty thousand
7 dollars from the general fund to the criminal justice treatment
8 account, divided into four equal quarterly payments. For the fiscal
9 year beginning July 1, 2006, and each subsequent fiscal year, the
10 amount transferred shall be increased on an annual basis by the
11 implicit price deflator as published by the federal bureau of labor
12 statistics.

13 (b) For the fiscal biennium beginning July 1, 2003, and each
14 biennium thereafter, (~~the state treasurer shall transfer~~) two million
15 nine hundred eighty-four thousand dollars from the general fund (~~into~~
16 ~~the violence reduction and drug enforcement account, divided into eight~~
17 ~~quarterly payments. The amounts transferred pursuant to this~~
18 ~~subsection (4)(b))~~) shall be used solely for providing drug and alcohol
19 treatment services to offenders confined in a state correctional
20 facility who are assessed with an addiction or a substance abuse
21 problem that if not treated would result in addiction.

22 (c) In each odd-numbered year, the legislature shall appropriate
23 the amount transferred to the criminal justice treatment account in (a)
24 of this subsection to the division of alcohol and substance abuse for
25 the purposes of subsection (5) of this section.

26 (5) Moneys appropriated to the division of alcohol and substance
27 abuse from the criminal justice treatment account shall be distributed
28 as specified in this subsection. The department shall serve as the
29 fiscal agent for purposes of distribution. Until July 1, 2004, the
30 department may not use moneys appropriated from the criminal justice
31 treatment account for administrative expenses and shall distribute all
32 amounts appropriated under subsection (4)(c) of this section in
33 accordance with this subsection. Beginning in July 1, 2004, the
34 department may retain up to three percent of the amount appropriated
35 under subsection (4)(c) of this section for its administrative costs.

36 (a) Seventy percent of amounts appropriated to the division from
37 the account shall be distributed to counties pursuant to the
38 distribution formula adopted under this section. The division of

1 alcohol and substance abuse, in consultation with the department of
2 corrections, the sentencing guidelines commission, the Washington state
3 association of counties, the Washington state association of drug court
4 professionals, the superior court judges' association, the Washington
5 association of prosecuting attorneys, representatives of the criminal
6 defense bar, representatives of substance abuse treatment providers,
7 and any other person deemed by the division to be necessary, shall
8 establish a fair and reasonable methodology for distribution to
9 counties of moneys in the criminal justice treatment account. County
10 or regional plans submitted for the expenditure of formula funds must
11 be approved by the panel established in (b) of this subsection.

12 (b) Thirty percent of the amounts appropriated to the division from
13 the account shall be distributed as grants for purposes of treating
14 offenders against whom charges are filed by a county prosecuting
15 attorney. The division shall appoint a panel of representatives from
16 the Washington association of prosecuting attorneys, the Washington
17 association of sheriffs and police chiefs, the superior court judges'
18 association, the Washington state association of counties, the
19 Washington defender's association or the Washington association of
20 criminal defense lawyers, the department of corrections, the Washington
21 state association of drug court professionals, substance abuse
22 treatment providers, and the division. The panel shall review county
23 or regional plans for funding under (a) of this subsection and grants
24 approved under this subsection. The panel shall attempt to ensure that
25 treatment as funded by the grants is available to offenders statewide.

26 (6) The county alcohol and drug coordinator, county prosecutor,
27 county sheriff, county superior court, a substance abuse treatment
28 provider appointed by the county legislative authority, a member of the
29 criminal defense bar appointed by the county legislative authority,
30 and, in counties with a drug court, a representative of the drug court
31 shall jointly submit a plan, approved by the county legislative
32 authority or authorities, to the panel established in subsection (5)(b)
33 of this section, for disposition of all the funds provided from the
34 criminal justice treatment account within that county. The funds shall
35 be used solely to provide approved alcohol and substance abuse
36 treatment pursuant to RCW 70.96A.090 and treatment support services.
37 No more than ten percent of the total moneys received under subsections

1 (4) and (5) of this section by a county or group of counties
2 participating in a regional agreement shall be spent for treatment
3 support services.

4 (7) Counties are encouraged to consider regional agreements and
5 submit regional plans for the efficient delivery of treatment under
6 this section.

7 (8) Moneys allocated under this section shall be used to
8 supplement, not supplant, other federal, state, and local funds used
9 for substance abuse treatment.

10 (9) Counties must meet the criteria established in RCW
11 2.28.170(3)(b).

12 **Sec. 46.** RCW 70.146.010 and 1986 c 3 s 1 are each amended to read
13 as follows:

14 The long-range health and environmental goals for the state of
15 Washington require the protection of the state's surface and
16 underground waters for the health, safety, use, enjoyment, and economic
17 benefit of its people. It is the purpose of this chapter to provide
18 financial assistance to the state and to local governments for the
19 planning, design, acquisition, construction, and improvement of water
20 pollution control facilities and related activities in the achievement
21 of state and federal water pollution control requirements for the
22 protection of the state's waters.

23 It is the intent of the legislature that distribution of moneys for
24 water pollution control facilities under this chapter be made on an
25 equitable basis taking into consideration legal mandates, local effort,
26 ratepayer impacts, and past distributions of state and federal moneys
27 for water pollution control facilities.

28 It is the intent of this chapter that the cost of any water
29 pollution control facility attributable to increased or additional
30 capacity that exceeds one hundred ten percent of existing needs at the
31 time of application for assistance under this chapter shall be entirely
32 a local or private responsibility. It is the intent of this chapter
33 that industrial pretreatment be paid by industries (~~and that the water
34 quality account shall not be used for such purposes~~)).

35 **Sec. 47.** RCW 70.146.020 and 1995 2nd sp.s. c 18 s 920 are each
36 amended to read as follows:

1 Unless the context clearly requires otherwise, the definitions in
2 this section apply throughout this chapter.

3 (1) (~~("Account" means the water quality account in the state~~
4 ~~treasury.~~

5 ~~(2))~~) "Department" means the department of ecology.

6 ~~((3))~~) (2) "Eligible cost" means the cost of that portion of a
7 water pollution control facility that can be financed under this
8 chapter excluding any portion of a facility's cost attributable to
9 capacity that is in excess of that reasonably required to address one
10 hundred ten percent of the applicant's needs for water pollution
11 control existing at the time application is submitted for assistance
12 under this chapter.

13 ~~((4))~~) (3) "Water pollution control facility" or "facilities"
14 means any facilities or systems for the control, collection, storage,
15 treatment, disposal, or recycling of wastewater, including but not
16 limited to sanitary sewage, storm water, residential, commercial,
17 industrial, and agricultural wastes, which are causing water quality
18 degradation due to concentrations of conventional, nonconventional, or
19 toxic pollutants. Water pollution control facilities include all
20 equipment, utilities, structures, real property, and interests in and
21 improvements on real property necessary for or incidental to such
22 purpose. Water pollution control facilities also include such
23 facilities, equipment, and collection systems as are necessary to
24 protect federally designated sole source aquifers.

25 ~~((5))~~) (4) "Water pollution control activities" means actions
26 taken by a public body for the following purposes: (a) To prevent or
27 mitigate pollution of underground water; (b) to control nonpoint
28 sources of water pollution; (c) to restore the water quality of fresh
29 water lakes; and (d) to maintain or improve water quality through the
30 use of water pollution control facilities or other means. During the
31 1995-1997 fiscal biennium, "water pollution control activities"
32 includes activities by state agencies to protect public drinking water
33 supplies and sources.

34 ~~((6))~~) (5) "Public body" means the state of Washington or any
35 agency, county, city or town, conservation district, other political
36 subdivision, municipal corporation, quasi-municipal corporation, and
37 those Indian tribes now or hereafter recognized as such by the federal
38 government.

1 ((+7)) (6) "Water pollution" means such contamination, or other
2 alteration of the physical, chemical, or biological properties of any
3 waters of the state, including change in temperature, taste, color,
4 turbidity, or odor of the waters, or such discharge of any liquid,
5 gaseous, solid, radioactive, or other substance into any waters of the
6 state as will or is likely to create a nuisance or render such waters
7 harmful, detrimental, or injurious to the public health, safety, or
8 welfare, or to domestic, commercial, industrial, agricultural,
9 recreational, or other legitimate beneficial uses, or to livestock,
10 wild animals, birds, fish, or other aquatic life.

11 ((+8)) (7) "Nonpoint source water pollution" means pollution that
12 enters any waters of the state from any dispersed water-based or land-
13 use activities, including, but not limited to, atmospheric deposition,
14 surface water runoff from agricultural lands, urban areas, and forest
15 lands, subsurface or underground sources, and discharges from boats or
16 other marine vessels.

17 ((+9)) (8) "Sole source aquifer" means the sole or principal
18 source of public drinking water for an area designated by the
19 administrator of the environmental protection agency pursuant to Public
20 Law 93-523, Sec. 1424(b).

21 **Sec. 48.** RCW 70.146.075 and 1987 c 516 s 1 are each amended to
22 read as follows:

23 (1) The department of ecology may enter into contracts with local
24 jurisdictions which provide for extended grant payments under which
25 eligible costs may be paid on an advanced or deferred basis.

26 (2) Extended grant payments shall be in equal annual payments, the
27 total of which does not exceed, on a net present value basis, fifty
28 percent of the total eligible cost of the project incurred at the time
29 of design and construction. The duration of such extended grant
30 payments shall be for a period not to exceed twenty years. The total
31 of federal and state grant moneys received for the eligible costs of
32 the project shall not exceed fifty percent of the eligible costs.

33 (3) Any moneys appropriated by the legislature (~~from the water~~
34 ~~quality account~~) for the purposes of this section shall be first used
35 by the department of ecology to satisfy the conditions of the extended
36 grant payment contracts.

1 NEW SECTION. **Sec. 49.** The following acts or parts of acts are
2 each repealed:

3 (1) RCW 70.146.030 (Water quality account--Progress report) and
4 2007 c 522 s 955;

5 (2) RCW 70.146.040 (Level of grant or loan not precedent) and 1986
6 c 3 s 6;

7 (3) RCW 70.146.060 (Water quality account distributions--
8 Limitations) and 1987 c 527 s 1, 1987 c 436 s 7, & 1986 c 3 s 9; and

9 (4) RCW 70.146.080 (Determination of tax receipts in water quality
10 account--Transfer of sufficient moneys from general revenues) and 2007
11 c 522 s 956, 2005 c 518 s 941, 2003 1st sp.s. c 25 s 935, 1994 sp.s. c
12 6 s 902, 1993 sp.s. c 24 s 924, 1991 sp.s. c 16 s 923, & 1986 c 3 s 11.

13 **Sec. 50.** RCW 70.190.010 and 1996 c 132 s 2 are each amended to
14 read as follows:

15 Unless the context clearly requires otherwise, the definitions in
16 this section apply throughout this chapter.

17 (1) "Administrative costs" means the costs associated with
18 procurement; payroll processing; personnel functions; management;
19 maintenance and operation of space and property; data processing and
20 computer services; accounting; budgeting; auditing; indirect costs; and
21 organizational planning, consultation, coordination, and training.

22 (2) "Assessment" has the same meaning as provided in RCW 43.70.010.

23 (3) "At-risk" children are children who engage in or are victims of
24 at-risk behaviors.

25 (4) "At-risk behaviors" means violent delinquent acts, teen
26 substance abuse, teen pregnancy and male parentage, teen suicide
27 attempts, dropping out of school, child abuse or neglect, and domestic
28 violence.

29 (5) "Community public health and safety networks" or "networks"
30 means the organizations authorized under RCW 70.190.060.

31 (6) "Comprehensive plan" means a two-year plan that examines
32 available resources and unmet needs for a county or multicounty area,
33 barriers that limit the effective use of resources, and a plan to
34 address these issues that is broadly supported by local residents.

35 (7) "Participating state agencies" means the office of the
36 superintendent of public instruction, the department of social and
37 health services, the department of health, the employment security

1 department, the department of community, trade, and economic
2 development, and such other departments as may be specifically
3 designated by the governor.

4 (8) "Family policy council" or "council" means the superintendent
5 of public instruction, the secretary of social and health services, the
6 secretary of health, the commissioner of the employment security
7 department, and the director of the department of community, trade, and
8 economic development or their designees, one legislator from each
9 caucus of the senate and house of representatives, and one
10 representative of the governor.

11 (9) "Fiduciary interest" means (a) the right to compensation from
12 a health, educational, social service, or justice system organization
13 that receives public funds, or (b) budgetary or policy-making authority
14 for an organization listed in (a) of this subsection. A person who
15 acts solely in an advisory capacity and receives no compensation from
16 a health, educational, social service, or justice system organization,
17 and who has no budgetary or policy-making authority is deemed to have
18 no fiduciary interest in the organization.

19 (10) "Outcome" or "outcome based" means defined and measurable
20 outcomes used to evaluate progress in reducing the rate of at-risk
21 children and youth through reducing risk factors and increasing
22 protective factors.

23 (11) "Matching funds" means an amount no less than twenty-five
24 percent of the amount budgeted for a network. The network's matching
25 funds may be in-kind goods and services. Funding sources allowable for
26 match include appropriate federal or local levy funds, private
27 charitable funding, and other charitable giving. Basic education funds
28 shall not be used as a match. (~~State general funds shall not be used
29 as a match for violence reduction and drug enforcement account funds
30 created under RCW 69.50.520.~~)

31 (12) "Policy development" has the same meaning as provided in RCW
32 43.70.010.

33 (13) "Protective factors" means those factors determined by the
34 department of health to be empirically associated with behaviors that
35 contribute to socially acceptable and healthy nonviolent behaviors.
36 Protective factors include promulgation, identification, and acceptance
37 of community norms regarding appropriate behaviors in the area of

1 delinquency, early sexual activity, alcohol and substance abuse,
2 educational opportunities, employment opportunities, and absence of
3 crime.

4 (14) "Risk factors" means those factors determined by the
5 department of health to be empirically associated with at-risk
6 behaviors that contribute to violence.

7 **Sec. 51.** RCW 72.09.111 and 2007 c 483 s 605 are each amended to
8 read as follows:

9 (1) The secretary shall deduct taxes and legal financial
10 obligations from the gross wages, gratuities, or workers' compensation
11 benefits payable directly to the inmate under chapter 51.32 RCW, of
12 each inmate working in correctional industries work programs, or
13 otherwise receiving such wages, gratuities, or benefits. The secretary
14 shall also deduct child support payments from the gratuities of each
15 inmate working in class II through class IV correctional industries
16 work programs. The secretary shall develop a formula for the
17 distribution of offender wages, gratuities, and benefits. The formula
18 shall not reduce the inmate account below the indigency level, as
19 defined in RCW 72.09.015.

20 (a) The formula shall include the following minimum deductions from
21 class I gross wages and from all others earning at least minimum wage:

22 (i) Five percent to the (~~public safety and education account~~)
23 state general fund for the purpose of crime victims' compensation;

24 (ii) Ten percent to a department personal inmate savings account;

25 (iii) Twenty percent to the department to contribute to the cost of
26 incarceration; and

27 (iv) Twenty percent for payment of legal financial obligations for
28 all inmates who have legal financial obligations owing in any
29 Washington state superior court.

30 (b) The formula shall include the following minimum deductions from
31 class II gross gratuities:

32 (i) Five percent to the (~~public safety and education account~~)
33 state general fund for the purpose of crime victims' compensation;

34 (ii) Ten percent to a department personal inmate savings account;

35 (iii) Fifteen percent to the department to contribute to the cost
36 of incarceration;

1 (iv) Twenty percent for payment of legal financial obligations for
2 all inmates who have legal financial obligations owing in any
3 Washington state superior court; and

4 (v) Fifteen percent for any child support owed under a support
5 order.

6 (c) The formula shall include the following minimum deductions from
7 any workers' compensation benefits paid pursuant to RCW 51.32.080:

8 (i) Five percent to the (~~public safety and education account~~)
9 state general fund for the purpose of crime victims' compensation;

10 (ii) Ten percent to a department personal inmate savings account;

11 (iii) Twenty percent to the department to contribute to the cost of
12 incarceration; and

13 (iv) An amount equal to any legal financial obligations owed by the
14 inmate established by an order of any Washington state superior court
15 up to the total amount of the award.

16 (d) The formula shall include the following minimum deductions from
17 class III gratuities:

18 (i) Five percent for the purpose of crime victims' compensation;
19 and

20 (ii) Fifteen percent for any child support owed under a support
21 order.

22 (e) The formula shall include the following minimum deduction from
23 class IV gross gratuities:

24 (i) Five percent to the department to contribute to the cost of
25 incarceration; and

26 (ii) Fifteen percent for any child support owed under a support
27 order.

28 (2) Any person sentenced to life imprisonment without possibility
29 of release or parole under chapter 10.95 RCW or sentenced to death
30 shall be exempt from the requirement under subsection (1)(a)(ii),
31 (b)(ii), or (c)(ii).

32 (3)(a) The department personal inmate savings account, together
33 with any accrued interest, shall only be available to an inmate at the
34 following times:

35 (i) The time of his or her release from confinement;

36 (ii) Prior to his or her release from confinement in order to
37 secure approved housing; or

1 (iii) When the secretary determines that an emergency exists for
2 the inmate.

3 (b) If funds are made available pursuant to (a)(ii) or (iii) of
4 this subsection, the funds shall be made available to the inmate in an
5 amount determined by the secretary.

6 (c) The management of classes I, II, and IV correctional industries
7 may establish an incentive payment for offender workers based on
8 productivity criteria. This incentive shall be paid separately from
9 the hourly wage/gratuity rate and shall not be subject to the specified
10 deduction for cost of incarceration.

11 (4)(a) Subject to availability of funds for the correctional
12 industries program, the expansion of inmate employment in class I and
13 class II correctional industries shall be implemented according to the
14 following schedule:

15 (i) Not later than June 30, 2005, the secretary shall achieve a net
16 increase of at least two hundred in the number of inmates employed in
17 class I or class II correctional industries work programs above the
18 number so employed on June 30, 2003;

19 (ii) Not later than June 30, 2006, the secretary shall achieve a
20 net increase of at least four hundred in the number of inmates employed
21 in class I or class II correctional industries work programs above the
22 number so employed on June 30, 2003;

23 (iii) Not later than June 30, 2007, the secretary shall achieve a
24 net increase of at least six hundred in the number of inmates employed
25 in class I or class II correctional industries work programs above the
26 number so employed on June 30, 2003;

27 (iv) Not later than June 30, 2008, the secretary shall achieve a
28 net increase of at least nine hundred in the number of inmates employed
29 in class I or class II correctional industries work programs above the
30 number so employed on June 30, 2003;

31 (v) Not later than June 30, 2009, the secretary shall achieve a net
32 increase of at least one thousand two hundred in the number of inmates
33 employed in class I or class II correctional industries work programs
34 above the number so employed on June 30, 2003;

35 (vi) Not later than June 30, 2010, the secretary shall achieve a
36 net increase of at least one thousand five hundred in the number of
37 inmates employed in class I or class II correctional industries work
38 programs above the number so employed on June 30, 2003.

1 (b) Failure to comply with the schedule in this subsection does not
2 create a private right of action.

3 (5) In the event that the offender worker's wages, gratuity, or
4 workers' compensation benefit is subject to garnishment for support
5 enforcement, the crime victims' compensation, savings, and cost of
6 incarceration deductions shall be calculated on the net wages after
7 taxes, legal financial obligations, and garnishment.

8 (6) The department shall explore other methods of recovering a
9 portion of the cost of the inmate's incarceration and for encouraging
10 participation in work programs, including development of incentive
11 programs that offer inmates benefits and amenities paid for only from
12 wages earned while working in a correctional industries work program.

13 (7) The department shall develop the necessary administrative
14 structure to recover inmates' wages and keep records of the amount
15 inmates pay for the costs of incarceration and amenities. All funds
16 deducted from inmate wages under subsection (1) of this section for the
17 purpose of contributions to the cost of incarceration shall be
18 deposited in a dedicated fund with the department and shall be used
19 only for the purpose of enhancing and maintaining correctional
20 industries work programs.

21 (8) It shall be in the discretion of the secretary to apportion the
22 inmates between class I and class II depending on available contracts
23 and resources.

24 (9) Nothing in this section shall limit the authority of the
25 department of social and health services division of child support from
26 taking collection action against an inmate's moneys, assets, or
27 property pursuant to chapter 26.23, 74.20, or 74.20A RCW.

28 **Sec. 52.** RCW 72.09.480 and 2007 c 483 s 404, 2007 c 365 s 1, and
29 2007 c 91 s 1 are each reenacted and amended to read as follows:

30 (1) Unless the context clearly requires otherwise, the definitions
31 in this section apply to this section.

32 (a) "Cost of incarceration" means the cost of providing an inmate
33 with shelter, food, clothing, transportation, supervision, and other
34 services and supplies as may be necessary for the maintenance and
35 support of the inmate while in the custody of the department, based on
36 the average per inmate costs established by the department and the
37 office of financial management.

1 (b) "Minimum term of confinement" means the minimum amount of time
2 an inmate will be confined in the custody of the department,
3 considering the sentence imposed and adjusted for the total potential
4 earned early release time available to the inmate.

5 (c) "Program" means any series of courses or classes necessary to
6 achieve a proficiency standard, certificate, or postsecondary degree.

7 (2) When an inmate, except as provided in subsections (4) and (8)
8 of this section, receives any funds in addition to his or her wages or
9 gratuities, except settlements or awards resulting from legal action,
10 the additional funds shall be subject to the following deductions and
11 the priorities established in chapter 72.11 RCW:

12 (a) Five percent to the (~~public safety and education account~~)
13 state general fund for the purpose of crime victims' compensation;

14 (b) Ten percent to a department personal inmate savings account;

15 (c) Twenty percent for payment of legal financial obligations for
16 all inmates who have legal financial obligations owing in any
17 Washington state superior court;

18 (d) Twenty percent for any child support owed under a support
19 order; and

20 (e) Twenty percent to the department to contribute to the cost of
21 incarceration.

22 (3) When an inmate, except as provided in subsection (8) of this
23 section, receives any funds from a settlement or award resulting from
24 a legal action, the additional funds shall be subject to the deductions
25 in RCW 72.09.111(1)(a) and the priorities established in chapter 72.11
26 RCW.

27 (4) When an inmate who is subject to a child support order receives
28 funds from an inheritance, the deduction required under subsection
29 (2)(e) of this section shall only apply after the child support
30 obligation has been paid in full.

31 (5) The amount deducted from an inmate's funds under subsection (2)
32 of this section shall not exceed the department's total cost of
33 incarceration for the inmate incurred during the inmate's minimum or
34 actual term of confinement, whichever is longer.

35 (6)(a) The deductions required under subsection (2) of this section
36 shall not apply to funds received by the department from an offender or
37 from a third party on behalf of an offender for payment of education or

1 vocational programs or postsecondary education degree programs as
2 provided in RCW 72.09.460 and 72.09.465.

3 (b) The deductions required under subsection (2) of this section
4 shall not apply to funds received by the department from a third party,
5 including but not limited to a nonprofit entity on behalf of the
6 department's education, vocation, or postsecondary education degree
7 programs.

8 (7) The deductions required under subsection (2) of this section
9 shall not apply to any money received by the department, on behalf of
10 an inmate, from family or other outside sources for the payment of
11 postage expenses. Money received under this subsection may only be
12 used for the payment of postage expenses and may not be transferred to
13 any other account or purpose. Money that remains unused in the
14 inmate's postage fund at the time of release shall be subject to the
15 deductions outlined in subsection (2) of this section.

16 (8) When an inmate sentenced to life imprisonment without
17 possibility of release or sentenced to death under chapter 10.95 RCW
18 receives funds, deductions are required under subsection (2) of this
19 section, with the exception of a personal inmate savings account under
20 subsection (2)(b) of this section.

21 (9) The secretary of the department of corrections, or his or her
22 designee, may exempt an inmate from a personal inmate savings account
23 under subsection (2)(b) of this section if the inmate's earliest
24 release date is beyond the inmate's life expectancy.

25 (10) The interest earned on an inmate savings account created as a
26 result of the plan in section 4, chapter 325, Laws of 1999 shall be
27 exempt from the mandatory deductions under this section and RCW
28 72.09.111.

29 (11) Nothing in this section shall limit the authority of the
30 department of social and health services division of child support, the
31 county clerk, or a restitution recipient from taking collection action
32 against an inmate's moneys, assets, or property pursuant to chapter
33 9.94A, 26.23, 74.20, or 74.20A RCW including, but not limited to, the
34 collection of moneys received by the inmate from settlements or awards
35 resulting from legal action.

36 **Sec. 53.** RCW 74.09.053 and 2006 c 264 s 2 are each amended to read
37 as follows:

1 (1) The department of social and health services, in coordination
2 with the health care authority, shall by November 15th of each year
3 report to the legislature:

4 (a) The number of medical assistance recipients who: (i) Upon
5 enrollment or recertification had reported being employed, and
6 beginning with the 2008 report, the month and year they reported being
7 hired; or (ii) upon enrollment or recertification had reported being
8 the dependent of someone who was employed, and beginning with the 2008
9 report, the month and year they reported the employed person was hired.
10 For recipients identified under (a)(i) and (ii) of this subsection, the
11 department shall report the basis for their medical assistance
12 eligibility, including but not limited to family medical coverage,
13 transitional medical assistance, children's medical ~~((or aged or
14 disabled))~~ coverage, aged coverage, or coverage for persons with
15 disabilities; member months; and the total cost to the state for these
16 recipients, expressed as general fund-state ~~((, health services
17 account))~~ and general fund-federal dollars. The information shall be
18 reported by employer ~~((size))~~ size for employers having more than
19 fifty employees as recipients or with dependents as recipients. This
20 information shall be provided for the preceding January and June of
21 that year.

22 (b) The following aggregated information: (i) The number of
23 employees who are recipients or with dependents as recipients by
24 private and governmental employers; (ii) the number of employees who
25 are recipients or with dependents as recipients by employer size for
26 employers with fifty or fewer employees, fifty-one to one hundred
27 employees, one hundred one to one thousand employees, one thousand one
28 to five thousand employees and more than five thousand employees; and
29 (iii) the number of employees who are recipients or with dependents as
30 recipients by industry type.

31 ~~((2))~~ (2) For each aggregated classification, the report will
32 include the number of hours worked, the number of department of social
33 and health services covered lives, and the total cost to the state for
34 these recipients. This information shall be for each quarter of the
35 preceding year.

36 **Sec. 54.** RCW 77.12.201 and 1987 c 506 s 29 are each amended to
37 read as follows:

1 The legislative authority of a county may elect, by giving written
2 notice to the director and the treasurer prior to January 1st of any
3 year, to obtain for the following year an amount in lieu of real
4 property taxes on game lands as provided in RCW 77.12.203. Upon the
5 election, the county shall keep a record of all fines, forfeitures,
6 reimbursements, and costs assessed and collected, in whole or in part,
7 under this title for violations of law or rules adopted pursuant to
8 this title and shall monthly remit an amount equal to the amount
9 collected to the state treasurer for deposit in the (~~public safety and~~
10 ~~education account established under RCW 43.08.250~~) state general fund.
11 The election shall continue until the department is notified
12 differently prior to January 1st of any year.

13 **Sec. 55.** RCW 82.04.260 and 2008 c 296 s 1, 2008 c 217 s 100, and
14 2008 c 81 s 4 are each reenacted and amended to read as follows:

15 (1) Upon every person engaging within this state in the business of
16 manufacturing:

17 (a) Wheat into flour, barley into pearl barley, soybeans into
18 soybean oil, canola into canola oil, canola meal, or canola byproducts,
19 or sunflower seeds into sunflower oil; as to such persons the amount of
20 tax with respect to such business shall be equal to the value of the
21 flour, pearl barley, oil, canola meal, or canola byproduct
22 manufactured, multiplied by the rate of 0.138 percent;

23 (b) Beginning July 1, 2012, seafood products that remain in a raw,
24 raw frozen, or raw salted state at the completion of the manufacturing
25 by that person; or selling manufactured seafood products that remain in
26 a raw, raw frozen, or raw salted state at the completion of the
27 manufacturing, to purchasers who transport in the ordinary course of
28 business the goods out of this state; as to such persons the amount of
29 tax with respect to such business shall be equal to the value of the
30 products manufactured or the gross proceeds derived from such sales,
31 multiplied by the rate of 0.138 percent. Sellers must keep and
32 preserve records for the period required by RCW 82.32.070 establishing
33 that the goods were transported by the purchaser in the ordinary course
34 of business out of this state;

35 (c) Beginning July 1, 2012, dairy products that as of September 20,
36 2001, are identified in 21 C.F.R., chapter 1, parts 131, 133, and 135,
37 including byproducts from the manufacturing of the dairy products such

1 as whey and casein; or selling the same to purchasers who transport in
2 the ordinary course of business the goods out of state; as to such
3 persons the tax imposed shall be equal to the value of the products
4 manufactured or the gross proceeds derived from such sales multiplied
5 by the rate of 0.138 percent. Sellers must keep and preserve records
6 for the period required by RCW 82.32.070 establishing that the goods
7 were transported by the purchaser in the ordinary course of business
8 out of this state;

9 (d) Beginning July 1, 2012, fruits or vegetables by canning,
10 preserving, freezing, processing, or dehydrating fresh fruits or
11 vegetables, or selling at wholesale fruits or vegetables manufactured
12 by the seller by canning, preserving, freezing, processing, or
13 dehydrating fresh fruits or vegetables and sold to purchasers who
14 transport in the ordinary course of business the goods out of this
15 state; as to such persons the amount of tax with respect to such
16 business shall be equal to the value of the products manufactured or
17 the gross proceeds derived from such sales multiplied by the rate of
18 0.138 percent. Sellers must keep and preserve records for the period
19 required by RCW 82.32.070 establishing that the goods were transported
20 by the purchaser in the ordinary course of business out of this state;

21 (e) Until July 1, 2009, alcohol fuel, biodiesel fuel, or biodiesel
22 feedstock, as those terms are defined in RCW 82.29A.135; as to such
23 persons the amount of tax with respect to the business shall be equal
24 to the value of alcohol fuel, biodiesel fuel, or biodiesel feedstock
25 manufactured, multiplied by the rate of 0.138 percent; and

26 (f) Alcohol fuel or wood biomass fuel, as those terms are defined
27 in RCW 82.29A.135; as to such persons the amount of tax with respect to
28 the business shall be equal to the value of alcohol fuel or wood
29 biomass fuel manufactured, multiplied by the rate of 0.138 percent.

30 (2) Upon every person engaging within this state in the business of
31 splitting or processing dried peas; as to such persons the amount of
32 tax with respect to such business shall be equal to the value of the
33 peas split or processed, multiplied by the rate of 0.138 percent.

34 (3) Upon every nonprofit corporation and nonprofit association
35 engaging within this state in research and development, as to such
36 corporations and associations, the amount of tax with respect to such
37 activities shall be equal to the gross income derived from such
38 activities multiplied by the rate of 0.484 percent.

1 (4) Upon every person engaging within this state in the business of
2 slaughtering, breaking and/or processing perishable meat products
3 and/or selling the same at wholesale only and not at retail; as to such
4 persons the tax imposed shall be equal to the gross proceeds derived
5 from such sales multiplied by the rate of 0.138 percent.

6 (5) Upon every person engaging within this state in the business of
7 acting as a travel agent or tour operator; as to such persons the
8 amount of the tax with respect to such activities shall be equal to the
9 gross income derived from such activities multiplied by the rate of
10 0.275 percent.

11 (6) Upon every person engaging within this state in business as an
12 international steamship agent, international customs house broker,
13 international freight forwarder, vessel and/or cargo charter broker in
14 foreign commerce, and/or international air cargo agent; as to such
15 persons the amount of the tax with respect to only international
16 activities shall be equal to the gross income derived from such
17 activities multiplied by the rate of 0.275 percent.

18 (7) Upon every person engaging within this state in the business of
19 stevedoring and associated activities pertinent to the movement of
20 goods and commodities in waterborne interstate or foreign commerce; as
21 to such persons the amount of tax with respect to such business shall
22 be equal to the gross proceeds derived from such activities multiplied
23 by the rate of 0.275 percent. Persons subject to taxation under this
24 subsection shall be exempt from payment of taxes imposed by chapter
25 82.16 RCW for that portion of their business subject to taxation under
26 this subsection. Stevedoring and associated activities pertinent to
27 the conduct of goods and commodities in waterborne interstate or
28 foreign commerce are defined as all activities of a labor, service or
29 transportation nature whereby cargo may be loaded or unloaded to or
30 from vessels or barges, passing over, onto or under a wharf, pier, or
31 similar structure; cargo may be moved to a warehouse or similar holding
32 or storage yard or area to await further movement in import or export
33 or may move to a consolidation freight station and be stuffed,
34 unstuffed, containerized, separated or otherwise segregated or
35 aggregated for delivery or loaded on any mode of transportation for
36 delivery to its consignee. Specific activities included in this
37 definition are: Wharfage, handling, loading, unloading, moving of
38 cargo to a convenient place of delivery to the consignee or a

1 convenient place for further movement to export mode; documentation
2 services in connection with the receipt, delivery, checking, care,
3 custody and control of cargo required in the transfer of cargo;
4 imported automobile handling prior to delivery to consignee; terminal
5 stevedoring and incidental vessel services, including but not limited
6 to plugging and unplugging refrigerator service to containers,
7 trailers, and other refrigerated cargo receptacles, and securing ship
8 hatch covers.

9 (8) Upon every person engaging within this state in the business of
10 disposing of low-level waste, as defined in RCW 43.145.010; as to such
11 persons the amount of the tax with respect to such business shall be
12 equal to the gross income of the business, excluding any fees imposed
13 under chapter 43.200 RCW, multiplied by the rate of 3.3 percent.

14 If the gross income of the taxpayer is attributable to activities
15 both within and without this state, the gross income attributable to
16 this state shall be determined in accordance with the methods of
17 apportionment required under RCW 82.04.460.

18 (9) Upon every person engaging within this state as an insurance
19 producer or title insurance agent licensed under chapter 48.17 RCW; as
20 to such persons, the amount of the tax with respect to such licensed
21 activities shall be equal to the gross income of such business
22 multiplied by the rate of 0.484 percent.

23 (10) Upon every person engaging within this state in business as a
24 hospital, as defined in chapter 70.41 RCW, that is operated as a
25 nonprofit corporation or by the state or any of its political
26 subdivisions, as to such persons, the amount of tax with respect to
27 such activities shall be equal to the gross income of the business
28 multiplied by the rate of 0.75 percent through June 30, 1995, and 1.5
29 percent thereafter. (~~The moneys collected under this subsection shall
30 be deposited in the health services account created under RCW
31 43.72.900.~~)

32 (11)(a) Beginning October 1, 2005, upon every person engaging
33 within this state in the business of manufacturing commercial
34 airplanes, or components of such airplanes, or making sales, at retail
35 or wholesale, of commercial airplanes or components of such airplanes,
36 manufactured by the seller, as to such persons the amount of tax with
37 respect to such business shall, in the case of manufacturers, be equal
38 to the value of the product manufactured and the gross proceeds of

1 sales of the product manufactured, or in the case of processors for
2 hire, be equal to the gross income of the business, multiplied by the
3 rate of:

4 (i) 0.4235 percent from October 1, 2005, through the later of June
5 30, 2007; and

6 (ii) 0.2904 percent beginning July 1, 2007.

7 (b) Beginning July 1, 2008, upon every person who is not eligible
8 to report under the provisions of (a) of this subsection (11) and is
9 engaging within this state in the business of manufacturing tooling
10 specifically designed for use in manufacturing commercial airplanes or
11 components of such airplanes, or making sales, at retail or wholesale,
12 of such tooling manufactured by the seller, as to such persons the
13 amount of tax with respect to such business shall, in the case of
14 manufacturers, be equal to the value of the product manufactured and
15 the gross proceeds of sales of the product manufactured, or in the case
16 of processors for hire, be equal to the gross income of the business,
17 multiplied by the rate of 0.2904 percent.

18 (c) For the purposes of this subsection (11), "commercial airplane"
19 and "component" have the same meanings as provided in RCW 82.32.550.

20 (d) In addition to all other requirements under this title, a
21 person eligible for the tax rate under this subsection (11) must report
22 as required under RCW 82.32.545.

23 (e) This subsection (11) does not apply on and after July 1, 2024.

24 (12)(a) Until July 1, 2024, upon every person engaging within this
25 state in the business of extracting timber or extracting for hire
26 timber; as to such persons the amount of tax with respect to the
27 business shall, in the case of extractors, be equal to the value of
28 products, including byproducts, extracted, or in the case of extractors
29 for hire, be equal to the gross income of the business, multiplied by
30 the rate of 0.4235 percent from July 1, 2006, through June 30, 2007,
31 and 0.2904 percent from July 1, 2007, through June 30, 2024.

32 (b) Until July 1, 2024, upon every person engaging within this
33 state in the business of manufacturing or processing for hire: (i)
34 Timber into timber products or wood products; or (ii) timber products
35 into other timber products or wood products; as to such persons the
36 amount of the tax with respect to the business shall, in the case of
37 manufacturers, be equal to the value of products, including byproducts,
38 manufactured, or in the case of processors for hire, be equal to the

1 gross income of the business, multiplied by the rate of 0.4235 percent
2 from July 1, 2006, through June 30, 2007, and 0.2904 percent from July
3 1, 2007, through June 30, 2024.

4 (c) Until July 1, 2024, upon every person engaging within this
5 state in the business of selling at wholesale: (i) Timber extracted by
6 that person; (ii) timber products manufactured by that person from
7 timber or other timber products; or (iii) wood products manufactured by
8 that person from timber or timber products; as to such persons the
9 amount of the tax with respect to the business shall be equal to the
10 gross proceeds of sales of the timber, timber products, or wood
11 products multiplied by the rate of 0.4235 percent from July 1, 2006,
12 through June 30, 2007, and 0.2904 percent from July 1, 2007, through
13 June 30, 2024.

14 (d) Until July 1, 2024, upon every person engaging within this
15 state in the business of selling standing timber; as to such persons
16 the amount of the tax with respect to the business shall be equal to
17 the gross income of the business multiplied by the rate of 0.2904
18 percent. For purposes of this subsection (12)(d), "selling standing
19 timber" means the sale of timber apart from the land, where the buyer
20 is required to sever the timber within thirty months from the date of
21 the original contract, regardless of the method of payment for the
22 timber and whether title to the timber transfers before, upon, or after
23 severance.

24 (e) For purposes of this subsection, the following definitions
25 apply:

26 (i) "Biocomposite surface products" means surface material products
27 containing, by weight or volume, more than fifty percent recycled paper
28 and that also use nonpetroleum-based phenolic resin as a bonding agent.

29 (ii) "Paper and paper products" means products made of interwoven
30 cellulosic fibers held together largely by hydrogen bonding. "Paper
31 and paper products" includes newsprint; office, printing, fine, and
32 pressure-sensitive papers; paper napkins, towels, and toilet tissue;
33 kraft bag, construction, and other kraft industrial papers; paperboard,
34 liquid packaging containers, containerboard, corrugated, and solid-
35 fiber containers including linerboard and corrugated medium; and
36 related types of cellulosic products containing primarily, by weight or
37 volume, cellulosic materials. "Paper and paper products" does not

1 include books, newspapers, magazines, periodicals, and other printed
2 publications, advertising materials, calendars, and similar types of
3 printed materials.

4 (iii) "Recycled paper" means paper and paper products having fifty
5 percent or more of their fiber content that comes from postconsumer
6 waste. For purposes of this subsection (12)(e)(iii), "postconsumer
7 waste" means a finished material that would normally be disposed of as
8 solid waste, having completed its life cycle as a consumer item.

9 (iv) "Timber" means forest trees, standing or down, on privately or
10 publicly owned land. "Timber" does not include Christmas trees that
11 are cultivated by agricultural methods or short-rotation hardwoods as
12 defined in RCW 84.33.035.

13 (v) "Timber products" means:

14 (A) Logs, wood chips, sawdust, wood waste, and similar products
15 obtained wholly from the processing of timber, short-rotation hardwoods
16 as defined in RCW 84.33.035, or both;

17 (B) Pulp, including market pulp and pulp derived from recovered
18 paper or paper products; and

19 (C) Recycled paper, but only when used in the manufacture of
20 biocomposite surface products.

21 (vi) "Wood products" means paper and paper products; dimensional
22 lumber; engineered wood products such as particleboard, oriented strand
23 board, medium density fiberboard, and plywood; wood doors; wood
24 windows; and biocomposite surface products.

25 (13) Upon every person engaging within this state in inspecting,
26 testing, labeling, and storing canned salmon owned by another person,
27 as to such persons, the amount of tax with respect to such activities
28 shall be equal to the gross income derived from such activities
29 multiplied by the rate of 0.484 percent.

30 **Sec. 56.** RCW 82.08.150 and 2005 c 514 s 201 are each amended to
31 read as follows:

32 (1) There is levied and shall be collected a tax upon each retail
33 sale of spirits in the original package at the rate of fifteen percent
34 of the selling price. The tax imposed in this subsection shall apply
35 to all such sales including sales by the Washington state liquor stores
36 and agencies, but excluding sales to spirits, beer, and wine restaurant
37 licensees.

1 (2) There is levied and shall be collected a tax upon each sale of
2 spirits in the original package at the rate of ten percent of the
3 selling price on sales by Washington state liquor stores and agencies
4 to spirits, beer, and wine restaurant licensees.

5 (3) There is levied and shall be collected an additional tax upon
6 each retail sale of spirits in the original package at the rate of one
7 dollar and seventy-two cents per liter. The additional tax imposed in
8 this subsection shall apply to all such sales including sales by
9 Washington state liquor stores and agencies, and including sales to
10 spirits, beer, and wine restaurant licensees.

11 (4) An additional tax is imposed equal to fourteen percent
12 multiplied by the taxes payable under subsections (1), (2), and (3) of
13 this section.

14 (5) An additional tax is imposed upon each retail sale of spirits
15 in the original package at the rate of seven cents per liter. The
16 additional tax imposed in this subsection shall apply to all such sales
17 including sales by Washington state liquor stores and agencies, and
18 including sales to spirits, beer, and wine restaurant licensees. All
19 revenues collected during any month from this additional tax shall be
20 deposited in the (~~violence reduction and drug enforcement account~~
21 ~~under RCW 69.50.520~~) state general fund by the twenty-fifth day of the
22 following month.

23 (6)(a) An additional tax is imposed upon retail sale of spirits in
24 the original package at the rate of one and seven-tenths percent of the
25 selling price through June 30, 1995, two and six-tenths percent of the
26 selling price for the period July 1, 1995, through June 30, 1997, and
27 three and four-tenths of the selling price thereafter. This additional
28 tax applies to all such sales including sales by Washington state
29 liquor stores and agencies, but excluding sales to spirits, beer, and
30 wine restaurant licensees.

31 (b) An additional tax is imposed upon retail sale of spirits in the
32 original package at the rate of one and one-tenth percent of the
33 selling price through June 30, 1995, one and seven-tenths percent of
34 the selling price for the period July 1, 1995, through June 30, 1997,
35 and two and three-tenths of the selling price thereafter. This
36 additional tax applies to all such sales to spirits, beer, and wine
37 restaurant licensees.

1 (c) An additional tax is imposed upon each retail sale of spirits
2 in the original package at the rate of twenty cents per liter through
3 June 30, 1995, thirty cents per liter for the period July 1, 1995,
4 through June 30, 1997, and forty-one cents per liter thereafter. This
5 additional tax applies to all such sales including sales by Washington
6 state liquor stores and agencies, and including sales to spirits, beer,
7 and wine restaurant licensees.

8 (d) All revenues collected during any month from additional taxes
9 under this subsection shall be deposited in the (~~health services~~
10 ~~account created under RCW 43.72.900~~) state general fund by the twenty-
11 fifth day of the following month.

12 (7)(a) An additional tax is imposed upon each retail sale of
13 spirits in the original package at the rate of one dollar and thirty-
14 three cents per liter. This additional tax applies to all such sales
15 including sales by Washington state liquor stores and agencies, but
16 excluding sales to spirits, beer, and wine restaurant licensees.

17 (b) All revenues collected during any month from additional taxes
18 under this subsection shall be deposited by the twenty-fifth day of the
19 following month (~~as follows:~~

20 ~~(i) 97.5 percent~~) into the general fund(~~(+~~

21 ~~(ii) 2.3 percent into the health services account created under RCW~~
22 ~~43.72.900; and~~

23 ~~(iii) 0.2 percent into the violence reduction and drug enforcement~~
24 ~~account created under RCW 69.50.520~~)).

25 (8) The tax imposed in RCW 82.08.020 shall not apply to sales of
26 spirits in the original package.

27 (9) The taxes imposed in this section shall be paid by the buyer to
28 the seller, and each seller shall collect from the buyer the full
29 amount of the tax payable in respect to each taxable sale under this
30 section. The taxes required by this section to be collected by the
31 seller shall be stated separately from the selling price and for
32 purposes of determining the tax due from the buyer to the seller, it
33 shall be conclusively presumed that the selling price quoted in any
34 price list does not include the taxes imposed by this section.

35 (10) As used in this section, the terms, "spirits" and "package"
36 shall have the meaning ascribed to them in chapter 66.04 RCW.

1 **Sec. 57.** RCW 82.24.020 and 2008 c 226 s 3 and 2008 c 86 s 301 are
2 each reenacted and amended to read as follows:

3 (1) There is levied and there shall be collected as provided in
4 this chapter, a tax upon the sale, use, consumption, handling,
5 possession, or distribution of all cigarettes, in an amount equal to
6 one and fifteen one-hundredths cents per cigarette.

7 (2) An additional tax is imposed upon the sale, use, consumption,
8 handling, possession, or distribution of all cigarettes, in an amount
9 equal to five hundred twenty-five one-thousandths of a cent per
10 cigarette. All revenues collected during any month from this
11 additional tax shall be deposited in the (~~violence reduction and drug~~
12 ~~enforcement account under RCW 69.50.520~~) state general fund by the
13 twenty-fifth day of the following month.

14 (3) An additional tax is imposed upon the sale, use, consumption,
15 handling, possession, or distribution of all cigarettes, in an amount
16 equal to two and five one-hundredths cents per cigarette. All revenues
17 collected during any month from this additional tax shall be deposited
18 in the (~~health services account created under RCW 43.72.900~~) state
19 general fund by the twenty-fifth day of the following month.

20 (4) Wholesalers subject to the payment of this tax may, if they
21 wish, absorb five one-hundredths cents per cigarette of the tax and not
22 pass it on to purchasers without being in violation of this section or
23 any other act relating to the sale or taxation of cigarettes.

24 (5) For purposes of this chapter, "possession" shall mean both (a)
25 physical possession by the purchaser and, (b) when cigarettes are being
26 transported to or held for the purchaser or his or her designee by a
27 person other than the purchaser, constructive possession by the
28 purchaser or his or her designee, which constructive possession shall
29 be deemed to occur at the location of the cigarettes being so
30 transported or held.

31 (6) In accordance with federal law and rules prescribed by the
32 department, an enrolled member of a federally recognized Indian tribe
33 may purchase cigarettes from an Indian tribal organization under the
34 jurisdiction of the member's tribe for the member's own use exempt from
35 the applicable taxes imposed by this chapter. Except as provided in
36 subsection (7) of this section, any person, who purchases cigarettes
37 from an Indian tribal organization and who is not an enrolled member of

1 the federally recognized Indian tribe within whose jurisdiction the
2 sale takes place, is not exempt from the applicable taxes imposed by
3 this chapter.

4 (7) If the state enters into a cigarette tax contract or agreement
5 with a federally recognized Indian tribe under chapter 43.06 RCW, the
6 terms of the contract or agreement shall take precedence over any
7 conflicting provisions of this chapter while the contract or agreement
8 is in effect.

9 **Sec. 58.** RCW 82.24.026 and 2008 c 86 s 302 are each amended to
10 read as follows:

11 (1) In addition to the tax imposed upon the sale, use, consumption,
12 handling, possession, or distribution of cigarettes set forth in RCW
13 82.24.020, there is imposed a tax in an amount equal to three cents per
14 cigarette.

15 (2) The revenue collected under this section shall be deposited
16 ~~((as follows:~~

17 ~~(a) 21.7 percent shall be deposited into the health services~~
18 ~~account.~~

19 ~~(b) 2.8 percent shall be deposited into the general fund.~~

20 ~~(c) 2.3 percent shall be deposited into the violence reduction and~~
21 ~~drug enforcement account under RCW 69.50.520.~~

22 ~~(d) 1.7 percent shall be deposited into the water quality account~~
23 ~~under RCW 70.146.030.~~

24 ~~(e) The remainder shall be deposited into the education legacy~~
25 ~~trust account)) into the state general fund.~~

26 **Sec. 59.** RCW 82.24.027 and 2008 c 86 s 303 are each amended to
27 read as follows:

28 (1) There is hereby levied and there shall be collected by the
29 department of revenue from the persons mentioned in and in the manner
30 provided by this chapter, an additional tax upon the sale, use,
31 consumption, handling, possession, or distribution of cigarettes in an
32 amount equal to four-tenths of a cent per cigarette.

33 (2) The moneys collected under this section shall be deposited ~~((as~~
34 ~~follows:~~

35 ~~(a) For the period beginning July 1, 2001, through June 30, 2021,~~
36 ~~into the water quality account under RCW 70.146.030; and~~

1 ~~(b) For the period beginning July 1, 2021,~~) in the general fund.

2 **Sec. 60.** RCW 82.24.028 and 2008 c 86 s 304 are each amended to
3 read as follows:

4 In addition to the tax imposed upon the sale, use, consumption,
5 handling, possession, or distribution of cigarettes set forth in RCW
6 82.24.020, there is imposed a tax in an amount equal to three cents per
7 cigarette. All revenues collected during any month from this
8 additional tax shall be deposited in the (~~health services account~~
9 ~~created under RCW 43.72.900~~) state general fund by the twenty-fifth
10 day of the following month.

11 **Sec. 61.** RCW 82.26.020 and 2005 c 180 s 3 are each amended to read
12 as follows:

13 (1) There is levied and there shall be collected a tax upon the
14 sale, handling, or distribution of all tobacco products in this state
15 at the following rate:

16 (a) Seventy-five percent of the taxable sales price of cigars, not
17 to exceed fifty cents per cigar; or

18 (b) Seventy-five percent of the taxable sales price of all tobacco
19 products that are not cigars.

20 (2) Taxes under this section shall be imposed at the time the
21 distributor (a) brings, or causes to be brought, into this state from
22 without the state tobacco products for sale, (b) makes, manufactures,
23 fabricates, or stores tobacco products in this state for sale in this
24 state, (c) ships or transports tobacco products to retailers in this
25 state, to be sold by those retailers, or (d) handles for sale any
26 tobacco products that are within this state but upon which tax has not
27 been imposed.

28 (3) The moneys collected under this section shall be deposited (~~as~~
29 ~~follows~~):

30 ~~(a) Thirty-seven percent in the general fund;~~

31 ~~(b) Fifty percent in the health services account created under RCW~~
32 ~~43.72.900; and~~

33 ~~(c) Thirteen percent in the water quality account under RCW~~
34 ~~70.146.030 for the period beginning July 1, 2005, through June 30,~~
35 ~~2021, and in the general fund for the period beginning July 1, 2021))~~
36 into the state general fund.

1 **Sec. 62.** RCW 82.32.390 and 1986 c 3 s 15 are each amended to read
2 as follows:

3 The department of revenue shall deposit into the (~~water quality~~
4 ~~account~~) state general fund all moneys received from the imposition on
5 consumers of the taxes under chapters 82.08 and 82.12 RCW on the sales
6 or use of articles of tangible personal property which become or are to
7 become an ingredient or component of new or existing water pollution
8 control facilities and activities, as defined in RCW 70.146.020(~~—~~
9 ~~which received full or partial funding from the water quality~~
10 ~~account~~)).

11 **Sec. 63.** RCW 82.64.020 and 1994 sp.s. c 7 s 906 are each amended
12 to read as follows:

13 (1) A tax is imposed on each sale at wholesale of syrup in this
14 state. The rate of the tax shall be equal to one dollar per gallon.
15 Fractional amounts shall be taxed proportionally.

16 (2) A tax is imposed on each sale at retail of syrup in this state.
17 The rate of the tax shall be equal to the rate imposed under subsection
18 (1) of this section.

19 (3) Moneys collected under this chapter shall be deposited in the
20 (~~violence reduction and drug enforcement account under RCW 69.50.520~~)
21 state general fund.

22 (4) Chapter 82.32 RCW applies to the taxes imposed in this chapter.
23 The tax due dates, reporting periods, and return requirements
24 applicable to chapter 82.04 RCW apply equally to the taxes imposed in
25 this chapter.

26 **Sec. 64.** RCW 83.100.220 and 2005 c 516 s 16 are each amended to
27 read as follows:

28 All receipts from taxes, penalties, interest, and fees collected
29 under this chapter must be deposited into the (~~education legacy trust~~
30 ~~account~~) state general fund.

31 NEW SECTION. **Sec. 65.** RCW 83.100.230 (Education legacy trust
32 account) and 2008 c 329 s 924 & 2005 c 514 s 1101 are each repealed.

33 **Sec. 66.** RCW 84.52.067 and 2001 c 3 s 7 are each amended to read
34 as follows:

1 All property taxes levied by the state for the support of common
2 schools shall be paid into the general fund of the state treasury as
3 provided in RCW 84.56.280(~~(, except for the amounts collected under RCW~~
4 ~~84.52.068 which shall be directly deposited into the student~~
5 ~~achievement fund and distributed to school districts as provided in RCW~~
6 ~~84.52.068))~~).

7 **Sec. 67.** RCW 90.71.370 and 2008 c 329 s 927 are each amended to
8 read as follows:

9 (1) By December 1, 2008, and by September 1st of each even-numbered
10 year beginning in 2010, the council shall provide to the governor and
11 the appropriate fiscal committees of the senate and house of
12 representatives its recommendations for the funding necessary to
13 implement the action agenda in the succeeding biennium. The
14 recommendations shall:

- 15 (a) Identify the funding needed by action agenda element;
- 16 (b) Address funding responsibilities among local, state, and
17 federal governments, as well as nongovernmental funding; and
- 18 (c) Address funding needed to support the work of the partnership,
19 the panel, the ecosystem work group, and entities assisting in
20 coordinating local efforts to implement the plan.

21 (2) In the 2008 report required under subsection (1) of this
22 section, the council shall include recommendations for projected
23 funding needed through 2020 to implement the action agenda; funding
24 needs for science panel staff; identify methods to secure stable and
25 sufficient funding to meet these needs; and include proposals for new
26 sources of funding to be dedicated to Puget Sound protection and
27 recovery. In preparing the science panel staffing proposal, the
28 council shall consult with the panel.

29 (3) By November 1st of each odd-numbered year beginning in 2009,
30 the council shall produce a state of the Sound report that includes, at
31 a minimum:

- 32 (a) An assessment of progress by state and nonstate entities in
33 implementing the action agenda, including accomplishments in the use of
34 state funds for action agenda implementation;
- 35 (b) A description of actions by implementing entities that are
36 inconsistent with the action agenda and steps taken to remedy the
37 inconsistency;

1 (c) The comments by the panel on progress in implementing the plan,
2 as well as findings arising from the assessment and monitoring program;

3 (d) A review of citizen concerns provided to the partnership and
4 the disposition of those concerns;

5 (e) A review of the expenditures of funds to state agencies for the
6 implementation of programs affecting the protection and recovery of
7 Puget Sound, and an assessment of whether the use of the funds is
8 consistent with the action agenda; and

9 (f) An identification of all funds provided to the partnership, and
10 recommendations as to how future state expenditures for all entities,
11 including the partnership, could better match the priorities of the
12 action agenda.

13 (4)(a) The council shall review state programs that fund facilities
14 and activities that may contribute to action agenda implementation. By
15 November 1, 2009, the council shall provide initial recommendations
16 regarding program changes to the governor and appropriate fiscal and
17 policy committees of the senate and house of representatives. By
18 November 1, 2010, the council shall provide final recommendations
19 regarding program changes, including proposed legislation to implement
20 the recommendation, to the governor and appropriate fiscal and policy
21 committees of the senate and house of representatives.

22 (b) The review in this subsection shall be conducted with the
23 active assistance and collaboration of the agencies administering these
24 programs, and in consultation with local governments and other entities
25 receiving funding from these programs:

26 ~~((The water quality account, chapter 70.146 RCW;~~
27 ~~(+ii+))~~ The water pollution control revolving fund, chapter 90.50A
28 RCW;

29 ~~((+iii+))~~ (ii) The public works assistance account, chapter 43.155
30 RCW;

31 ~~((+iv+))~~ (iii) The aquatic lands enhancement account, RCW
32 79.105.150;

33 ~~((+v+))~~ (iv) The state toxics control account and local toxics
34 control account and clean-up program, chapter 70.105D RCW;

35 ~~((+vi+))~~ (v) The acquisition of habitat conservation and outdoor
36 recreation land, chapter 79A.15 RCW;

37 ~~((+vii+))~~ (vi) The salmon recovery funding board, RCW 77.85.110
38 through 77.85.150;

1 (~~(viii)~~) (vii) The community economic revitalization board,
2 chapter 43.160 RCW;

3 (~~(ix)~~) (viii) Other state financial assistance to water quality-
4 related projects and activities; and

5 (~~(x)~~) (ix) Water quality financial assistance from federal
6 programs administered through state programs or provided directly to
7 local governments in the Puget Sound basin.

8 (c) The council's review shall include but not be limited to:

9 (i) Determining the level of funding and types of projects and
10 activities funded through the programs that contribute to
11 implementation of the action agenda;

12 (ii) Evaluating the procedures and criteria in each program for
13 determining which projects and activities to fund, and their
14 relationship to the goals and priorities of the action agenda;

15 (iii) Assessing methods for ensuring that the goals and priorities
16 of the action agenda are given priority when program funding decisions
17 are made regarding water quality-related projects and activities in the
18 Puget Sound basin and habitat-related projects and activities in the
19 Puget Sound basin;

20 (iv) Modifying funding criteria so that projects, programs, and
21 activities that are inconsistent with the action agenda are ineligible
22 for funding;

23 (v) Assessing ways to incorporate a strategic funding approach for
24 the action agenda within the outcome-focused performance measures
25 required by RCW 43.41.270 in administering natural resource-related and
26 environmentally based grant and loan programs.

27 NEW SECTION. Sec. 68. RCW 84.52.068 (State levy--Distribution to
28 school districts) and 2005 c 514 s 1104, 2003 1st sp.s. c 19 s 1, &
29 2001 c 3 s 5 are each repealed.

30 NEW SECTION. Sec. 69. This act is necessary for the immediate
31 preservation of the public peace, health, or safety, or support of the
32 state government and its existing public institutions, and takes effect
33 July 1, 2009.

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