

1 representing mortgage brokers and loan originators. At least three of
2 the commission members shall be mortgage brokers licensed under this
3 chapter, at least one shall be exempt from licensure under RCW
4 19.146.020(1)(g), and at least two of the commission members shall be
5 licensed loan originators under this chapter. No commission member
6 shall be appointed who has had less than five years' experience in the
7 business of residential mortgage lending. In addition, the director or
8 a designee shall serve as an ex officio, nonvoting member of the
9 commission. Voting members of the commission shall serve for two-year
10 terms. The department shall provide staff support to the commission.

11 (3) The commission may establish a code of conduct for its members.
12 Any commissioner may bring a motion before the commission to remove a
13 commissioner for failing to conduct themselves in a manner consistent
14 with the code of conduct. The motion shall be in the form of a
15 recommendation to the director to dismiss a specific commissioner and
16 shall enumerate causes for doing so. The commissioner in question
17 shall recuse himself or herself from voting on any such motion. Any
18 such motion must be approved unanimously by the remaining six
19 commissioners. Approved motions shall be immediately transmitted to
20 the director for review and action.

21 (4) Members of the commission shall be reimbursed for their travel
22 expenses incurred in carrying out the provisions of this chapter in
23 accordance with RCW 43.03.050 and 43.03.060. All costs and expenses
24 associated with the commission shall be paid from the financial
25 services regulation fund, unless the consumer services account is
26 created as a dedicated, nonappropriated account, in which case all
27 costs and expenses shall be paid from the consumer services account.

28 (5) The commission shall advise the director on the characteristics
29 and needs of the mortgage broker profession.

30 (6) The department, in consultation with other applicable agencies
31 of state government, shall conduct a continuing review of the number
32 and type of consumer complaints arising from residential mortgage
33 lending in the state. ~~((The department shall report its findings to
34 the senate committee on financial institutions and house of
35 representatives committee on financial institutions and insurance along
36 with recommendations for any changes in the licensing requirements of
37 this chapter, biennially by December 1st of each even numbered year.))~~

1 **Sec. 2.** RCW 43.320.1401 and 2006 c 21 s 3 are each amended to read
2 as follows:

- 3 (1) Before December 31st of every year, the department of financial
4 institutions shall provide the senate and house of representatives
5 committees that address matters related to financial institutions with
6 a written report outlining the activity of the mortgage lending fraud
7 prosecution account.
- 8 (2) This section expires June 30, (~~(2011)~~) 2009.

9 **Sec. 3.** RCW 43.88.110 and 2003 c 206 s 1 are each amended to read
10 as follows:

11 This section sets forth the expenditure programs and the allotment
12 and reserve procedures to be followed by the executive branch for
13 public funds.

14 (1) Allotments of an appropriation for any fiscal period shall
15 conform to the terms, limits, or conditions of the appropriation.

16 (2) The director of financial management shall provide all agencies
17 with a complete set of operating and capital instructions for preparing
18 a statement of proposed expenditures at least thirty days before the
19 beginning of a fiscal period. The set of instructions need not include
20 specific appropriation amounts for the agency.

21 (3) Within forty-five days after the beginning of the fiscal period
22 or within forty-five days after the governor signs the omnibus biennial
23 appropriations act, whichever is later, all agencies shall submit to
24 the governor a statement of proposed expenditures at such times and in
25 such form as may be required by the governor.

26 (4) The office of financial management shall develop a method for
27 monitoring capital appropriations and expenditures that will capture at
28 least the following elements:

- 29 (a) Appropriations made for capital projects including
30 transportation projects;
- 31 (b) Estimates of total project costs including past, current,
32 ensuing, and future biennial costs;
- 33 (c) Comparisons of actual costs to estimated costs;
- 34 (d) Comparisons of estimated construction start and completion
35 dates with actual dates;
- 36 (e) Documentation of fund shifts between projects.

1 This data may be incorporated into the existing accounting system
2 or into a separate project management system, as deemed appropriate by
3 the office of financial management.

4 ~~(5) ((The office of financial management shall publish agency
5 annual maintenance summary reports beginning in October 1997. State
6 agencies shall submit a separate report for each major campus or site,
7 as defined by the office of financial management. Reports shall be
8 prepared in a format prescribed by the office of financial management
9 and shall include, but not be limited to: Information describing the
10 number, size, and condition of state-owned facilities; facility
11 maintenance, repair, and operating expenses paid from the state
12 operating and capital budgets, including maintenance staffing levels;
13 the condition of major infrastructure systems; and maintenance
14 management initiatives undertaken by the agency over the prior year.
15 Agencies shall submit their annual maintenance summary reports to the
16 office of financial management by September 1 each year.~~

17 ~~(6))~~ The office of financial management, prior to approving
18 allotments for major capital construction projects valued over five
19 million dollars, shall institute procedures for reviewing such projects
20 at the predesign stage that will reduce long-term costs and increase
21 facility efficiency. The procedures shall include, but not be limited
22 to, the following elements:

23 (a) Evaluation of facility program requirements and consistency
24 with long-range plans;

25 (b) Utilization of a system of cost, quality, and performance
26 standards to compare major capital construction projects; and

27 (c) A requirement to incorporate value-engineering analysis and
28 constructability review into the project schedule.

29 ~~((7))~~ (6) No expenditure may be incurred or obligation entered
30 into for such major capital construction projects including, without
31 exception, land acquisition, site development, predesign, design,
32 construction, and equipment acquisition and installation, until the
33 allotment of the funds to be expended has been approved by the office
34 of financial management. This limitation does not prohibit the
35 continuation of expenditures and obligations into the succeeding
36 biennium for projects for which allotments have been approved in the
37 immediate prior biennium.

1 ~~((+8))~~ (7) If at any time during the fiscal period the governor
2 projects a cash deficit in a particular fund or account as defined by
3 RCW 43.88.050, the governor shall make across-the-board reductions in
4 allotments for that particular fund or account so as to prevent a cash
5 deficit, unless the legislature has directed the liquidation of the
6 cash deficit over one or more fiscal periods. Except for the
7 legislative and judicial branches and other agencies headed by elective
8 officials, the governor shall review the statement of proposed
9 operating expenditures for reasonableness and conformance with
10 legislative intent. The governor may request corrections of proposed
11 allotments submitted by the legislative and judicial branches and
12 agencies headed by elective officials if those proposed allotments
13 contain significant technical errors. Once the governor approves the
14 proposed allotments, further revisions may at the request of the office
15 of financial management or upon the agency's initiative be made on a
16 quarterly basis and must be accompanied by an explanation of the
17 reasons for significant changes. However, changes in appropriation
18 level authorized by the legislature, changes required by across-the-
19 board reductions mandated by the governor, changes caused by executive
20 increases to spending authority, and changes caused by executive
21 decreases to spending authority for failure to comply with the
22 provisions of chapter 36.70A RCW may require additional revisions.
23 Revisions shall not be made retroactively. However, the governor may
24 assign to a reserve status any portion of an agency appropriation
25 withheld as part of across-the-board reductions made by the governor
26 and any portion of an agency appropriation conditioned on a contingent
27 event by the appropriations act. The governor may remove these amounts
28 from reserve status if the across-the-board reductions are subsequently
29 modified or if the contingent event occurs. The director of financial
30 management shall enter approved statements of proposed expenditures
31 into the state budgeting, accounting, and reporting system within
32 forty-five days after receipt of the proposed statements from the
33 agencies. If an agency or the director of financial management is
34 unable to meet these requirements, the director of financial management
35 shall provide a timely explanation in writing to the legislative fiscal
36 committees.

37 ~~((+9))~~ (8) It is expressly provided that all agencies shall be
38 required to maintain accounting records and to report thereon in the

1 manner prescribed in this chapter and under the regulations issued
2 pursuant to this chapter. Within ninety days of the end of the fiscal
3 year, all agencies shall submit to the director of financial management
4 their final adjustments to close their books for the fiscal year.
5 Prior to submitting fiscal data, written or oral, to committees of the
6 legislature, it is the responsibility of the agency submitting the data
7 to reconcile it with the budget and accounting data reported by the
8 agency to the director of financial management.

9 ~~((+10+))~~ (9) The director of financial management may exempt
10 certain public funds from the allotment controls established under this
11 chapter if it is not practical or necessary to allot the funds.
12 Allotment control exemptions expire at the end of the fiscal biennium
13 for which they are granted. The director of financial management shall
14 report any exemptions granted under this subsection to the legislative
15 fiscal committees.

16 **Sec. 4.** RCW 13.60.110 and 1999 c 168 s 2 are each amended to read
17 as follows:

18 (1) A task force on missing and exploited children is established
19 in the Washington state patrol. The task force shall be under the
20 direction of the chief of the state patrol.

21 (2) The task force is authorized to assist law enforcement
22 agencies, upon request, in cases involving missing or exploited
23 children by:

- 24 (a) Direct assistance and case management;
- 25 (b) Technical assistance;
- 26 (c) Personnel training;
- 27 (d) Referral for assistance from local, state, national, and
28 international agencies; and
- 29 (e) Coordination and information sharing among local, state,
30 interstate, and federal law enforcement and social service agencies.

31 (3) To maximize the efficiency and effectiveness of state resources
32 and to improve interagency cooperation, the task force shall, where
33 feasible, use existing facilities, systems, and staff made available by
34 the state patrol and other local, state, interstate, and federal law
35 enforcement and social service agencies. The chief of the state patrol
36 may employ such additional personnel as are necessary for the work of
37 the task force and may share personnel costs with other agencies.

1 (4) The chief of the state patrol shall seek public and private
2 grants and gifts to support the work of the task force.

3 ~~(5) ((By December 1, 2001, and annually thereafter, the chief of~~
4 ~~the state patrol shall submit a report to the appropriate committees of~~
5 ~~the legislature. The report shall establish performance measurements~~
6 ~~and objectives for the task force and assess the accomplishments of the~~
7 ~~task force.~~

8 ~~(6))~~) For the purposes of RCW 13.60.100 through 13.60.120,
9 "exploited children" means children under the age of eighteen who are
10 employed, used, persuaded, induced, enticed, or coerced to engage in,
11 or assist another person to engage in, sexually explicit conduct.
12 "Exploited children" also means the rape, molestation, or use for
13 prostitution of children under the age of eighteen.

14 **Sec. 5.** RCW 74.13.031 and 2008 c 267 s 6 are each amended to read
15 as follows:

16 The department shall have the duty to provide child welfare
17 services and shall:

18 (1) Develop, administer, supervise, and monitor a coordinated and
19 comprehensive plan that establishes, aids, and strengthens services for
20 the protection and care of runaway, dependent, or neglected children.

21 (2) Within available resources, recruit an adequate number of
22 prospective adoptive and foster homes, both regular and specialized,
23 i.e. homes for children of ethnic minority, including Indian homes for
24 Indian children, sibling groups, handicapped and emotionally disturbed,
25 teens, pregnant and parenting teens(~~(, and annually report to the~~
26 ~~governor and the legislature concerning the department's success in:~~
27 ~~(a) Meeting the need for adoptive and foster home placements;~~ (b)
28 ~~reducing the foster parent turnover rate;~~ (c) ~~completing home studies~~
29 ~~for legally free children;~~ and (d) ~~implementing and operating the~~
30 ~~passport program required by RCW 74.13.285. The report shall include~~
31 ~~a section entitled "Foster Home Turn Over, Causes and~~
32 ~~Recommendations."~~)).

33 (3) Investigate complaints of any recent act or failure to act on
34 the part of a parent or caretaker that results in death, serious
35 physical or emotional harm, or sexual abuse or exploitation, or that
36 presents an imminent risk of serious harm, and on the basis of the
37 findings of such investigation, offer child welfare services in

1 relation to the problem to such parents, legal custodians, or persons
2 serving in loco parentis, and/or bring the situation to the attention
3 of an appropriate court, or another community agency. An investigation
4 is not required of nonaccidental injuries which are clearly not the
5 result of a lack of care or supervision by the child's parents, legal
6 custodians, or persons serving in loco parentis. If the investigation
7 reveals that a crime against a child may have been committed, the
8 department shall notify the appropriate law enforcement agency.

9 (4) Offer, on a voluntary basis, family reconciliation services to
10 families who are in conflict.

11 (5) Monitor placements of children in out-of-home care and in-home
12 dependencies to assure the safety, well-being, and quality of care
13 being provided is within the scope of the intent of the legislature as
14 defined in RCW 74.13.010 and 74.15.010. The policy for monitoring
15 placements under this section shall require that children in out-of-
16 home care and in-home dependencies and their caregivers receive a
17 private and individual face-to-face visit each month.

18 (a) The department shall conduct the monthly visits with children
19 and caregivers required under this section unless the child's placement
20 is being supervised under a contract between the department and a
21 private agency accredited by a national child welfare accrediting
22 entity, in which case the private agency shall, within existing
23 resources, conduct the monthly visits with the child and with the
24 child's caregiver according to the standards described in this
25 subsection and shall provide the department with a written report of
26 the visits within fifteen days of completing the visits.

27 (b) In cases where the monthly visits required under this
28 subsection are being conducted by a private agency, the department
29 shall conduct a face-to-face health and safety visit with the child at
30 least once every ninety days.

31 (6) Have authority to accept custody of children from parents and
32 to accept custody of children from juvenile courts, where authorized to
33 do so under law, to provide child welfare services including placement
34 for adoption, to provide for the routine and necessary medical, dental,
35 and mental health care, or necessary emergency care of the children,
36 and to provide for the physical care of such children and make payment
37 of maintenance costs if needed. Except where required by Public Law
38 95-608 (25 U.S.C. Sec. 1915), no private adoption agency which receives

1 children for adoption from the department shall discriminate on the
2 basis of race, creed, or color when considering applications in their
3 placement for adoption.

4 (7) Have authority to provide temporary shelter to children who
5 have run away from home and who are admitted to crisis residential
6 centers.

7 (8) Have authority to purchase care for children; and shall follow
8 in general the policy of using properly approved private agency
9 services for the actual care and supervision of such children insofar
10 as they are available, paying for care of such children as are accepted
11 by the department as eligible for support at reasonable rates
12 established by the department.

13 (9) Establish a children's services advisory committee which shall
14 assist the secretary in the development of a partnership plan for
15 utilizing resources of the public and private sectors, and advise on
16 all matters pertaining to child welfare, licensing of child care
17 agencies, adoption, and services related thereto. At least one member
18 shall represent the adoption community.

19 (10)(a) Have authority to provide continued foster care or group
20 care as needed to participate in or complete a high school or
21 vocational school program.

22 (b)(i) Beginning in 2006, the department has the authority to allow
23 up to fifty youth reaching age eighteen to continue in foster care or
24 group care as needed to participate in or complete a posthigh school
25 academic or vocational program, and to receive necessary support and
26 transition services.

27 (ii) In 2007 and 2008, the department has the authority to allow up
28 to fifty additional youth per year reaching age eighteen to remain in
29 foster care or group care as provided in (b)(i) of this subsection.

30 (iii) A youth who remains eligible for such placement and services
31 pursuant to department rules may continue in foster care or group care
32 until the youth reaches his or her twenty-first birthday. Eligibility
33 requirements shall include active enrollment in a posthigh school
34 academic or vocational program and maintenance of a 2.0 grade point
35 average.

36 (11) Refer cases to the division of child support whenever state or
37 federal funds are expended for the care and maintenance of a child,
38 including a child with a developmental disability who is placed as a

1 result of an action under chapter 13.34 RCW, unless the department
2 finds that there is good cause not to pursue collection of child
3 support against the parent or parents of the child. Cases involving
4 individuals age eighteen through twenty shall not be referred to the
5 division of child support unless required by federal law.

6 (12) Have authority within funds appropriated for foster care
7 services to purchase care for Indian children who are in the custody of
8 a federally recognized Indian tribe or tribally licensed child-placing
9 agency pursuant to parental consent, tribal court order, or state
10 juvenile court order; and the purchase of such care shall be subject to
11 the same eligibility standards and rates of support applicable to other
12 children for whom the department purchases care.

13 Notwithstanding any other provision of RCW 13.32A.170 through
14 13.32A.200 and 74.13.032 through 74.13.036, or of this section all
15 services to be provided by the department of social and health services
16 under subsections (4), (6), and (7) of this section, subject to the
17 limitations of these subsections, may be provided by any program
18 offering such services funded pursuant to Titles II and III of the
19 federal juvenile justice and delinquency prevention act of 1974.

20 (13) Within amounts appropriated for this specific purpose, provide
21 preventive services to families with children that prevent or shorten
22 the duration of an out-of-home placement.

23 (14) Have authority to provide independent living services to
24 youths, including individuals who have attained eighteen years of age,
25 and have not attained twenty-one years of age who are or have been in
26 foster care.

27 (15) Consult at least quarterly with foster parents, including
28 members of the foster parent association of Washington state, for the
29 purpose of receiving information and comment regarding how the
30 department is performing the duties and meeting the obligations
31 specified in this section and RCW 74.13.250 and 74.13.320 regarding the
32 recruitment of foster homes, reducing foster parent turnover rates,
33 providing effective training for foster parents, and administering a
34 coordinated and comprehensive plan that strengthens services for the
35 protection of children. Consultation shall occur at the regional and
36 statewide levels.

1 **Sec. 6.** RCW 74.13.036 and 2003 c 207 s 2 are each amended to read
2 as follows:

3 (1) The department of social and health services shall oversee
4 implementation of chapter 13.34 RCW and chapter 13.32A RCW. The
5 oversight shall be comprised of working with affected parts of the
6 criminal justice and child care systems as well as with local
7 government, legislative, and executive authorities to effectively carry
8 out these chapters. The department shall work with all such entities
9 to ensure that chapters 13.32A and 13.34 RCW are implemented in a
10 uniform manner throughout the state.

11 (2) The department shall develop a plan and procedures, in
12 cooperation with the statewide advisory committee, to insure the full
13 implementation of the provisions of chapter 13.32A RCW. Such plan and
14 procedures shall include but are not limited to:

15 (a) Procedures defining and delineating the role of the department
16 and juvenile court with regard to the execution of the child in need of
17 services placement process;

18 (b) Procedures for designating department staff responsible for
19 family reconciliation services;

20 (c) Procedures assuring enforcement of contempt proceedings in
21 accordance with RCW 13.32A.170 and 13.32A.250; and

22 (d) Procedures for the continued education of all individuals in
23 the criminal juvenile justice and child care systems who are affected
24 by chapter 13.32A RCW, as well as members of the legislative and
25 executive branches of government.

26 There shall be uniform application of the procedures developed by
27 the department and juvenile court personnel, to the extent practicable.
28 Local and regional differences shall be taken into consideration in the
29 development of procedures required under this subsection.

30 (3) In addition to its other oversight duties, the department
31 shall:

32 (a) Identify and evaluate resource needs in each region of the
33 state;

34 (b) Disseminate information collected as part of the oversight
35 process to affected groups and the general public;

36 (c) Educate affected entities within the juvenile justice and child
37 care systems, local government, and the legislative branch regarding
38 the implementation of chapters 13.32A and 13.34 RCW;

1 (d) Review complaints concerning the services, policies, and
2 procedures of those entities charged with implementing chapters 13.32A
3 and 13.34 RCW; and

4 (e) Report any violations and misunderstandings regarding the
5 implementation of chapters 13.32A and 13.34 RCW.

6 ~~((4) The department shall provide an annual report to the
7 legislature not later than December 1 of each year only when it has
8 declined to accept custody of a child from a law enforcement agency or
9 it has received a report of a child being released without placement.
10 The report shall indicate the number of times it has declined to accept
11 custody of a child from a law enforcement agency under chapter 13.32A
12 RCW and the number of times it has received a report of a child being
13 released without placement under RCW 13.32A.060(1)(c). The report
14 shall include the dates, places, and reasons the department declined to
15 accept custody and the dates and places children are released without
16 placement.))~~

17 **Sec. 7.** RCW 74.08A.130 and 1997 c 58 s 204 are each amended to
18 read as follows:

19 The department shall make an affirmative effort to identify and
20 proactively contact legal immigrants receiving public assistance to
21 facilitate their applications for naturalization. The department shall
22 obtain a complete list of legal immigrants in Washington who are
23 receiving correspondence regarding their eligibility from the social
24 security administration. The department shall inform immigrants
25 regarding how citizenship may be attained. In order to facilitate the
26 citizenship process, the department shall coordinate and contract, to
27 the extent necessary, with existing public and private resources and
28 shall, within available funds, ensure that those immigrants who qualify
29 to apply for naturalization are referred to or otherwise offered
30 classes. The department shall assist eligible immigrants in obtaining
31 appropriate test exemptions, and other exemptions in the naturalization
32 process, to the extent permitted under federal law. ~~((The department
33 shall report annually by December 15th to the legislature regarding the
34 progress and barriers of the immigrant naturalization facilitation
35 effort. It is the intent of the legislature that persons receiving
36 naturalization assistance be facilitated in obtaining citizenship
37 within two years of their eligibility to apply.))~~

1 **Sec. 8.** RCW 70.56.040 and 2008 c 136 s 2 are each amended to read
2 as follows:

3 (1) The department shall contract with a qualified, independent
4 entity to receive notifications and reports of adverse events and
5 incidents, and carry out the activities specified in this section. In
6 establishing qualifications for, and choosing the independent entity,
7 the department shall strongly consider the patient safety organization
8 criteria included in the federal patient safety and quality improvement
9 act of 2005, P.L. 109-41, and any regulations adopted to implement this
10 chapter.

11 (2) The independent entity shall:

12 (a) In collaboration with the department of health, establish an
13 internet-based system for medical facilities and the health care
14 workers of a medical facility to submit notifications and reports of
15 adverse events and incidents, which shall be accessible twenty-four
16 hours a day, seven days a week. The system shall be a portal to report
17 both adverse events and incidents, and notifications and reports of
18 adverse events shall be immediately transmitted to the department. The
19 system shall be a secure system that protects the confidentiality of
20 personal health information and provider and facility specific
21 information submitted in notifications and reports, including
22 appropriate encryption and an accurate means of authenticating the
23 identity of users of the system. When the system becomes operational,
24 medical facilities shall submit all notifications and reports by means
25 of the system;

26 (b) Collect, analyze, and evaluate data regarding notifications and
27 reports of adverse events and incidents, including the identification
28 of performance indicators and patterns in frequency or severity at
29 certain medical facilities or in certain regions of the state;

30 (c) Develop recommendations for changes in health care practices
31 and procedures, which may be instituted for the purpose of reducing the
32 number or severity of adverse events and incidents;

33 (d) Directly advise reporting medical facilities of immediate
34 changes that can be instituted to reduce adverse events or incidents;

35 (e) Issue recommendations to medical facilities on a
36 facility-specific or on a statewide basis regarding changes, trends,
37 and improvements in health care practices and procedures for the
38 purpose of reducing the number and severity of adverse events or

1 incidents. Prior to issuing recommendations, consideration shall be
2 given to the following factors: Expectation of improved quality of
3 care, implementation feasibility, other relevant implementation
4 practices, and the cost impact to patients, payers, and medical
5 facilities. Statewide recommendations shall be issued to medical
6 facilities on a continuing basis and shall be published and posted on
7 a publicly accessible web site. The recommendations made to medical
8 facilities under this section shall not be considered mandatory for
9 licensure purposes unless they are adopted by the department as rules
10 pursuant to chapter 34.05 RCW; and

11 (f) Monitor implementation of reporting systems addressing adverse
12 events or their equivalent in other states and make recommendations to
13 the governor and the legislature as necessary for modifications to this
14 chapter to keep the system as nearly consistent as possible with
15 similar systems in other states.

16 ~~(3)((a) The independent entity shall report no later than January~~
17 ~~1, 2008, and annually thereafter to the governor and the legislature on~~
18 ~~the activities under this chapter in the preceding year. The report~~
19 ~~shall include:~~

20 ~~(i) The number of adverse events and incidents reported by medical~~
21 ~~facilities, in the aggregate, on a geographical basis, and a summary of~~
22 ~~actions taken by facilities in response to the adverse events or~~
23 ~~incidents;~~

24 ~~(ii) In the aggregate, the information derived from the data~~
25 ~~collected, including any recognized trends concerning patient safety;~~

26 ~~(iii) Recommendations for statutory or regulatory changes that may~~
27 ~~help improve patient safety in the state; and~~

28 ~~(iv) Information, presented in the aggregate, to inform and educate~~
29 ~~consumers and providers, on best practices and prevention tools that~~
30 ~~medical facilities are implementing to prevent adverse events as well~~
31 ~~as other patient safety initiatives medical facilities are undertaking~~
32 ~~to promote patient safety.~~

33 ~~(b) The annual report shall be made available for public inspection~~
34 ~~and shall be posted on the department's and the independent entity's~~
35 ~~web site.~~

36 ~~(4))~~ The independent entity shall conduct all activities under
37 this section in a manner that preserves the confidentiality of

1 facilities, documents, materials, or information made confidential by
2 RCW 70.56.050.

3 ((+5)) (4) Medical facilities and health care workers may provide
4 notification of incidents to the independent entity. The notification
5 shall be filed in a format specified by the independent entity, after
6 consultation with the department and medical facilities, and shall
7 identify the facility but shall not include any identifying information
8 for any of the health care professionals, facility employees, or
9 patients involved. This provision does not modify the duty of a
10 hospital to make a report to the department or a disciplinary authority
11 if a licensed practitioner has committed unprofessional conduct as
12 defined in RCW 18.130.180. The protections of RCW 43.70.075 apply to
13 notifications of incidents that are submitted in good faith by
14 employees of medical facilities.

15 **Sec. 9.** RCW 43.70.690 and 2005 c 462 s 4 are each amended to read
16 as follows:

17 (1) The department, in collaboration with its public and private
18 partners, shall design a state asthma plan, based on clinically sound
19 criteria including nationally recognized guidelines such as those
20 established by the national asthma education prevention partnership
21 expert panel report guidelines for the diagnosis and management of
22 asthma.

23 (2) The plan shall include recommendations in the following areas:

24 (a) Evidence-based processes for the prevention and management of
25 asthma;

26 (b) Data systems that support asthma prevalence reporting,
27 including population disparities and practice variation in the
28 treatment of asthma;

29 (c) Quality improvement strategies addressing the successful
30 diagnosis and management of the disease; and

31 (d) Cost estimates and sources of funding for plan implementation.

32 (3) The department shall submit the completed state plan to the
33 governor and the legislature by December 1, 2005. (~~After the initial
34 state plan is submitted, the department shall provide progress reports
35 to the governor and the legislature on a biennial basis beginning
36 December 1, 2007.~~)

1 (4) The department shall implement the state plan recommendations
2 made under subsection (2) of this section only to the extent that
3 federal, state, or private funds, including grants, are available for
4 that purpose.

5 **Sec. 10.** RCW 77.85.140 and 2007 c 241 s 22 are each amended to
6 read as follows:

7 (1) Habitat project lists shall be submitted to the salmon recovery
8 funding board for funding at least once a year on a schedule
9 established by the board. The board shall provide the legislature with
10 a list of the proposed projects and a list of the projects funded by
11 October 1st of each year for informational purposes. Project sponsors
12 who complete salmon habitat projects approved for funding from habitat
13 project lists and have met grant application deadlines will be paid by
14 the salmon recovery funding board within thirty days of project
15 completion.

16 (2) The recreation and conservation office shall track all funds
17 allocated for salmon habitat projects and salmon recovery activities on
18 behalf of the board, including both funds allocated by the board and
19 funds allocated by other state or federal agencies for salmon recovery
20 or water quality improvement.

21 ~~((3) Beginning in December 2000, the board shall provide a
22 biennial report to the governor and the legislature on salmon recovery
23 expenditures. This report shall be coordinated with the state of the
24 salmon report required under RCW 77.85.020.))~~

25 NEW SECTION. **Sec. 11.** The following acts or parts of acts are
26 each repealed:

27 (1) RCW 43.88.067 (Fee and expense report--Impact of amounts
28 awarded to prevailing party in agency action) and 1999 c 372 s 10 &
29 1995 c 403 s 905;

30 (2) RCW 46.48.180 (State patrol study to insure uniformity of
31 regulations) and 1980 c 20 s 2 & 1961 c 12 s 46.48.180;

32 (3) RCW 43.44.100 (Annual report) and 1995 c 369 s 33, 1986 c 266
33 s 76, 1985 c 470 s 26, 1977 c 75 s 71, & 1947 c 79 s .33.11;

34 (4) RCW 74.14C.080 (Data collection--Reports to the legislature)
35 and 1995 c 311 s 5;

1 (5) RCW 80.36.475 (Washington telephone assistance program--Report
2 to legislature) and 2003 c 134 s 9 & 1990 c 170 s 7;

3 (6) RCW 74.08A.430 (Outcome measures--Report to legislature) and
4 1997 c 58 s 704;

5 (7) RCW 70.114A.085 (Temporary worker building code--Report) and
6 1999 c 374 s 11;

7 (8) RCW 43.70.518 (Public health--Annual reports) and 2007 c 259 s
8 63;

9 (9) RCW 43.215.080 (Reports to the governor and legislature) and
10 2006 c 265 s 109;

11 (10) RCW 43.215.435 (Early childhood education and assistance
12 program--Reports) and 1995 c 335 s 501, 1994 c 166 s 9, 1988 c 174 s 8,
13 & 1985 c 418 s 8; and

14 (11) RCW 79A.15.100 (Report to governor and standing committees)
15 and 2007 c 241 s 35 & 1990 1st ex.s. c 14 s 11.

16 REPORT FREQUENCY CHANGES

17 **Sec. 12.** RCW 43.320.100 and 1993 c 472 s 24 are each amended to
18 read as follows:

19 The director of financial institutions shall file in his or her
20 office all reports required to be made to the director, prepare and
21 furnish to banks, savings banks, foreign bank branches, savings and
22 loan associations, credit unions, consumer loan companies, check
23 cashers and sellers, and trust companies and departments blank forms
24 for such reports as are required of them, and (~~each year~~), beginning
25 in the 2009-2011 fiscal biennium and each biennium thereafter, make a
26 report to the governor showing:

27 (1) A summary of the conditions of the banks, savings banks,
28 foreign bank branches, savings and loan associations, credit unions,
29 consumer loan companies, check cashers and sellers, and trust companies
30 and departments at the date of their last report; and

31 (2) A list of those organized or closed during the year.

32 The director may publish such other statements, reports, and
33 pamphlets as he or she deems advisable.

34 **Sec. 13.** RCW 39.102.140 and 2007 c 229 s 9 are each amended to
35 read as follows:

1 (1) A sponsoring local government shall provide a report to the
2 board and the department by March 1st of each year. The report shall
3 contain the following information:

4 (a) The amount of local excise tax allocation revenues, local
5 property tax allocation revenues, other revenues from local public
6 sources, and taxes under RCW 82.14.475 received by the sponsoring local
7 government during the preceding calendar year that were dedicated to
8 pay the public improvements financed in whole or in part with local
9 infrastructure financing, and a summary of how these revenues were
10 expended;

11 (b) The names of any businesses locating within the revenue
12 development area as a result of the public improvements undertaken by
13 the sponsoring local government and financed in whole or in part with
14 local infrastructure financing;

15 (c) The total number of permanent jobs created in the revenue
16 development area as a result of the public improvements undertaken by
17 the sponsoring local government and financed in whole or in part with
18 local infrastructure financing;

19 (d) The average wages and benefits received by all employees of
20 businesses locating within the revenue development area as a result of
21 the public improvements undertaken by the sponsoring local government
22 and financed in whole or in part with local infrastructure financing;
23 and

24 (e) That the sponsoring local government is in compliance with RCW
25 39.102.070.

26 (2) The board shall make a report available to the public and the
27 legislature by June 1st of each even-numbered year. The report shall
28 include a list of public improvements undertaken by sponsoring local
29 governments and financed in whole or in part with local infrastructure
30 financing and it shall also include a summary of the information
31 provided to the department by sponsoring local governments under
32 subsection (1) of this section.

33 **Sec. 14.** RCW 43.336.060 and 2007 c 228 s 107 are each amended to
34 read as follows:

35 On or before June 30th of each (~~fiscal~~) even-numbered year, the
36 commission shall submit a report to the appropriate policy and fiscal
37 committees of the house of representatives and senate that describes

1 the tourism development program for the previous fiscal year and
2 quantifies the financial benefits to the state. The report must
3 contain information concerning targeted markets, benefits to different
4 areas of the state, return on the state's investment, grants disbursed
5 under the tourism competitive grant program, a copy of the most recent
6 strategic plan, and other relevant information related to tourism
7 development.

8 **Sec. 15.** RCW 43.365.040 and 2006 c 247 s 6 are each amended to
9 read as follows:

10 (1) The legislature finds that accountability and effectiveness are
11 important aspects of setting tax policy. In order to make policy
12 choices regarding the best use of limited state resources the
13 legislature needs information on how incentives are used.

14 (2) Each motion picture production receiving funding assistance
15 under RCW 43.365.020 shall report information to the department by
16 filing a complete annual survey. The survey is due by March 31st of
17 the year following any calendar year in which funding assistance under
18 RCW (~~(43.365.030)~~) 43.365.020 is taken. The department may extend the
19 due date for timely filing of annual surveys under this section if
20 failure to file was the result of circumstances beyond the control of
21 the motion picture production receiving the funding assistance.

22 (3) The survey shall include the amount of funding assistance
23 received. The survey shall also include the following information for
24 employment positions in Washington by the motion picture production
25 receiving funding assistance, including indirect employment by
26 contractors or other affiliates:

27 (a) The number of total employment positions;

28 (b) Full-time, part-time, and temporary employment positions as a
29 percent of total employment;

30 (c) The number of employment positions according to the following
31 wage bands: Less than thirty thousand dollars; thirty thousand dollars
32 or greater, but less than sixty thousand dollars; and sixty thousand
33 dollars or greater. A wage band containing fewer than three
34 individuals may be combined with another wage band; and

35 (d) The number of employment positions that have employer-provided
36 medical, dental, and retirement benefits, by each of the wage bands.

1 (4) The department may request additional information necessary to
2 measure the results of the funding assistance program, to be submitted
3 at the same time as the survey.

4 (5) If a person fails to submit an annual survey under subsection
5 (2) of this section by the due date of the report or any extension the
6 department shall declare the amount of funding assistance for the
7 previous calendar year to be immediately due and payable. The
8 department shall assess interest, but not penalties, on the amounts due
9 under this section. The interest shall be assessed at the rate
10 provided for delinquent taxes under chapter 82.32 RCW, retroactively to
11 the date the funding assistance was received, and shall accrue until
12 the funding assistance is repaid.

13 (6) The department shall use the information from this section to
14 prepare summary descriptive statistics. The department shall report
15 these statistics to the legislature each even-numbered year by
16 September 1st. The department shall provide the complete annual
17 surveys to the joint legislative audit and review committee.

18 **Sec. 16.** RCW 43.330.082 and 2007 c 249 s 3 are each amended to
19 read as follows:

20 (1) Contracting associate development organizations shall provide
21 the department with measures of their performance. Annual reports
22 shall include information on the impact of the contracting organization
23 on employment, wages, tax revenue, and capital investment. Specific
24 measures shall be developed in the contracting process between the
25 department and the contracting organization every two years.
26 Performance measures should be consistent across regions to allow for
27 statewide evaluation.

28 (2)(a) The department and contracting organizations shall agree
29 upon specific target levels for the performance measures in subsection
30 (1) of this section. Comparison of agreed thresholds and actual
31 performance shall occur annually.

32 (b) Contracting organizations that fail to achieve the agreed
33 performance targets in more than one-half of the agreed measures shall
34 develop remediation plans to address performance gaps. The remediation
35 plans shall include revised performance thresholds specifically chosen
36 to provide evidence of progress in making the identified service
37 changes.

1 (c) Contracts and state funding shall be terminated for one year
2 for organizations that fail to achieve the agreed upon progress toward
3 improved performance defined under (b) of this subsection. During the
4 year in which termination for nonperformance is in effect,
5 organizations shall review alternative delivery strategies to include
6 reorganization of the contracting organization, merging of previous
7 efforts with existing regional partners, and other specific steps
8 toward improved performance. At the end of the period of termination,
9 the department may contract with the associate development organization
10 or its successor as it deems appropriate.

11 (3) The department shall report to the legislature and the
12 Washington economic development commission by December 31st of each
13 even-numbered year on the performance results of the contracts with
14 associate development organizations.

15 **Sec. 17.** RCW 43.155.070 and 2008 c 299 s 25 are each amended to
16 read as follows:

17 (1) To qualify for loans or pledges under this chapter the board
18 must determine that a local government meets all of the following
19 conditions:

20 (a) The city or county must be imposing a tax under chapter 82.46
21 RCW at a rate of at least one-quarter of one percent;

22 (b) The local government must have developed a capital facility
23 plan; and

24 (c) The local government must be using all local revenue sources
25 which are reasonably available for funding public works, taking into
26 consideration local employment and economic factors.

27 (2) Except where necessary to address a public health need or
28 substantial environmental degradation, a county, city, or town planning
29 under RCW 36.70A.040 must have adopted a comprehensive plan, including
30 a capital facilities plan element, and development regulations as
31 required by RCW 36.70A.040. This subsection does not require any
32 county, city, or town planning under RCW 36.70A.040 to adopt a
33 comprehensive plan or development regulations before requesting or
34 receiving a loan or loan guarantee under this chapter if such request
35 is made before the expiration of the time periods specified in RCW
36 36.70A.040. A county, city, or town planning under RCW 36.70A.040
37 which has not adopted a comprehensive plan and development regulations

1 within the time periods specified in RCW 36.70A.040 is not prohibited
2 from receiving a loan or loan guarantee under this chapter if the
3 comprehensive plan and development regulations are adopted as required
4 by RCW 36.70A.040 before submitting a request for a loan or loan
5 guarantee.

6 (3) In considering awarding loans for public facilities to special
7 districts requesting funding for a proposed facility located in a
8 county, city, or town planning under RCW 36.70A.040, the board shall
9 consider whether the county, city, or town planning under RCW
10 36.70A.040 in whose planning jurisdiction the proposed facility is
11 located has adopted a comprehensive plan and development regulations as
12 required by RCW 36.70A.040.

13 (4) The board shall develop a priority process for public works
14 projects as provided in this section. The intent of the priority
15 process is to maximize the value of public works projects accomplished
16 with assistance under this chapter. The board shall attempt to assure
17 a geographical balance in assigning priorities to projects. The board
18 shall consider at least the following factors in assigning a priority
19 to a project:

20 (a) Whether the local government receiving assistance has
21 experienced severe fiscal distress resulting from natural disaster or
22 emergency public works needs;

23 (b) Except as otherwise conditioned by RCW 43.155.110, whether the
24 entity receiving assistance is a Puget Sound partner, as defined in RCW
25 90.71.010;

26 (c) Whether the project is referenced in the action agenda
27 developed by the Puget Sound partnership under RCW 90.71.310;

28 (d) Whether the project is critical in nature and would affect the
29 health and safety of a great number of citizens;

30 (e) Whether the applicant has developed and adhered to guidelines
31 regarding its permitting process for those applying for development
32 permits consistent with section 1(2), chapter 231, Laws of 2007;

33 (f) The cost of the project compared to the size of the local
34 government and amount of loan money available;

35 (g) The number of communities served by or funding the project;

36 (h) Whether the project is located in an area of high unemployment,
37 compared to the average state unemployment;

1 (i) Whether the project is the acquisition, expansion, improvement,
2 or renovation by a local government of a public water system that is in
3 violation of health and safety standards, including the cost of
4 extending existing service to such a system;

5 (j) Except as otherwise conditioned by RCW 43.155.120, and
6 effective one calendar year following the development of model
7 evergreen community management plans and ordinances under RCW
8 35.105.050, whether the entity receiving assistance has been
9 recognized, and what gradation of recognition was received, in the
10 evergreen community recognition program created in RCW 35.105.030;

11 (k) The relative benefit of the project to the community,
12 considering the present level of economic activity in the community and
13 the existing local capacity to increase local economic activity in
14 communities that have low economic growth; and

15 (1) Other criteria that the board considers advisable.

16 (5) Existing debt or financial obligations of local governments
17 shall not be refinanced under this chapter. Each local government
18 applicant shall provide documentation of attempts to secure additional
19 local or other sources of funding for each public works project for
20 which financial assistance is sought under this chapter.

21 (6) Before November 1st of each even-numbered year, the board shall
22 develop and submit to the appropriate fiscal committees of the senate
23 and house of representatives a description of the loans made under RCW
24 43.155.065, 43.155.068, and subsection (9) of this section during the
25 preceding fiscal year (~~and~~). Before November 1st of each year, the
26 board shall develop and submit a prioritized list of projects which are
27 recommended for funding by the legislature, including one copy to the
28 staff of each of the appropriate fiscal committees. The list shall
29 include, but not be limited to, a description of each project and
30 recommended financing, the terms and conditions of the loan or
31 financial guarantee, the local government jurisdiction and unemployment
32 rate, demonstration of the jurisdiction's critical need for the project
33 and documentation of local funds being used to finance the public works
34 project. The list shall also include measures of fiscal capacity for
35 each jurisdiction recommended for financial assistance, compared to
36 authorized limits and state averages, including local government sales
37 taxes; real estate excise taxes; property taxes; and charges for or
38 taxes on sewerage, water, garbage, and other utilities.

1 (7) The board shall not sign contracts or otherwise financially
2 obligate funds from the public works assistance account before the
3 legislature has appropriated funds for a specific list of public works
4 projects. The legislature may remove projects from the list
5 recommended by the board. The legislature shall not change the order
6 of the priorities recommended for funding by the board.

7 (8) Subsection (7) of this section does not apply to loans made
8 under RCW 43.155.065, 43.155.068, and subsection (9) of this section.

9 (9) Loans made for the purpose of capital facilities plans shall be
10 exempted from subsection (7) of this section.

11 (10) To qualify for loans or pledges for solid waste or recycling
12 facilities under this chapter, a city or county must demonstrate that
13 the solid waste or recycling facility is consistent with and necessary
14 to implement the comprehensive solid waste management plan adopted by
15 the city or county under chapter 70.95 RCW.

16 (11) After January 1, 2010, any project designed to address the
17 effects of storm water or wastewater on Puget Sound may be funded under
18 this section only if the project is not in conflict with the action
19 agenda developed by the Puget Sound partnership under RCW 90.71.310.

20 **Sec. 18.** RCW 43.185C.040 and 2005 c 484 s 7 are each amended to
21 read as follows:

22 (1) Six months after the first Washington homeless census, the
23 department shall, in consultation with the interagency council on
24 homelessness and the affordable housing advisory board, prepare and
25 publish a ten-year homeless housing strategic plan which shall outline
26 statewide goals and performance measures and shall be coordinated with
27 the plan for homeless families with children required under RCW
28 43.63A.650. To guide local governments in preparation of their first
29 local homeless housing plans due December 31, 2005, the department
30 shall issue by October 15, 2005, temporary guidelines consistent with
31 this chapter and including the best available data on each community's
32 homeless population. Local governments' ten-year homeless housing
33 plans shall not be substantially inconsistent with the goals and
34 program recommendations of the temporary guidelines and, when amended
35 after 2005, the state strategic plan.

36 (2) Program outcomes and performance measures and goals shall be

1 created by the department and reflected in the department's homeless
2 housing strategic plan as well as interim goals against which state and
3 local governments' performance may be measured, including:

4 (a) By the end of year one, completion of the first census as
5 described in RCW 43.185C.030;

6 (b) By the end of each subsequent year, goals common to all local
7 programs which are measurable and the achievement of which would move
8 that community toward housing its homeless population; and

9 (c) By July 1, 2015, reduction of the homeless population statewide
10 and in each county by fifty percent.

11 (3) The department shall develop a consistent statewide data
12 gathering instrument to monitor the performance of cities and counties
13 receiving grants in order to determine compliance with the terms and
14 conditions set forth in the grant application or required by the
15 department.

16 The department shall, in consultation with the interagency council
17 on homelessness and the affordable housing advisory board, report
18 (~~annually~~) biennially to the governor and the appropriate committees
19 of the legislature an assessment of the state's performance in
20 furthering the goals of the state ten-year homeless housing strategic
21 plan and the performance of each participating local government in
22 creating and executing a local homeless housing plan which meets the
23 requirements of this chapter. The annual report may include
24 performance measures such as:

25 (a) The reduction in the number of homeless individuals and
26 families from the initial count of homeless persons;

27 (b) The number of new units available and affordable for homeless
28 families by housing type;

29 (c) The number of homeless individuals identified who are not
30 offered suitable housing within thirty days of their request or
31 identification as homeless;

32 (d) The number of households at risk of losing housing who maintain
33 it due to a preventive intervention;

34 (e) The transition time from homelessness to permanent housing;

35 (f) The cost per person housed at each level of the housing
36 continuum;

37 (g) The ability to successfully collect data and report
38 performance;

1 (h) The extent of collaboration and coordination among public
2 bodies, as well as community stakeholders, and the level of community
3 support and participation;

4 (i) The quality and safety of housing provided; and

5 (j) The effectiveness of outreach to homeless persons, and their
6 satisfaction with the program.

7 (4) Based on the performance of local homeless housing programs in
8 meeting their interim goals, on general population changes and on
9 changes in the homeless population recorded in the annual census, the
10 department may revise the performance measures and goals of the state
11 homeless housing strategic plan, set goals for years following the
12 initial ten-year period, and recommend changes in local governments'
13 plans.

14 **Sec. 19.** RCW 43.63A.068 and 2007 c 384 s 6 are each amended to
15 read as follows:

16 (1)(a) The department of community, trade, and economic development
17 shall establish an advisory committee to monitor, guide, and report on
18 recommendations relating to policies and programs for children and
19 families with incarcerated parents.

20 (b) The advisory committee shall include representatives of the
21 department of corrections, the department of social and health
22 services, the department of early learning, the office of the
23 superintendent of public instruction, representatives of the private
24 nonprofit and business sectors, child advocates, representatives of
25 Washington state Indian tribes as defined under the federal Indian
26 welfare act (25 U.S.C. Sec. 1901 et seq.), court administrators, the
27 administrative office of the courts, the Washington association of
28 sheriffs and police chiefs, jail administrators, the office of the
29 governor, and others who have an interest in these issues.

30 (c) The advisory committee shall:

31 (i) Gather the data collected by the departments as required in RCW
32 72.09.495, 74.04.800, 43.215.065, and 28A.300.520;

33 (ii) Monitor and provide consultation on the implementation of
34 recommendations contained in the 2006 children of incarcerated parents
35 report;

36 (iii) Identify areas of need and develop recommendations for the
37 legislature, the department of social and health services, the

1 department of corrections, the department of early learning, and the
2 office of the superintendent of public instruction to better meet the
3 needs of children and families of persons incarcerated in department of
4 corrections facilities; and

5 (iv) Advise the department of community, trade, and economic
6 development regarding community programs the department should fund
7 with moneys appropriated for this purpose in the operating budget. The
8 advisory committee shall provide recommendations to the department
9 regarding the following:

10 (A) The goals for geographic distribution of programs and funding;

11 (B) The scope and purpose of eligible services and the priority of
12 such services;

13 (C) Grant award funding limits;

14 (D) Entities eligible to apply for the funding;

15 (E) Whether the funding should be directed towards starting or
16 supporting new programs, expanding existing programs, or whether the
17 funding should be open to all eligible services and providers; and

18 (F) Other areas the advisory committee determines appropriate.

19 (d) The children of incarcerated parents advisory committee shall
20 update the legislature and governor (~~annually~~) biennially on
21 committee activities, with the first update due by January 1, (~~2008~~)
22 2010.

23 (2) The department of community, trade, and economic development
24 shall select community programs or services to receive funding that
25 focus on children and families of inmates incarcerated in a department
26 of corrections facility and sustaining the family during the period of
27 the inmate's incarceration.

28 (a) Programs or services which meet the needs of the children of
29 incarcerated parents should be the greatest consideration in the
30 programs that are identified by the department.

31 (b) The department shall consider the recommendations of the
32 advisory committee regarding which services or programs the department
33 should fund.

34 (c) The programs selected shall collaborate with an agency, or
35 agencies, experienced in providing services to aid families and victims
36 of sexual assault and domestic violence to ensure that the programs
37 identify families who have a history of sexual assault or domestic

1 violence and ensure the services provided are appropriate for the
2 children and families.

3 **Sec. 20.** RCW 39.86.190 and 1987 c 297 s 10 are each amended to
4 read as follows:

5 By February 1 of each even-numbered year, the agency shall
6 summarize for the legislature each previous year's bond allocation
7 requests and issuance. Beginning in June of 1988 and thereafter in
8 June of each even-numbered year, the agency shall also submit a
9 biennial report summarizing usage of the bond allocation proceeds and
10 any policy concerns for future bond allocations.

11 **Sec. 21.** RCW 43.325.050 and 2006 c 171 s 7 are each amended to
12 read as follows:

13 The director shall report to the legislature and governor on the
14 status of the energy freedom program created under this chapter, on or
15 before December 1, 2006, and (~~annually~~) biennially thereafter. This
16 report must include information on the projects that have been funded,
17 the status of these projects, and their environmental, energy savings,
18 and job creation benefits.

19 **Sec. 22.** RCW 43.79.460 and 2009 c 4 s 902 are each amended to read
20 as follows:

21 (1) The savings incentive account is created in the custody of the
22 state treasurer. The account shall consist of all moneys appropriated
23 to the account by the legislature. The account is subject to the
24 allotment procedures under chapter 43.88 RCW, but no appropriation is
25 required for expenditures from the account.

26 (2) Within the savings incentive account, the state treasurer may
27 create subaccounts to be credited with incentive savings attributable
28 to individual state agencies, as determined by the office of financial
29 management in consultation with the legislative fiscal committees.
30 Moneys deposited in the subaccounts may be expended only on the
31 authorization of the agency's executive head or designee and only for
32 the purpose of one-time expenditures to improve the quality,
33 efficiency, and effectiveness of services to customers of the state,
34 such as one-time expenditures for employee training, employee
35 incentives, technology improvements, new work processes, or performance

1 measurement. Funds may not be expended from the account to establish
2 new programs or services, expand existing programs or services, or
3 incur ongoing costs that would require future expenditures.

4 (3) For purposes of this section, "incentive savings" means state
5 general fund appropriations that are unspent as of June 30th of a
6 fiscal year, excluding any amounts included in across-the-board
7 reductions under RCW 43.88.110 and excluding unspent appropriations
8 for:

9 (a) Caseload and enrollment in entitlement programs, except to the
10 extent that an agency has clearly demonstrated that efficiencies have
11 been achieved in the administration of the entitlement program.
12 "Entitlement program," as used in this section, includes programs for
13 which specific sums of money are appropriated for pass-through to third
14 parties or other entities;

15 (b) Enrollments in state institutions of higher education;

16 (c) A specific amount contained in a condition or limitation to an
17 appropriation in the biennial appropriations act, if the agency did not
18 achieve the specific purpose or objective of the condition or
19 limitation;

20 (d) Debt service on state obligations; and

21 (e) State retirement system obligations.

22 (4) The office of financial management, after consulting with the
23 legislative fiscal committees, shall report ~~((to the treasurer))~~ the
24 amount of savings incentives achieved. ~~((By December 1, 1998, and each
25 December 1st thereafter, the office of financial management shall
26 submit a report to the fiscal committees of the legislature on the
27 implementation of this section. The report shall (a) evaluate the
28 impact of this section on agency reversions and end-of-biennium
29 expenditure patterns, and (b) itemize agency expenditures from the
30 savings recovery account. The office of financial management is
31 relieved from having to submit a report by December 1, 2008.))~~

32 (5) For fiscal year 2009, the legislature may transfer from the
33 savings incentive account to the state general fund such amounts as
34 reflect the fund balance of the account attributable to unspent state
35 general fund appropriations for fiscal year 2008.

36 **Sec. 23.** RCW 18.130.310 and 2008 c 134 s 13 are each amended to
37 read as follows:

1 (1) Subject to RCW 40.07.040, the disciplinary authority shall
2 submit (~~(an annual)~~) a biennial report to the legislature on its
3 proceedings during the (~~(year)~~) biennium, detailing the number of
4 complaints made, investigated, and adjudicated and manner of
5 disposition. In addition, the report must provide data on the
6 department's background check activities conducted under RCW 18.130.064
7 and the effectiveness of those activities in identifying potential
8 license holders who may not be qualified to practice safely. The
9 report must summarize the distribution of the number of cases assigned
10 to each attorney and investigator for each profession. The identity of
11 the attorney and investigator must remain anonymous. The report may
12 include recommendations for improving the disciplinary process,
13 including proposed legislation. The department shall develop a uniform
14 report format.

15 (2) Each disciplining authority identified in RCW 18.130.040(2)(b)
16 may submit (~~(an annual)~~) a biennial report to complement the report
17 required under subsection (1) of this section. Each report may provide
18 additional information about the disciplinary activities, rule-making
19 and policy activities, and receipts and expenditures for the individual
20 disciplining authority.

21 **Sec. 24.** RCW 43.20.100 and 1977 c 75 s 44 are each amended to read
22 as follows:

23 The state board of health shall (~~(make an annual)~~) report to the
24 governor by July 1st of each even-numbered year including therein
25 suggestions for public health priorities for the following biennium and
26 such legislative action as it deems necessary.

27 NEW SECTION. **Sec. 25.** Section 13 of this act expires June 30,
28 2039.

29 NEW SECTION. **Sec. 26.** Section 21 of this act expires June 30,
30 2016.

31 NEW SECTION. **Sec. 27.** This act is necessary for the immediate
32 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect
2 June 30, 2009.

--- END ---