

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE SENATE BILL 6444**

61st Legislature  
2010 1st Special Session

Passed by the Senate April 12, 2010  
YEAS 25 NAYS 21

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**President of the Senate**

Passed by the House April 12, 2010  
YEAS 54 NAYS 43

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**Speaker of the House of Representatives**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6444** as passed by the Senate and the House of Representatives on the dates hereon set forth.

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**Secretary**

FILED

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE SENATE BILL 6444**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2010 1st Special Session

**State of Washington                      61st Legislature                      2010 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Prentice and Tom; by request of Governor Gregoire)

READ FIRST TIME 02/27/10.

1            AN ACT Relating to fiscal matters; amending RCW 13.06.050,  
2 15.76.115, 28A.300.380, 28B.50.837, 28B.76.565, 28B.76.610,  
3 28B.102.080, 38.52.105, 43.17.390, 43.20A.725, 43.43.839, 43.43.944,  
4 43.60A.185, 43.131.406, 43.70.110, 43.78.030, 43.79.460, 43.79.465,  
5 43.89.010, 43.105.080, 43.155.050, 43.320.110, 43.320.165, 48.02.190,  
6 66.08.170, 67.70.044, 67.70.230, 70.105D.070, 74.31.030, 74.31.060,  
7 70.93.180, 70.105D.130, 70.146.100, 79.105.150, 80.01.080, 80.36.430,  
8 82.14.495, and 83.100.230; amending 2010 c 3 ss 101, 102, 103, 104,  
9 105, 106, 107, 108, 109, 110, 111, 112, 113, 201, 202, 203, 204, 205,  
10 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 301, 302, 303,  
11 304, 305, 306, 401, 402, 501, and 601; amending 2009 c 564 ss 101, 102,  
12 103, 104, 105, 106, 107, 108, 110, 111, 112, 113, 114, 115, 116, 117,  
13 118, 119, 121, 122, 123, 124, 131, 132, 133, 134, 135, 136, 138, 140,  
14 141, 142, 144, 145, 147, 148, 150, 149, 152, 155, 201, 213, 214, 216,  
15 217, 218, 220, 224, 226, 221, 301, 304, 305, 308, 310, 501, 502, 503,  
16 504, 505, 506, 507, 508, 509, 510, 511, 512, 514, 515, 516, 518, 601,  
17 602, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617,  
18 618, 619, 620, 621, 701, 703, 704, 708, 710, 717, 720, 801, 805, and  
19 914; amending 2010 c 247 ss 502, 407, and 503; reenacting and amending  
20 RCW 28B.105.110, 46.09.170, and 67.40.040; adding a new section to  
21 chapter 43.215 RCW; adding a new section to chapter 43.79 RCW; adding

1 new sections to 2009 c 564 (uncodified); making appropriations;  
2 providing expiration dates; and declaring an emergency.

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

4 **PART I**

5 **GENERAL GOVERNMENT**

6 **Sec. 101.** 2009 c 564 s 101 (uncodified) is amended to read as  
7 follows:

8 **FOR THE HOUSE OF REPRESENTATIVES**

9	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$33,500,000</del> ))
10		<u>\$33,505,000</u>
11	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$33,379,000</del> ))
12		<u>\$32,146,000</u>
13	TOTAL APPROPRIATION . . . . .	(( <del>\$66,879,000</del> ))
14		<u>\$65,651,000</u>

15 **Sec. 102.** 2009 c 564 s 102 (uncodified) is amended to read as  
16 follows:

17 **FOR THE SENATE**

18	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$24,957,000</del> ))
19		<u>\$24,960,000</u>
20	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$27,182,000</del> ))
21		<u>\$25,631,000</u>
22	TOTAL APPROPRIATION . . . . .	(( <del>\$52,139,000</del> ))
23		<u>\$50,591,000</u>

24 **Sec. 103.** 2009 c 564 s 103 (uncodified) is amended to read as  
25 follows:

26 **FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

27	General Fund--State Appropriation (FY 2010) . . . . .	\$2,874,000
28	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$2,884,000</del> ))
29		<u>\$3,152,000</u>
30	TOTAL APPROPRIATION . . . . .	(( <del>\$5,758,000</del> ))
31		<u>\$6,026,000</u>

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

1 (1) Notwithstanding the provisions of this section, the joint  
2 legislative audit and review committee may adjust the due dates for  
3 projects included on the committee's 2009-11 work plan as necessary to  
4 efficiently manage workload.

5 (2) Within the amounts appropriated in this section, the committee  
6 shall conduct a review of the effect of risk management practices on  
7 tort payouts. This review shall include an analysis of the state's  
8 laws, policies, procedures, and practices as they relate to the conduct  
9 of post-incident reviews and the impact of such reviews on the state's  
10 conduct and liability.

11 (3) Within the amounts appropriated in this section, the committee  
12 shall conduct a review of the state's workplace safety and health  
13 program. The review shall examine workplace safety inspection,  
14 enforcement, training, and outreach efforts compared to other states  
15 and federal programs; analyze workplace injury and illness rates and  
16 trends in Washington; identify factors that may influence workplace  
17 safety and health; and identify practices that may improve workplace  
18 safety and health and/or impact insurance costs.

19 (4) Within the amounts appropriated in this section, the committee  
20 shall prepare an evaluation of the implementation of legislation  
21 designed to improve communication, collaboration, and expedited  
22 medicaid attainment with regard to persons released from confinement  
23 who have mental health or chemical dependency disorders. The review  
24 shall evaluate the implementation of: (a) Chapter 166, Laws of 2004  
25 (E2SSB 6358); (b) sections 507 and 508 of chapter 504, Laws of 2005  
26 (E2SSB 5763); (c) sections 12 and 13 of chapter 503, Laws of 2005  
27 (E2SHB 1290); and (d) section 8 of chapter 359, Laws of 2007 (2SHB  
28 1088). The departments of corrections and social and health services,  
29 the administrative office of the courts, institutions for mental  
30 disease, city and county jails, city and county courts, county clerks,  
31 and mental health and chemical dependency treatment providers shall  
32 provide the committee with information necessary for the study.

33 (5) Within the amount appropriated in this section, the joint  
34 legislative audit and review committee shall conduct a review of the  
35 state's recreational boating programs. This review shall include  
36 examination of the following:

37 (a) Revenue sources for state recreational boating programs;

38 (b) Expenditures for state boating programs;

1 (c) Methods of administrating state recreational boating programs,  
2 including the roles of both state and local government entities; and

3 (d) Approaches other states have taken to funding and administering  
4 their recreational boating programs.

5 The committee shall complete the review by October 31, 2010.

6 ~~((+7))~~ (6) Within the amount appropriated in this section, the  
7 joint legislative audit and review committee shall examine the  
8 operations of employment and day services as provided by the department  
9 of social and health services, division of developmental disabilities  
10 and administered by the counties. The examination shall include a  
11 thorough review of the contracts for all services including, but not  
12 limited to, employment services, day services, child development  
13 services and other uses of state dollars for county administration of  
14 services to the developmentally disabled. In its final report, due to  
15 the legislature by September 1, 2010, the joint legislative audit and  
16 review committee shall provide: A description of how funds are used  
17 and the rates paid to vendors, and a recommendation on best practices  
18 the agency may use for the development of a consistent, outcome-based  
19 contract for services provided under contract with the counties.

20 ~~((+8))~~ (7) Within the amount appropriated in this section, the  
21 joint legislative audit and review committee shall conduct a study of  
22 the relationship between the cost of school districts and their  
23 enrollment size. The study shall be completed by June 2010 and shall  
24 include:

25 (a) An analysis of how categories of costs vary related to size,  
26 including but not limited to facility costs, transportation costs,  
27 educational costs, and administrative costs;

28 (b) A review of other factors that may impact costs, such as  
29 revenues available from local levies and other sources, geographic  
30 dispersion, demographics, level of services received from educational  
31 service districts, and whether districts operate a high school;

32 (c) Case studies on the change in cost patterns occurring after  
33 school district consolidations and for school districts operating under  
34 state oversight condition specified in RCW 28A.505.110; and

35 (d) A review of available research on nonfinancial benefits and  
36 impacts associated with school and school district size.

37 (8) \$200,000 of the general fund--state appropriation for fiscal  
38 year 2011 is provided for the committee to contract with a consultant

1 specializing in medicaid programs nationwide to review Washington  
2 state's medicaid program and report on cost containment strategies for  
3 the 2011-13 biennial budget. The report is due to the fiscal  
4 committees of the legislature by June 1, 2011.

5 (9) \$50,000 of the general fund--state appropriation for fiscal  
6 year 2011 is provided solely for the joint legislative audit and review  
7 committee to complete a report that includes the following: (a) An  
8 analysis of the availability within eastern Washington of helicopters  
9 that are privately owned or owned by nonstate governmental entities  
10 that are sufficiently outfitted to participate in wildfire suppression  
11 efforts of the department of natural resources; (b) a comparison of the  
12 costs to the department of natural resources for maintaining the  
13 existing helicopter fleet versus entering into exclusive use contracts  
14 with the helicopters noted in (a) of this subsection; and (c) an  
15 analysis that compares the use and funding of helicopters utilized for  
16 wildfire suppression in the states of California, Oregon, Idaho, and  
17 Montana. The committee shall submit the report to the appropriate  
18 fiscal committees of the legislature and the office of financial  
19 management no later than December 1, 2010.

20 (10)(a) The task force for reform of executive and legislative  
21 procedures dealing with tax preferences is hereby established. The  
22 task force must:

23 (i) Review current executive and legislative budget and policy  
24 practices and procedures associated with the recommendation,  
25 development, and consideration of tax preferences, assess the  
26 effectiveness of budgeting requirements and practices, the general  
27 rigor of justifications and evaluations typically provided during  
28 legislative consideration of tax preferences, and the role and value of  
29 methodologies currently used to measure the public benefits and costs,  
30 including opportunity costs, of tax preferences, as defined in RCW  
31 43.136.021.

32 (ii) Consider but not be limited to, the factors listed in RCW  
33 43.136.055.

34 (b) The task force may make recommendations to improve the  
35 effectiveness of the review process conducted by the citizen commission  
36 on performance measurement of tax preferences process as described in  
37 chapter 43.136 RCW. The task force may also recommend changes or  
38 improvements in the manner in which both the executive branch and

1 legislative branch of state government address tax preferences  
2 generally, including those in effect as well as those that may be  
3 hereafter proposed, in order to protect the public interest and assure  
4 transparency, fairness, and equity in the state tax code.

5 (c) The task force may recommend structural or procedural changes  
6 that it feels will enhance both executive and legislative procedures  
7 and ensure consistent and rigorous examination of such preferences.

8 (d) The task force must report its recommendations to the governor  
9 and legislative fiscal committees by November 15, 2010.

10 (e) The task force has eleven voting members as follows:

11 (i) One member is the state treasurer;

12 (ii) One member is the chair of the joint legislative audit and  
13 review committee;

14 (iii) One member is the director of financial management;

15 (iv) A member, four in all, of each of the two largest caucuses of  
16 the senate and the two largest caucuses of the house of  
17 representatives, appointed by the chair of each caucus; and

18 (v) An appointee who is not a legislator, four in all, of each of  
19 the two largest caucuses of the senate and the two largest caucuses of  
20 the house of representatives, appointed by the chair of each caucus.

21 (f) Persons appointed by the caucus chairs under (e)(v) of this  
22 subsection should be individuals who have a basic understanding of  
23 state tax policy, government operations, and public services.

24 (g) The task force must elect a chair from among its members.  
25 Decisions of the task force must be made using the sufficient consensus  
26 model. For the purposes of this subsection, "sufficient consensus"  
27 means the point at which the substantial majority of the commission  
28 favours taking a particular action. The chair may determine when a vote  
29 must be taken. The task force must allow a minority report to be  
30 included with a decision of the task force if requested by a member of  
31 the task force.

32 (h) The joint legislative audit and review committee must provide  
33 clerical, technical, and management personnel to the task force to  
34 serve as the task force's staff. The staff of the legislative fiscal  
35 committees, legislative counsel, and the office of financial management  
36 must also provide technical assistance to the task force. The  
37 department of revenue must provide necessary support and information to  
38 the joint task force.

1 (i) The task force must meet at least once a quarter and may hold  
2 additional meetings at the call of the chair or by a majority vote of  
3 the members of the task force. The members of the task force must be  
4 compensated in accordance with RCW 43.03.220 and reimbursed for travel  
5 expenses in accordance with RCW 43.03.050 and 43.03.060.

6 **Sec. 104.** 2009 c 564 s 104 (uncodified) is amended to read as  
7 follows:

8 **FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

9	General Fund--State Appropriation (FY 2010)	. . . . .	\$1,748,000
10	General Fund--State Appropriation (FY 2011)	. . . . .	(((\$1,927,000))
11			<u>\$1,916,000</u>
12	TOTAL APPROPRIATION	. . . . .	(((\$3,675,000))
13			<u>\$3,664,000</u>

14 **Sec. 105.** 2009 c 564 s 105 (uncodified) is amended to read as  
15 follows:

16 **FOR THE OFFICE OF THE STATE ACTUARY**

17	General Fund--State Appropriation (FY 2010)	. . . . .	\$200,000
18	General Fund--State Appropriation (FY 2011)	. . . . .	(((\$25,000))
19			<u>\$20,000</u>
20	<del>((Health Care Authority Administrative Account--State</del>		
21	<del>Appropriation</del>	<del>. . . . .</del>	<del>\$735,000))</del>
22	Department of Retirement Systems Expense		
23	Account--State Appropriation	. . . . .	(((\$3,309,000))
24			<u>\$3,305,000</u>
25	TOTAL APPROPRIATION	. . . . .	(((\$4,269,000))
26			<u>\$3,525,000</u>

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

29 (1) \$25,000 of the department of retirement systems--state  
30 appropriation is provided solely for the continued study of local  
31 government liabilities for postretirement medical benefits for members  
32 of plan 1 of the law enforcement officers' and firefighters' retirement  
33 system.

34 (2) \$51,000 of the department of retirement systems expense  
35 account--state appropriation is provided solely for the state actuary  
36 to contract with the Washington state institute for public policy for



1 a study of the disability benefits provided to the plan 2 and plan 3  
2 members of the public employees' retirement system, the teachers'  
3 retirement system, and the school employees' retirement system. Among  
4 the options the institute shall examine include statutory changes to  
5 the retirement systems and insurance products. The institute shall  
6 report its findings and recommendations to the select committee on  
7 pension policy by November 1, 2009.

8 (3) \$30,000 of the department of retirement systems expense  
9 account--state appropriation is provided solely for the state actuary  
10 to contract with the Washington state institute for public policy to  
11 continue the study of long-term disability benefits for public  
12 employees as authorized by subsection (2) of this section during the  
13 2010 legislative interim. The purpose of the study is to develop the  
14 options identified in the 2009 legislative interim disability benefit  
15 study, including options related to the public employees' benefits  
16 board programs, other long-term disability insurance programs, and  
17 public employee retirement system benefits. The institute shall report  
18 no later than November 17, 2010, new findings and any additional  
19 recommendations on the options to the select committee on pension  
20 policy, the senate committee on ways and means, and the house committee  
21 on ways and means. The Washington state institute for public policy  
22 shall work with the health care authority to coordinate analysis and  
23 recommendations with its contracted disability vendor and appropriate  
24 stakeholders.

25 (4) \$175,000 of the general fund--state appropriation for fiscal  
26 year 2010 is provided solely for the office of the state actuary to  
27 conduct an independent assessment of alternatives for assuring the  
28 long-term financial solvency of the guaranteed education tuition  
29 program including suspension of the program. In conducting this  
30 review, the office may contract for assistance, and shall consult with  
31 the higher education coordinating board, the operating budget  
32 committees of the legislature, the office of financial management, and  
33 the state's public colleges and universities. The office shall report  
34 findings, an assessment of the major alternatives, and suggested  
35 actions to the governor and to the relevant legislative committees by  
36 November 15, 2009.

1       **Sec. 106.** 2009 c 564 s 106 (uncodified) is amended to read as  
2 follows:

3 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

4	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$8,651,000</del> ))
5		<u>\$8,652,000</u>
6	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$8,519,000</del> ))
7		<u>\$8,506,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$17,170,000</del> ))
9		<u>\$17,158,000</u>

10       **Sec. 107.** 2009 c 564 s 107 (uncodified) is amended to read as  
11 follows:

12 **FOR THE STATUTE LAW COMMITTEE**

13	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$4,610,000</del> ))
14		<u>\$4,611,000</u>
15	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$5,029,000</del> ))
16		<u>\$4,864,000</u>
17	TOTAL APPROPRIATION . . . . .	(( <del>\$9,639,000</del> ))
18		<u>\$9,475,000</u>

19       **Sec. 108.** 2009 c 564 s 108 (uncodified) is amended to read as  
20 follows:

21 **FOR THE REDISTRICTING COMMISSION**

22	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$610,000</del> ))
23		<u>\$1,115,000</u>

24       The appropriations in this section are subject to the following  
25 conditions and limitations: \$505,000 of the general fund--state  
26 appropriation for fiscal year 2011 is provided solely for the support  
27 of legislative redistricting efforts. Prior to the appointment of the  
28 redistricting commission, the secretary of the senate and chief clerk  
29 of the house of representatives may jointly authorize the expenditure  
30 of these funds to facilitate preparations for the 2012 redistricting  
31 effort. Following the appointment of the commission, the house of  
32 representatives and senate shall enter into an interagency agreement  
33 with the commission authorizing the continued expenditure of these  
34 funds for legislative redistricting support.

1       **Sec. 109.** 2009 c 564 s 110 (uncodified) is amended to read as  
2 follows:

3 **FOR THE SUPREME COURT**

4	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$6,912,000</del> ))
5		<u>\$6,891,000</u>
6	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$6,948,000</del> ))
7		<u>\$6,795,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$13,860,000</del> ))
9		<u>\$13,686,000</u>

10       The appropriations in this section are subject to the following  
11 conditions and limitations: It is the intent of the legislature that  
12 the reductions in appropriations in this section shall be achieved, to  
13 the greatest extent possible, by reducing those state government  
14 administrative costs that do not affect direct client services or  
15 direct service delivery or programs. The agency shall, to the greatest  
16 extent possible, reduce spending in those areas that shall have the  
17 least impact on implementing its mission.

18       **Sec. 110.** 2009 c 564 s 111 (uncodified) is amended to read as  
19 follows:

20 **FOR THE LAW LIBRARY**

21	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$1,924,000</del> ))
22		<u>\$1,925,000</u>
23	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,922,000</del> ))
24		<u>\$1,659,000</u>
25	TOTAL APPROPRIATION . . . . .	(( <del>\$3,846,000</del> ))
26		<u>\$3,584,000</u>

27       The appropriations in this section are subject to the following  
28 conditions and limitations: It is the intent of the legislature that  
29 the reductions in appropriations in this section shall be achieved, to  
30 the greatest extent possible, by reducing those state government  
31 administrative costs that do not affect direct client services or  
32 direct service delivery or programs. The agency shall, to the greatest  
33 extent possible, reduce spending in those areas that shall have the  
34 least impact on implementing its mission.

35       **Sec. 111.** 2009 c 564 s 112 (uncodified) is amended to read as  
36 follows:

1 **FOR THE COURT OF APPEALS**

2	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$15,793,000</del> ))
3		<u>\$15,632,000</u>
4	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$15,895,000</del> ))
5		<u>\$15,969,000</u>
6	TOTAL APPROPRIATION . . . . .	(( <del>\$31,688,000</del> ))
7		<u>\$31,601,000</u>

8 The appropriations in this section are subject to the following  
9 conditions and limitations: It is the intent of the legislature that  
10 the reductions in appropriations in this section shall be achieved, to  
11 the greatest extent possible, by reducing those state government  
12 administrative costs that do not affect direct client services or  
13 direct service delivery or programs. The agency shall, to the greatest  
14 extent possible, reduce spending in those areas that shall have the  
15 least impact on implementing its mission.

16 **Sec. 112.** 2009 c 564 s 113 (uncodified) is amended to read as  
17 follows:

18 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

19	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$1,032,000</del> ))
20		<u>\$1,043,000</u>
21	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,082,000</del> ))
22		<u>\$1,064,000</u>
23	TOTAL APPROPRIATION . . . . .	(( <del>\$2,114,000</del> ))
24		<u>\$2,107,000</u>

25 The appropriations in this section are subject to the following  
26 conditions and limitations: It is the intent of the legislature that  
27 the reductions in appropriations in this section shall be achieved, to  
28 the greatest extent possible, by reducing those state government  
29 administrative costs that do not affect direct client services or  
30 direct service delivery or programs. The agency shall, to the greatest  
31 extent possible, reduce spending in those areas that shall have the  
32 least impact on implementing its mission.

33 **Sec. 113.** 2009 c 564 s 114 (uncodified) is amended to read as  
34 follows:

35 **FOR THE ADMINISTRATOR FOR THE COURTS**

36	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$53,607,000</del> ))
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1		<u>\$52,644,000</u>
2	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$51,812,000</del> ))
3		<u>\$52,562,000</u>
4	<u>General Fund--Federal Appropriation . . . . .</u>	<u>\$979,000</u>
5	Judicial Information Systems Account--State	
6	Appropriation . . . . .	(( <del>\$29,676,000</del> ))
7		<u>\$33,406,000</u>
8	Judicial Stabilization Trust Account--State	
9	Appropriation . . . . .	\$6,598,000
10	TOTAL APPROPRIATION . . . . .	(( <del>\$141,693,000</del> ))
11		<u>\$146,189,000</u>

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

14       (1) \$1,800,000 of the general fund--state appropriation for fiscal  
15 year 2010 and \$1,800,000 of the general fund--state appropriation for  
16 fiscal year 2011 are provided solely for school districts for petitions  
17 to juvenile court for truant students as provided in RCW 28A.225.030  
18 and 28A.225.035. The office of the administrator for the courts shall  
19 develop an interagency agreement with the superintendent of public  
20 instruction to allocate the funding provided in this subsection.  
21 Allocation of this money to school districts shall be based on the  
22 number of petitions filed. This funding includes amounts school  
23 districts may expend on the cost of serving petitions filed under RCW  
24 28A.225.030 by certified mail or by personal service or for the  
25 performance of service of process for any hearing associated with RCW  
26 28A.225.030.

27       (2)(a) \$8,252,000 of the general fund--state appropriation for  
28 fiscal year 2010 and \$8,253,000 of the general fund--state  
29 appropriation for fiscal year 2011 are provided solely for distribution  
30 to county juvenile court administrators to fund the costs of processing  
31 truancy, children in need of services, and at-risk youth petitions.  
32 The administrator for the courts, in conjunction with the juvenile  
33 court administrators, shall develop an equitable funding distribution  
34 formula. The formula shall neither reward counties with higher than  
35 average per-petition processing costs nor shall it penalize counties  
36 with lower than average per-petition processing costs.

37       (b) Each fiscal year during the 2009-11 fiscal biennium, each  
38 county shall report the number of petitions processed and the total

1 actual costs of processing truancy, children in need of services, and  
2 at-risk youth petitions. Counties shall submit the reports to the  
3 administrator for the courts no later than 45 days after the end of the  
4 fiscal year. The administrator for the courts shall electronically  
5 transmit this information to the chairs and ranking minority members of  
6 the house of representatives appropriations committee and the senate  
7 ways and means committee no later than 60 days after a fiscal year  
8 ends. These reports are deemed informational in nature and are not for  
9 the purpose of distributing funds.

10 (3) The distributions made under this subsection and distributions  
11 from the county criminal justice assistance account made pursuant to  
12 section 801 of this act constitute appropriate reimbursement for costs  
13 for any new programs or increased level of service for purposes of RCW  
14 43.135.060.

15 (4) \$5,700,000 of the judicial information systems account--state  
16 appropriation is provided solely for modernization and integration of  
17 the judicial information system.

18 (a) Of this amount, \$1,700,000 is for the development of a  
19 comprehensive enterprise-level information technology strategy and  
20 detailed business and operational plans in support of that strategy,  
21 and \$4,000,000 is to continue to modernize and integrate current  
22 systems and enhance case management functionality on an incremental  
23 basis.

24 (b) The amount provided in this subsection may not be expended  
25 without prior approval by the judicial information system committee  
26 (~~((in consultation with the information services board))~~). The  
27 administrator shall regularly submit project plan updates for approval  
28 to the judicial information system committee (~~((and the information  
29 services board))~~).

30 (c) The judicial information system committee (~~((and the information  
31 services board))~~) shall review project progress on a regular basis and  
32 may require quality assurance plans. The judicial information systems  
33 committee (~~((and the information services board))~~) shall provide a report  
34 to the appropriate committees of the legislature no later than November  
35 1, 2011, on the status of the judicial information system modernization  
36 and integration, and the consistency of the project with the state's  
37 architecture, infrastructure and statewide enterprise view of service  
38 delivery.

1        (d) \$100,000 of the judicial information systems account--state  
2 appropriation is provided solely for the administrative office of the  
3 courts, in coordination with the judicial information system committee,  
4 to conduct an independent third-party executive-level review of the  
5 judicial information system. This review shall examine, at a minimum,  
6 the scope of the current project plan, governance structure, and  
7 organizational change management procedures. The review will also  
8 benchmark the system plans against similarly sized projects in other  
9 states or localities, review the large scale program risks, and  
10 estimate life cycle costs, including capital and on-going operational  
11 expenditures.

12        (5) \$3,000,000 of the judicial information systems account--state  
13 appropriation is provided solely for replacing computer equipment at  
14 state courts, and at state judicial agencies. The administrator for  
15 the courts shall prioritize equipment replacement purchasing and shall  
16 fund those items that are most essential or critical. By October 1,  
17 2010, the administrative office of the courts shall report to the  
18 appropriate legislative fiscal committees on expenditures for equipment  
19 under this subsection.

20        (6) \$12,000 of the judicial information systems account--state  
21 appropriation is provided solely to implement Engrossed Substitute  
22 House Bill No. 1954 (sealing juvenile records). If the bill is not  
23 enacted by June 30, 2009, the amount provided in this subsection shall  
24 lapse.

25        (7) \$106,000 of the general fund--state appropriation for fiscal  
26 year 2010 and \$106,000 of the general fund--state appropriation for  
27 fiscal year 2011 are provided solely for the twenty-third superior  
28 court judge position in Pierce county. The funds appropriated in this  
29 subsection shall be expended only if the judge is appointed and serving  
30 on the bench.

31        (8) It is the intent of the legislature that the reductions in  
32 appropriations in this section shall be achieved, to the greatest  
33 extent possible, by reducing those state government administrative  
34 costs that do not affect direct client services or direct service  
35 delivery or programs. The agency shall, to the greatest extent  
36 possible, reduce spending in those areas that shall have the least  
37 impact on implementing its mission.

1           (9) \$44,000 of the judicial information systems account--state  
2 appropriation is provided solely to implement chapter 272, Laws of 2010  
3 (SHB 2680; guardianship).

4           (10) \$274,000 of the general fund--state appropriation for fiscal  
5 year 2011 is provided solely for the office of public guardianship to  
6 provide guardianship services for low-income incapacitated persons.

7           (11) \$3,797,000 of the judicial information systems account--state  
8 appropriation is provided solely for continued planning and  
9 implementation of improvements to the court case management system.

10           **Sec. 114.** 2009 c 564 s 115 (uncodified) is amended to read as  
11 follows:

12           **FOR THE OFFICE OF PUBLIC DEFENSE**

13	General Fund--State Appropriation (FY 2010)	.. . . .	\$25,385,000
14	General Fund--State Appropriation (FY 2011)	.. . . .	<del>(( \$24,592,000 ))</del>
15			<u>\$24,591,000</u>
16	Judicial Stabilization Trust Account--State		
17	Appropriation	.. . . .	\$2,923,000
18	TOTAL APPROPRIATION	.. . . .	<del>(( \$52,900,000 ))</del>
19			<u>\$52,899,000</u>

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

22           (1) It is the intent of the legislature that the reductions in  
23 appropriations in this section shall be achieved, to the greatest  
24 extent possible, by reducing those state government administrative  
25 costs that do not affect direct client services or direct service  
26 delivery or programs. The agency shall, to the greatest extent  
27 possible, reduce spending in those areas that shall have the least  
28 impact on implementing its mission.

29           (2) The amounts provided include funding for expert and  
30 investigative services in death penalty personal restraint petitions.

31           **Sec. 115.** 2009 c 564 s 116 (uncodified) is amended to read as  
32 follows:

33           **FOR THE OFFICE OF CIVIL LEGAL AID**

34	General Fund--State Appropriation (FY 2010)	.. . . .	\$11,175,000
35	General Fund--State Appropriation (FY 2011)	.. . . .	<del>(( \$11,105,000 ))</del>
36			<u>\$10,984,000</u>



1	Judicial Stabilization Trust Account--State	
2	Appropriation . . . . .	(( <del>\$1,160,000</del> ))
3		<u>\$1,155,000</u>
4	TOTAL APPROPRIATION . . . . .	(( <del>\$23,440,000</del> ))
5		<u>\$23,314,000</u>

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

8       (1) An amount not to exceed \$40,000 of the general fund--state  
9 appropriation for fiscal year 2010 and an amount not to exceed \$40,000  
10 of the general fund--state appropriation for fiscal year 2011 may be  
11 used to provide telephonic legal advice and assistance to otherwise  
12 eligible persons who are sixty years of age or older on matters  
13 authorized by RCW 2.53.030(2) (a) through (k) regardless of household  
14 income or asset level.

15       (2) It is the intent of the legislature that the reductions in  
16 appropriations in this section shall be achieved, to the greatest  
17 extent possible, by reducing those state government administrative  
18 costs that do not affect direct client services or direct service  
19 delivery or programs. The agency shall, to the greatest extent  
20 possible, reduce spending in those areas that shall have the least  
21 impact on implementing its mission.

22       **Sec. 116.** 2009 c 564 s 117 (uncodified) is amended to read as  
23 follows:

24 **FOR THE OFFICE OF THE GOVERNOR**

25	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$5,880,000</del> ))
26		<u>\$5,836,000</u>
27	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$5,876,000</del> ))
28		<u>\$5,705,000</u>
29	Economic Development Strategic Reserve Account--State	
30	Appropriation . . . . .	\$1,500,000
31	TOTAL APPROPRIATION . . . . .	(( <del>\$13,256,000</del> ))
32		<u>\$13,041,000</u>

33       The appropriations in this section are subject to the following  
34 conditions and limitations: ((+1)) \$1,500,000 of the economic  
35 development strategic reserve account appropriation is provided solely  
36 for efforts to assist with currently active industrial recruitment

1 efforts that will bring new jobs to the state or will retain  
2 headquarter locations of major companies currently housed in the state.

3 **Sec. 117.** 2009 c 564 s 118 (uncodified) is amended to read as  
4 follows:

5 **FOR THE LIEUTENANT GOVERNOR**

6	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$770,000</del> ))
7		<u>\$752,000</u>
8	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$788,000</del> ))
9		<u>\$765,000</u>
10	General Fund--Private/Local Appropriation . . . . .	(( <del>\$90,000</del> ))
11		<u>\$88,000</u>
12	TOTAL APPROPRIATION . . . . .	(( <del>\$1,648,000</del> ))
13		<u>\$1,605,000</u>

14 **Sec. 118.** 2009 c 564 s 119 (uncodified) is amended to read as  
15 follows:

16 **FOR THE PUBLIC DISCLOSURE COMMISSION**

17	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$2,267,000</del> ))
18		<u>\$2,249,000</u>
19	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$2,264,000</del> ))
20		<u>\$2,212,000</u>
21	TOTAL APPROPRIATION . . . . .	(( <del>\$4,531,000</del> ))
22		<u>\$4,461,000</u>

23 **Sec. 119.** 2010 c 3 s 101 (uncodified) is amended to read as  
24 follows:

25 **FOR THE SECRETARY OF STATE**

26	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$20,649,000</del> ))
27		<u>\$21,105,000</u>
28	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$17,733,000</del> ))
29		<u>\$14,869,000</u>
30	General Fund--Federal Appropriation . . . . .	(( <del>\$8,121,000</del> ))
31		<u>\$8,082,000</u>
32	Archives and Records Management Account--State	
33	Appropriation . . . . .	(( <del>\$8,863,000</del> ))
34		<u>\$8,990,000</u>
35	<u>Charitable Organization Education Account--State</u>	

1	<u>Appropriation . . . . .</u>	<u>\$76,000</u>
2	Department of Personnel Service Account--State	
3	Appropriation . . . . .	(((\$760,000))
4		<u>\$757,000</u>
5	<u>Election Account--State Appropriation . . . . .</u>	<u>\$77,000</u>
6	Local Government Archives Account--State	
7	Appropriation . . . . .	(((\$11,777,000))
8		<u>\$11,515,000</u>
9	Election Account--Federal Appropriation . . . . .	(((\$29,715,000))
10		<u>\$31,163,000</u>
11	TOTAL APPROPRIATION . . . . .	(((\$97,618,000))
12		<u>\$96,634,000</u>

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

15       (1) \$4,101,000 of the general fund--state appropriation for fiscal  
16 year 2010 is provided solely to reimburse counties for the state's  
17 share of primary and general election costs and the costs of conducting  
18 mandatory recounts on state measures. Counties shall be reimbursed  
19 only for those odd-year election costs that the secretary of state  
20 validates as eligible for reimbursement.

21       (2)(a) \$1,897,000 of the general fund--state appropriation for  
22 fiscal year 2010 and \$2,076,000 of the general fund--state  
23 appropriation for fiscal year 2011 are provided solely for contracting  
24 with a nonprofit organization to produce gavel-to-gavel television  
25 coverage of state government deliberations and other events of  
26 statewide significance during the 2009-2011 biennium. The funding  
27 level for each year of the contract shall be based on the amount  
28 provided in this subsection. The nonprofit organization shall be  
29 required to raise contributions or commitments to make contributions,  
30 in cash or in kind, in an amount equal to forty percent of the state  
31 contribution. The office of the secretary of state may make full or  
32 partial payment once all criteria in this subsection have been  
33 satisfactorily documented.

34       (b) The legislature finds that the commitment of on-going funding  
35 is necessary to ensure continuous, autonomous, and independent coverage  
36 of public affairs. For that purpose, the secretary of state shall  
37 enter into a contract with the nonprofit organization to provide public  
38 affairs coverage.

1 (c) The nonprofit organization shall prepare an annual independent  
2 audit, an annual financial statement, and an annual report, including  
3 benchmarks that measure the success of the nonprofit organization in  
4 meeting the intent of the program.

5 (d) No portion of any amounts disbursed pursuant to this subsection  
6 may be used, directly or indirectly, for any of the following purposes:

7 (i) Attempting to influence the passage or defeat of any  
8 legislation by the legislature of the state of Washington, by any  
9 county, city, town, or other political subdivision of the state of  
10 Washington, or by the congress, or the adoption or rejection of any  
11 rule, standard, rate, or other legislative enactment of any state  
12 agency;

13 (ii) Making contributions reportable under chapter 42.17 RCW; or

14 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,  
15 lodging, meals, or entertainment to a public officer or employee.

16 (3) The appropriations in this section are based upon savings  
17 assumed from the implementation of Senate Bill No. 6122 (election  
18 costs).

19 ~~(4) ((The secretary of state shall not reduce the services provided  
20 by the talking book and Braille library below the service level  
21 provided in fiscal year 2008.~~

22 ~~(5))~~ In implementing budget reductions, the office of the  
23 secretary of state must make its first priority to maintain funding for  
24 the elections division.

25 (5) \$76,000 of the charitable organization education account--state  
26 appropriation for fiscal year 2011 is provided solely to implement  
27 Second Substitute House Bill No. 2576 (corporation and charity fees).  
28 If the bill is not enacted by June 30, 2010, the amount provided in  
29 this subsection shall lapse.

30 (6) \$77,000 of the general fund--state appropriation for fiscal  
31 year 2010 is provided solely for deposit to the election account.

32 **Sec. 120.** 2009 c 564 s 121 (uncodified) is amended to read as  
33 follows:

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

35 General Fund--State Appropriation (FY 2010) . . . . . ((\$266,000))

36 \$275,000

37 General Fund--State Appropriation (FY 2011) . . . . . ((\$276,000))

1 \$262,000  
 2 TOTAL APPROPRIATION . . . . . ((~~\$542,000~~))  
 3 \$537,000

4 The appropriations in this section are subject to the following  
 5 conditions and limitations: The office shall assist the department of  
 6 personnel on providing the government-to-government training sessions  
 7 for federal, state, local, and tribal government employees. The  
 8 training sessions shall cover tribal historical perspectives, legal  
 9 issues, tribal sovereignty, and tribal governments. Costs of the  
 10 training sessions shall be recouped through a fee charged to the  
 11 participants of each session. The department of personnel shall be  
 12 responsible for all of the administrative aspects of the training,  
 13 including the billing and collection of the fees for the training.

14 **Sec. 121.** 2009 c 564 s 122 (uncodified) is amended to read as  
 15 follows:

16 **FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**  
 17 General Fund--State Appropriation (FY 2010) . . . . . ((~~\$236,000~~))  
 18 \$216,000  
 19 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$224,000~~))  
 20 \$236,000  
 21 TOTAL APPROPRIATION . . . . . ((~~\$460,000~~))  
 22 \$452,000

23 **Sec. 122.** 2009 c 564 s 123 (uncodified) is amended to read as  
 24 follows:

25 **FOR THE STATE TREASURER**  
 26 State Treasurer's Service Account--State  
 27 Appropriation . . . . . ((~~\$14,802,000~~))  
 28 \$14,686,000

29 **Sec. 123.** 2009 c 564 s 124 (uncodified) is amended to read as  
 30 follows:

31 **FOR THE STATE AUDITOR**  
 32 General Fund--State Appropriation (FY 2010) . . . . . \$722,000  
 33 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$729,000~~))  
 34 \$717,000  
 35 State Auditing Services Revolving

1	Account--State Appropriation . . . . .	(( <del>\$12,061,000</del> ))
2		<u>\$10,749,000</u>
3	TOTAL APPROPRIATION . . . . .	(( <del>\$13,512,000</del> ))
4		<u>\$12,188,000</u>

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

7 (1) Audits of school districts by the division of municipal  
8 corporations shall include findings regarding the accuracy of: (a)  
9 Student enrollment data; and (b) the experience and education of the  
10 district's certified instructional staff, as reported to the  
11 superintendent of public instruction for allocation of state funding.

12 (2) \$722,000 of the general fund--state appropriation for fiscal  
13 year 2010 and (~~(\$729,000)~~) \$717,000 of the general fund--state  
14 appropriation for fiscal year 2011 are provided solely for staff and  
15 related costs to verify the accuracy of reported school district data  
16 submitted for state funding purposes; conduct school district program  
17 audits of state funded public school programs; establish the specific  
18 amount of state funding adjustments whenever audit exceptions occur and  
19 the amount is not firmly established in the course of regular public  
20 school audits; and to assist the state special education safety net  
21 committee when requested.

22 (3) Within the amounts appropriated in this section, the state  
23 auditor shall continue to complete the annual audit of the state's  
24 comprehensive annual financial report and the annual federal single  
25 audit consistent with the auditing standards generally accepted in the  
26 United States and the standards applicable to financial audits  
27 contained in government auditing standards, issued by the comptroller  
28 general of the United States, and OMB circular A-133, audits of states,  
29 local governments, and nonprofit organizations.

30 (4) The legislature finds that the major changes in personnel  
31 funding in this budget and the long term effects of the ongoing  
32 economic recession combine with structural changes in the nature of  
33 work and employment in many state agencies to require a continuing  
34 review of the workforce examination begun under chapter 534, Laws of  
35 2009 (exempt employment practices). The legislature notes the ongoing  
36 management reforms of the Washington management service being  
37 undertaken by the department of personnel, and anticipates a continuing  
38 legislative committee examination of the architecture and cost of the

1 state's career and executive workforce. To that end, the office of  
2 state auditor is invited to provide by September 1, 2010, a general  
3 survey of new and best practices for executive and career workforce  
4 management now in use by other states and relevant industries.

5 **Sec. 124.** 2010 c 3 s 102 (uncodified) is amended to read as  
6 follows:

7 **FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

8	General Fund--State Appropriation (FY 2010) . . . . .	\$168,000
9	General Fund--State Appropriation (FY 2011) . . . . .	(((\$209,000))
10		<u>\$206,000</u>
11	TOTAL APPROPRIATION . . . . .	(((\$377,000))
12		<u>\$374,000</u>

13 **Sec. 125.** 2010 c 3 s 103 (uncodified) is amended to read as  
14 follows:

15 **FOR THE ATTORNEY GENERAL**

16	General Fund--State Appropriation (FY 2010) . . . . .	(((\$5,285,000))
17		<u>\$5,732,000</u>
18	General Fund--State Appropriation (FY 2011) . . . . .	(((\$5,614,000))
19		<u>\$5,848,000</u>
20	General Fund--Federal Appropriation . . . . .	\$4,026,000
21	New Motor Vehicle Arbitration Account--State	
22	Appropriation . . . . .	(((\$1,346,000))
23		<u>\$1,350,000</u>
24	Legal Services Revolving Account--State	
25	Appropriation . . . . .	(((\$221,515,000))
26		<u>\$220,909,000</u>
27	Tobacco Prevention and Control Account--State	
28	Appropriation . . . . .	\$270,000
29	TOTAL APPROPRIATION . . . . .	(((\$238,056,000))
30		<u>\$238,135,000</u>

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

33 (1) The attorney general shall report each fiscal year on actual  
34 legal services expenditures and actual attorney staffing levels for  
35 each agency receiving legal services. The report shall be submitted to  
36 the office of financial management and the fiscal committees of the

1 senate and house of representatives no later than ninety days after the  
2 end of each fiscal year. As part of its by agency report to the  
3 legislative fiscal committees and the office of financial management,  
4 the office of the attorney general shall include information detailing  
5 the agency's expenditures for its agency-wide overhead and a breakdown  
6 by division of division administration expenses.

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

12 (3) The office of the attorney general is authorized to expend  
13 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer  
14 protection costs in accordance with uses authorized in the court  
15 orders.

16 (4) The attorney general shall annually report to the fiscal  
17 committees of the legislature all new cy pres awards and settlements  
18 and all new accounts, disclosing their intended uses, balances, the  
19 nature of the claim or account, proposals, and intended timeframes for  
20 the expenditure of each amount. The report shall be distributed  
21 electronically and posted on the attorney general's web site. The  
22 report shall not be printed on paper or distributed physically.

23 (5) The executive ethics board must produce a report by the end of  
24 the calendar year for the legislature regarding performance measures on  
25 the efficiency and effectiveness of the board, as well as on  
26 performance measures to measure and monitor the ethics and integrity of  
27 all state agencies.

28 (6) \$53,000 of the legal services revolving account--state  
29 appropriation is provided solely to implement Engrossed Second  
30 Substitute House Bill No. 3026 (school district compliance with state  
31 and federal civil rights laws).

32 **Sec. 126.** 2010 c 3 s 104 (uncodified) is amended to read as  
33 follows:

34 **FOR THE CASELOAD FORECAST COUNCIL**

35 General Fund--State Appropriation (FY 2010) . . . . .	\$766,000
36 General Fund--State Appropriation (FY 2011) . . . . .	(\$759,000)
37	<u>\$742,000</u>



1 TOTAL APPROPRIATION . . . . . ((~~\$1,525,000~~))  
2 \$1,508,000

3 The appropriations in this section are subject to the following  
4 conditions and limitations: \$13,000 of the general fund--state  
5 appropriation for fiscal year 2010 and \$7,000 of the general fund--  
6 state appropriation for fiscal year 2011 are for the implementation of  
7 Second Substitute House Bill No. 2106 (improving child welfare outcomes  
8 through the phased implementation of strategic and proven reforms). If  
9 the bill is not enacted by June 30, 2009, the amounts provided in this  
10 subsection shall lapse.

11 **Sec. 127.** 2010 c 3 s 105 (uncodified) is amended to read as  
12 follows:

13 **FOR THE DEPARTMENT OF COMMERCE**

14 General Fund--State Appropriation (FY 2010) . . . . . ((~~\$51,015,000~~))  
15 \$49,670,000  
16 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$51,813,000~~))  
17 \$40,577,000  
18 General Fund--Federal Appropriation . . . . . ((~~\$384,540,000~~))  
19 \$381,918,000  
20 General Fund--Private/Local Appropriation . . . . . ((~~\$16,266,000~~))  
21 \$10,622,000  
22 Public Works Assistance Account--State  
23 Appropriation . . . . . ((~~\$2,990,000~~))  
24 \$2,974,000  
25 Tourism Development and Promotion Account--State  
26 Appropriation . . . . . \$1,003,000  
27 Drinking Water Assistance Administrative  
28 Account--State Appropriation . . . . . ((~~\$439,000~~))  
29 \$433,000  
30 Lead Paint Account--State Appropriation . . . . . ((~~\$18,000~~))  
31 \$35,000  
32 Building Code Council Account--State Appropriation . . . . . ((~~\$1,286,000~~))  
33 \$688,000  
34 Home Security Fund Account--State Appropriation . . . . . ((~~\$23,498,000~~))  
35 \$25,486,000  
36 Affordable Housing for All Account--State  
37 Appropriation . . . . . ((~~\$11,900,000~~))

1		<u>\$11,896,000</u>
2	Washington Auto Theft Prevention Authority	
3	Account--State Appropriation . . . . .	\$300,000
4	Independent Youth Housing Account--State	
5	Appropriation . . . . .	(( <del>\$80,000</del> ))
6		<u>\$220,000</u>
7	<u>County Research Services Account--State Appropriation . . . . .</u>	<u>\$469,000</u>
8	Community Preservation and Development Authority	
9	Account--State Appropriation . . . . .	\$350,000
10	Financial Fraud and Identity Theft Crimes Investigation	
11	and Prosecution Account--State Appropriation . . . . .	\$1,166,000
12	Low-Income Weatherization Assistance Account--State	
13	Appropriation . . . . .	(( <del>\$8,382,000</del> ))
14		<u>\$6,882,000</u>
15	<u>City and Town Research Services Account--State</u>	
16	<u>Appropriation . . . . .</u>	<u>\$2,246,000</u>
17	Manufacturing Innovation and Modernization	
18	Account--State Appropriation . . . . .	(( <del>\$246,000</del> ))
19		<u>\$230,000</u>
20	Community and Economic Development Fee	
21	Account--State Appropriation . . . . .	(( <del>\$1,833,000</del> ))
22		<u>\$6,922,000</u>
23	Washington Housing Trust Account--State	
24	Appropriation . . . . .	(( <del>\$15,372,000</del> ))
25		<u>\$15,348,000</u>
26	<u>Prostitution Prevention and Intervention Account--</u>	
27	<u>State Appropriation . . . . .</u>	<u>\$125,000</u>
28	Public Facility Construction Loan Revolving	
29	Account--State Appropriation . . . . .	(( <del>\$755,000</del> ))
30		<u>\$754,000</u>
31	TOTAL APPROPRIATION . . . . .	(( <del>\$573,252,000</del> ))
32		<u>\$560,314,000</u>

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

- 35 (1) ((~~\$2,520,000~~)) \$2,378,000 of the general fund--state  
36 appropriation for fiscal year 2010 and ((~~\$2,521,000~~)) \$2,379,000 of the  
37 general fund--state appropriation for fiscal year 2011 are provided

1 solely for a contract with the Washington technology center for work  
2 essential to the mission of the Washington technology center and  
3 conducted in partnership with universities.

4 (2) Repayments of outstanding loans granted under RCW 43.63A.600,  
5 the mortgage and rental assistance program, shall be remitted to the  
6 department, including any current revolving account balances. The  
7 department shall collect payments on outstanding loans, and deposit  
8 them into the state general fund. Repayments of funds owed under the  
9 program shall be remitted to the department according to the terms  
10 included in the original loan agreements.

11 (3) \$100,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$100,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely to implement section 2(7) of  
14 Engrossed Substitute House Bill No. 1959 (land use and transportation  
15 planning for marine container ports).

16 (4) \$102,000 of the building code council account--state  
17 appropriation is provided solely for the implementation of sections 3  
18 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built  
19 environment pollution). If sections 3 and 7 of the bill are not  
20 enacted by June 30, 2009, the amounts provided in this subsection shall  
21 lapse.

22 (5)(a) \$10,500,000 of the general fund--federal appropriation is  
23 provided for training and technical assistance associated with low  
24 income weatherization programs. Subject to federal requirements, the  
25 department shall provide: (i) Up to \$4,000,000 to the state board for  
26 community and technical colleges to provide workforce training related  
27 to weatherization and energy efficiency; (ii) up to \$3,000,000 to the  
28 Bellingham opportunity council to provide workforce training related to  
29 energy efficiency and weatherization; and (iii) up to \$3,500,000 to  
30 community-based organizations and to community action agencies  
31 consistent with the provisions of Engrossed Second Substitute House  
32 Bill No. 2227 (evergreen jobs act). Any funding remaining shall be  
33 expended in project 91000013, weatherization, in the omnibus capital  
34 appropriations act, Substitute House Bill No. 1216 (capital budget).

35 (b) \$6,787,000 of the general fund--federal appropriation is  
36 provided solely for the state energy program, including not less than  
37 \$5,000,000 to provide credit enhancements consistent with the

1 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy  
2 efficiency in buildings).

3 (c) Of the general fund--federal appropriation the department shall  
4 provide: \$14,500,000 to the Washington State University for the  
5 purpose of making grants for pilot projects providing community-wide  
6 urban, residential, and commercial energy efficiency upgrades  
7 consistent with the provisions of Engrossed Second Substitute Senate  
8 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington  
9 State University to conduct farm energy assessments. In contracting  
10 with the Washington State University for the provision of these  
11 services, the total administration of Washington State University and  
12 the department shall not exceed 3 percent of the amounts provided.

13 (d) \$38,500,000 of the general fund--federal appropriation is  
14 provided for deposit in the energy recovery act account to establish a  
15 revolving loan program, consistent with the provisions of Engrossed  
16 Substitute House Bill No. 2289 (expanding energy freedom program).

17 (e) \$10,646,000 of the general fund--federal appropriation is  
18 provided pursuant to the energy efficiency and conservation block grant  
19 under the American reinvestment and recovery act. The department may  
20 use up to \$3,000,000 of the amount provided in this subsection to  
21 provide technical assistance for energy programs administered by the  
22 agency under the American reinvestment and recovery act.

23 (6) \$14,000 of the general fund--state appropriation for fiscal  
24 year 2010 is provided solely for the implementation of Engrossed Second  
25 Substitute Senate Bill No. 5560 (state agency climate leadership). If  
26 the bill is not enacted by June 30, 2009, the amount provided in this  
27 subsection shall lapse.

28 (7) \$22,400,000 of the general fund--federal appropriation is  
29 provided solely for the justice assistance grant program and is  
30 contingent upon the department transferring: \$1,200,000 to the  
31 department of corrections for security threat mitigation, \$2,336,000 to  
32 the department of corrections for offender reentry, \$1,960,000 to the  
33 Washington state patrol for law enforcement activities, \$2,087,000 to  
34 the department of social and health services, division of alcohol and  
35 substance abuse for drug courts, and \$428,000 to the department of  
36 social and health services for sex abuse recognition training. The  
37 remaining funds shall be distributed by the department to local  
38 jurisdictions.

1 (8) \$20,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$20,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for a grant to KCTS public  
4 television to support Spanish language programming and the V-me Spanish  
5 language channel.

6 (9) \$500,000 of the general fund--state appropriation for fiscal  
7 year 2010 and \$500,000 of the general fund--state appropriation for  
8 fiscal year 2011 are provided solely for a grant to resolution  
9 Washington to building statewide capacity for alternative dispute  
10 resolution centers and dispute resolution programs that guarantee that  
11 citizens have access to low-cost resolution as an alternative to  
12 litigation.

13 (10) \$30,000 of the general fund--state appropriation for fiscal  
14 year 2010 is provided solely for implementation of Engrossed Second  
15 Substitute Senate Bill No. 6015 (commercialization of technology). If  
16 the bill is not enacted by June 30, 2009, the amount provided in this  
17 subsection shall lapse.

18 (11) By June 30, 2011, the department shall request information  
19 that describes what jurisdictions have adopted, or are in the process  
20 of adopting, plans that address RCW 36.70A.020 and helps achieve the  
21 greenhouse gas emission reductions established in RCW 70.235.020. This  
22 information request in this subsection applies to jurisdictions that  
23 are required to review and if necessary revise their comprehensive  
24 plans (~~(by December 1, 2011,)~~) in accordance with RCW 36.70A.130.

25 (12) During the 2009-11 fiscal biennium, the department shall allot  
26 all of its appropriations subject to allotment by object, account, and  
27 expenditure authority code to conform with the office of financial  
28 management's definition of an option 2 allotment. For those funds  
29 subject to allotment but not appropriation, the agency shall submit  
30 option 2 allotments to the office of financial management.

31 (13) \$50,000 of the general fund--state appropriation for fiscal  
32 year 2010 and \$50,000 of the general fund--state appropriation for  
33 fiscal year 2011 are provided solely for a grant for the state's  
34 participation in the Pacific Northwest economic region.

35 (14) \$712,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$712,000 of the general fund--state appropriation for  
37 fiscal year 2011 are provided solely to the office of crime victims  
38 advocacy. These funds shall be contracted with the 39 county

1 prosecuting attorneys' offices to support victim-witness services. The  
2 funds must be prioritized to ensure a full-time victim-witness  
3 coordinator in each county. The office may retain only the amount  
4 currently allocated for this activity for administrative costs.

5 (15) \$306,000 of the general fund--state appropriation for fiscal  
6 year 2010 and \$306,000 of the general fund--state appropriation for  
7 fiscal year 2011 are provided solely for a grant to the retired senior  
8 volunteer program.

9 (16) \$65,000 of the general fund--state appropriation for fiscal  
10 year 2010 (~~and \$65,000 of the general fund--state appropriation for~~  
11 ~~fiscal year 2011 are~~) is provided solely for a contract with a food  
12 distribution program for communities in the southwestern portion of the  
13 state and for workers impacted by timber and salmon fishing closures  
14 and reductions. The department may not charge administrative overhead  
15 or expenses to the funds provided in this subsection.

16 (17) \$371,000 of the general fund--state appropriation for fiscal  
17 year 2010 and \$371,000 of the general fund--state appropriation for  
18 fiscal year 2011 are provided solely to the northwest agriculture  
19 business center.

20 (18) The department shall administer its growth management act  
21 technical assistance so that smaller cities receive proportionately  
22 more assistance than larger cities or counties. (~~Pass-through grants~~  
23 ~~shall continue to be funded under 2007-09 policy.))~~

24 (19) \$212,000 of the general fund--federal appropriation is  
25 provided solely for implementation of Second Substitute House Bill No.  
26 1172 (development rights transfer). If the bill is not enacted by June  
27 30, 2009, the amount provided in this subsection shall lapse.

28 (20) \$69,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$66,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for implementation of Engrossed  
31 Second Substitute House Bill No. 2227 (evergreen jobs act). If the  
32 bill is not enacted by June 30, 2009, the amounts provided in this  
33 subsection shall lapse.

34 (21) \$350,000 of the community development and preservation  
35 authority account--state appropriation is provided solely for a grant  
36 to a community development authority established under chapter 43.167  
37 RCW. The community preservation and development's board of directors  
38 may contract with nonprofit community organizations to aid in

1 mitigating the effects of increased public impact on urban  
2 neighborhoods due to events in stadia that have a capacity of over  
3 50,000 spectators.

4 (22) \$300,000 of the Washington auto theft prevention authority  
5 account--state appropriation is provided solely for a contract with a  
6 community group to build local community capacity and economic  
7 development within the state by strengthening political relationships  
8 between economically distressed communities and governmental  
9 institutions. The community group shall identify opportunities for  
10 collaboration and initiate activities and events that bring community  
11 organizations, local governments, and state agencies together to  
12 address the impacts of poverty, political disenfranchisement, and  
13 economic inequality on communities of color. These funds must be  
14 matched by other nonstate sources on an equal basis.

15 (23) \$1,800,000 of the home security fund--state appropriation is  
16 provided for transitional housing assistance or partial payments for  
17 rental assistance under the independent youth housing program.

18 (24) \$5,000,000 of the home security fund--state appropriation is  
19 provided solely for the operation, repair, and staffing of shelters in  
20 the homeless family shelter program.

21 (25) \$253,000 of the general fund--state appropriation for fiscal  
22 year 2010 and \$283,000 of the general fund--state appropriation for  
23 fiscal year 2011 are provided solely for the Washington new Americans  
24 program.

25 (26) \$438,000 of the general fund--state appropriation for fiscal  
26 year 2010 and \$438,000 of the general fund--state appropriation for  
27 fiscal year 2011 are provided solely for the Washington asset building  
28 coalitions.

29 (27) Funding provided to microenterprise development organizations  
30 for fiscal year 2011 shall not be reduced by more than ten percent from  
31 funding levels in the 2009-11 operating budget.

32 (28) Within existing resources, the department of commerce shall  
33 convene a work group that includes a representative designated by each  
34 of the following: The department, the economic development commission,  
35 the Washington technology center, the Spokane intercollegiate research  
36 and technology institute, the University of Washington center for  
37 commercialization and Washington State University's office of economic  
38 development and global engagement. To better align the missions of

1 state supported entities conducting commercialization, the work group  
2 shall prepare and submit a report to the legislature no later than  
3 December 1, 2010, that identifies gaps and overlaps in programs,  
4 evaluates strategies to reduce administrative overhead expenses, and  
5 recommends changes which would amplify and accelerate innovation-driver  
6 job creation in the state.

7 (29) \$3,231,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$3,231,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely for associate development  
10 organizations.

11 (30) \$5,400,000 of the community and economic development fee  
12 account is provided as follows: \$1,000,000 is provided solely for the  
13 department of commerce for services for homeless families through the  
14 Washington families fund; \$2,600,000 is provided solely for housing  
15 trust fund operations and maintenance; \$800,000 is provided solely for  
16 housing trust fund portfolio management; \$500,000 is provided solely  
17 for foreclosure counseling and support; and \$500,000 is provided solely  
18 for use as a reserve in the account.

19 (31)(a) The economic development commission must develop a biennial  
20 budget request for approval by the office of financial management. The  
21 commission must adopt an annual budget and work plan in accordance with  
22 the omnibus appropriations bill approved by the legislature.

23 (b) Of state appropriated funds for the operation of the  
24 commission, the state agency serving as the commission's fiscal agent  
25 may use no more than ten percent of funds appropriated for commission  
26 personnel costs and no more than three percent of funds in the  
27 Washington state economic development commission account to cover  
28 administrative expenses.

29 (c) The commission may accept gifts, grants, donations,  
30 sponsorships, or contributions from any federal, state, or local  
31 governmental agency or program, or any private source, and expend the  
32 same for any purpose consistent with this chapter.

33 (d) The Washington state economic development commission account is  
34 created in the custody of the state treasurer. All receipts from  
35 gifts, grants, donations, sponsorships, or contributions must be  
36 deposited into the account. State appropriated funds may not be  
37 deposited into the account. The account is subject to the allotment  
38 procedures under chapter 43.88 RCW, but an appropriation is not



1 required for expenditures. Expenditures from the account may be used  
2 only for purposes related to carrying out the mission, roles, and  
3 responsibilities of the commission. Only the commission, or the  
4 commission's designee, may authorize expenditures from the account.

5 (32) \$250,000 of the general fund--state appropriation for fiscal  
6 year 2011 is provided solely for the department to administer a  
7 competitive grant program to fund economic development activities  
8 designed to further regional cluster growth and to integrate its  
9 sector-based and cluster-based strategies with its support for the  
10 development of innovation partnership zones. Grant recipients must  
11 provide matching funds equal to the size of the grant. Grants may be  
12 awarded to support the formation of sector associations or cluster  
13 associations, the identification of the technology and  
14 commercialization needs of a sector or cluster, facilitating working  
15 relationships between a sector association or cluster association and  
16 an innovation partnership zone, expanding the operations of an  
17 innovation partnership zone, and developing and implementing plans to  
18 meet the technology development and commercialization needs of industry  
19 sectors, industry clusters, and innovation partnership zones. The  
20 projects receiving grants must not duplicate the purpose or efforts of  
21 industry skill panels but priority must be given to applicants that  
22 complement industry skill panels and will use the grant funds to build  
23 linkages and joint projects.

24 (33) \$100,000 of the general fund--state appropriation for fiscal  
25 year 2011 is provided solely to:

26 (a) Develop a rural manufacturer export outreach program in  
27 conjunction with impact Washington. The program must provide outreach  
28 services to rural manufacturers in Washington to inform them of the  
29 importance of and opportunities in international trade, and to inform  
30 them of the export assistance programs available to assist these  
31 businesses to become exporters; and

32 (b) Develop export loan or loan guarantee programs in conjunction  
33 with the Washington economic development finance authority and the  
34 appropriate federal and private entities.

35 (34) \$1,000,000 of the general fund--state appropriation for fiscal  
36 year 2011 is provided solely to implement the provisions of chapter 13,  
37 Laws of 2010 (global health program).

1       (35) \$50,000 of the general fund--state appropriation for fiscal  
2 year 2011 is provided solely for the creation of the Washington  
3 entrepreneurial development and small business reference service in the  
4 department of commerce.

5       (a) The department must:

6       (i) In conjunction with and drawing on information compiled by the  
7 work force training and education coordinating board and the Washington  
8 economic development commission:

9       (A) Establish and maintain an inventory of the public and private  
10 entrepreneurial training and technical assistance services, programs,  
11 and resources available in the state;

12       (B) Disseminate information about available entrepreneurial  
13 development and small business assistance services, programs, and  
14 resources via in-person presentations and electronic and printed  
15 materials and undertake other activities to raise awareness of  
16 entrepreneurial training and small business assistance offerings; and

17       (C) Evaluate the extent to which existing entrepreneurial training  
18 and technical assistance programs in the state are effective and  
19 represent a consistent, integrated approach to meeting the needs of  
20 start-up and existing entrepreneurs;

21       (ii) Assist providers of entrepreneurial development and small  
22 business assistance services in applying for federal and private  
23 funding to support the entrepreneurial development and small business  
24 assistance activities in the state;

25       (iii) Distribute awards for excellence in entrepreneurial training  
26 and small business assistance; and

27       (iv) Report to the governor, the economic development commission,  
28 the work force training and education coordinating board, and the  
29 appropriate legislative committees its recommendations for statutory  
30 changes necessary to enhance operational efficiencies or enhance  
31 coordination related to entrepreneurial development and small business  
32 assistance.

33       (b) In carrying out the duties under this section, the department  
34 must seek the advice of small business owners and advocates, the  
35 Washington economic development commission, the work force training and  
36 education coordinating board, the state board for community and  
37 technical colleges, the employment security department, the Washington  
38 state microenterprise association, associate development organizations,

1 impact Washington, the Washington quality award council, the Washington  
2 technology center, the small business export finance assistance center,  
3 the Spokane intercollegiate research and technology institute,  
4 representatives of the University of Washington business school and the  
5 Washington State University college of business and economics, the  
6 office of minority and women's business enterprises, the Washington  
7 economic development finance authority, and staff from small business  
8 development centers.

9 (c) The director may appoint an advisory board or convene such  
10 other individuals or groups as he or she deems appropriate to assist in  
11 carrying out the department's duties under this section.

12 (36) The investing in innovation account is created in the custody  
13 of the state treasurer. Funds may be directed to the account from  
14 federal, state, and private sources. Expenditures from the account may  
15 be used only to carry out the investing in innovation grants program  
16 established under RCW 70.210.030, and other innovation and  
17 commercialization purposes consistent with the federal, state, or  
18 private and other funding guidelines that apply to the funds deposited  
19 in the account. Only the executive director of the Washington  
20 technology center or the executive director's designee may authorize  
21 expenditures from the account. The account is subject to allotment  
22 procedures under chapter 43.88 RCW, but an appropriation is not  
23 required for expenditures.

24 (37) \$50,000 of the general fund--state appropriation for fiscal  
25 year 2011 is provided solely for a grant to HistoryLink.

26 (38) \$50,000 of the general fund--state appropriation for fiscal  
27 year 2011 is provided solely for the Washington quality award council  
28 created in RCW 43.06.335 to provide training to small manufacturers and  
29 other businesses as well as to technical assistance providers from the  
30 department of commerce, impact Washington, small business development  
31 centers, associate development organizations, and other organizations.  
32 The training shall be in continuous quality improvement, performance  
33 measurement, strategic planning, and other approaches designed to  
34 reduce operating costs, improve effectiveness, and increase  
35 productivity in businesses receiving assistance.

36 (39) \$50,000 of the general fund--state appropriation for fiscal  
37 year 2011 is provided solely for the manufacturing innovation and  
38 modernization account created in RCW 43.338.030.



1 (2) The office of financial management shall conduct a study on  
2 alternatives for consolidating or transferring activities and  
3 responsibilities of the state lottery commission, state horse racing  
4 commission, state liquor control board, and the state gambling  
5 commission to achieve cost savings and regulatory efficiencies. In  
6 conducting the study, the office of financial management shall consult  
7 with the legislative fiscal committees. Further, the office of  
8 financial management shall establish an advisory group to include, but  
9 not be limited to, representatives of affected businesses, state  
10 agencies or entities, local governments, and stakeholder groups. The  
11 office of financial management shall submit a final report to the  
12 governor and the legislative fiscal committees by November 15, 2009.

13 ~~(3) ((\$500,000 of the general fund—state appropriation for fiscal~~  
14 ~~year 2010 is provided solely for a study of the feasibility of closing~~  
15 ~~state institutional facilities and a plan on eliminating beds in the~~  
16 ~~state institutional facility inventory.—The office of financial~~  
17 ~~management shall contract with consultants with expertise related to~~  
18 ~~the subject matters included in this study.—The office of financial~~  
19 ~~management and the consultants shall consult with the department of~~  
20 ~~social and health services, the department of corrections, stakeholder~~  
21 ~~groups that represent the people served in these institutions, labor~~  
22 ~~organizations that represent employees who work in these institutions~~  
23 ~~and other persons or entities with expertise in the areas being~~  
24 ~~studied.~~

25 ~~(a) For the purposes of this study, "state institutional~~  
26 ~~facilities" means facilities operated by the department of corrections~~  
27 ~~to house persons convicted of a criminal offense, Green Hill school and~~  
28 ~~Maple Lane school operated by the department of social and health~~  
29 ~~services—juvenile rehabilitation administration, and residential~~  
30 ~~habilitation centers operated by the department of social and health~~  
31 ~~services.~~

32 ~~(b) In conducting this study, the consultants shall consider the~~  
33 ~~following factors as appropriate:~~

34 ~~(i) The availability of alternate facilities including alternatives~~  
35 ~~and opportunities for consolidation with other facilities, impacts on~~  
36 ~~those alternate facilities, and any related capital costs;~~

37 ~~(ii) The cost of operating the facility, including the cost of~~

1 providing services and the cost of maintaining or improving the  
2 physical plant of the facility;

3 (iii) The geographic factors associated with the facility,  
4 including the impact of the facility on the local economy and the  
5 economic impact of its closure, and alternative uses for a facility  
6 recommended for closure;

7 (iv) The costs associated with closing the facility, including the  
8 continuing costs following the closure of the facility;

9 (v) Number and type of staff and the impact on the facility staff  
10 including other employment opportunities if the facility is closed;

11 (vi) The savings that will accrue to the state from closure or  
12 consolidation of a facility and the impact any closure would have on  
13 funding the associated services; and

14 (vii) For the residential habilitation centers, the impact on  
15 clients in the facility being recommended for closure and their  
16 families, including ability to get alternate services and impact on  
17 being moved to another facility.

18 (c) The office of financial management shall submit a final report  
19 to the governor and the ways and means committees of the house of  
20 representatives and senate by November 1, 2009. The report shall  
21 provide a recommendation and a plan to eliminate 1,580 beds in the  
22 department of corrections facilities, 235 beds from juvenile  
23 rehabilitation facilities, and 250 funded beds in the residential  
24 habilitation centers through closure or consolidation of facilities.  
25 The report shall include an assessment of each facility studied, where  
26 and how the services should be provided, and any costs or savings  
27 associated with each recommendation. In considering the  
28 recommendations of the report, the governor and the legislature shall  
29 not consider closure of any state institutional facility unless the  
30 report recommended the facility for closure.) \$25,000 of the general  
31 fund--state appropriation for fiscal year 2011 is provided solely for  
32 the office to contract with the Washington state quality award program  
33 to provide training for state managers and employees.

34 (4) \$110,000 of the general fund--state appropriation for fiscal  
35 year 2011 is provided solely to implement Second Substitute Senate Bill  
36 No. 6578 (multiagency permitting teams). If the bill is not enacted by  
37 June 30, 2010, the amount provided in this subsection shall lapse.

1       (5) The office of financial management shall, with the assistance  
2 of the natural resources cabinet as created in executive order 09-07,  
3 reduce the number of facilities being leased by the state by  
4 consolidating, wherever possible, regional offices and storage  
5 facilities of the natural resource agencies. The office of financial  
6 management and the natural resources cabinet shall submit a report on  
7 the progress of this effort and the associated savings to the  
8 appropriate fiscal committees of the legislature no later than December  
9 1, 2010.

10       (6) \$100,000 of the general fund--state appropriation for fiscal  
11 year 2010 and \$100,000 of the general fund--state appropriation for  
12 fiscal year 2011 are provided solely for the office of financial  
13 management to hire an independent consultant to conduct an assessment.  
14 The consultant shall be agreed upon by a wide range of interested  
15 stakeholders including organization leaders representing residents of  
16 residential habilitation centers. The assessment shall include  
17 interviews with all residential habilitation center residents or  
18 guardians of residents to determine the optimum setting for these  
19 individuals and shall include the option and choice to remain in a  
20 residential habilitation center. The assessment shall note when the  
21 recommendation of the consultant differs from the choice of the  
22 individual. The assessment shall also determine service and placements  
23 that are underfunded or underserved in community settings and determine  
24 resources and options for funding sources necessary to adequately fund  
25 community-based services for people with developmental disabilities.  
26 The resulting report will be due to the legislature on December 1,  
27 2010.

28       (7)(a) \$50,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$150,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for the purposes of the office of  
31 financial management:

32       (i) Conducting a technical and financial analysis of the state's  
33 plan for the consolidated state data center and office building; and

34       (ii) Developing a strategic business plan outlining the various  
35 options for use of the site that maximize taxpayer value consistent  
36 with the terms of the finance lease and related agreements.

37       (b) The analysis required in (a)(i) of this subsection must consist  
38 of, at a minimum, an assessment of the following issues:

1        (i) The total capital and operational costs for the proposed data  
2 center and office building;

3        (ii) The occupancy rate for the consolidated state data center, as  
4 compared to total capacity, that will result in revenue exceeding total  
5 capital and operating expenses;

6        (iii) The potential reallocation of resources that could result  
7 from the consolidation of state data centers and office space; and

8        (iv) The potential return on investment for the consolidated state  
9 data center and office building that may be realized without impairing  
10 any existing contractual rights under the terms of the financing lease  
11 and related agreements.

12        (c) This review must build upon the analysis and migration strategy  
13 for the consolidated state data center being prepared for the  
14 department of information services.

15        (d) The strategic plan must be submitted to the governor and the  
16 legislature by December 1, 2010.

17        (8) Appropriations in this section include amounts sufficient to  
18 implement Engrossed Substitute House Bill No. 3178 (technology  
19 efficiencies).

20        **Sec. 130.** 2009 c 564 s 131 (uncodified) is amended to read as  
21 follows:

22 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

23 Administrative Hearings Revolving  
24 Account--State Appropriation . . . . . ((\$33,473,000))  
25 \$33,978,000

26        The appropriation in this section is subject to the following  
27 conditions and limitations: \$725,000 of the administrative hearings  
28 revolving account--state appropriation is provided solely to implement  
29 Engrossed Second Substitute House Bill No. 2782 (security lifeline  
30 act). If the bill is not enacted by June 30, 2010, the amount provided  
31 in this subsection shall lapse.

32        **Sec. 131.** 2009 c 564 s 132 (uncodified) is amended to read as  
33 follows:

34 **FOR THE DEPARTMENT OF PERSONNEL**

35 Department of Personnel Service Account--State  
36 Appropriation . . . . . ((\$22,025,000))



1		<u>\$20,057,000</u>
2	Higher Education Personnel Services Account--State	
3	Appropriation . . . . .	(( <del>\$1,716,000</del> ))
4		<u>\$1,578,000</u>
5	TOTAL APPROPRIATION . . . . .	(( <del>\$23,741,000</del> ))
6		<u>\$21,635,000</u>

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

9       (1) The department shall coordinate with the governor's office of  
10 Indian affairs on providing the government-to-government training  
11 sessions for federal, state, local, and tribal government employees.  
12 The training sessions shall cover tribal historical perspectives, legal  
13 issues, tribal sovereignty, and tribal governments. Costs of the  
14 training sessions shall be recouped through a fee charged to the  
15 participants of each session. The department shall be responsible for  
16 all of the administrative aspects of the training, including the  
17 billing and collection of the fees for the training.

18       (2) In coordination with efforts under section 119(4) of this act,  
19 the department of personnel shall provide, by September 1, 2010, a  
20 synopsis of current and recent survey data regarding employee  
21 satisfaction and the department's overall assessment of career and  
22 executive workforce management concerns.

23       **Sec. 132.** 2009 c 564 s 133 (uncodified) is amended to read as  
24 follows:

25 **FOR THE WASHINGTON STATE LOTTERY**

26	Lottery Administrative Account--State	
27	Appropriation . . . . .	(( <del>\$27,776,000</del> ))
28		<u>\$26,777,000</u>

29       **Sec. 133.** 2009 c 564 s 134 (uncodified) is amended to read as  
30 follows:

31 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

32	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$253,000</del> ))
33		<u>\$250,000</u>
34	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$260,000</del> ))
35		<u>\$255,000</u>
36	TOTAL APPROPRIATION . . . . .	(( <del>\$513,000</del> ))

Sec. 134. 2009 c 564 s 135 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS

General Fund--State Appropriation (FY 2010)	.. . . . . \$243,000
General Fund--State Appropriation (FY 2011)	.. . . . . (( <del>\$244,000</del> ))
	<u>\$236,000</u>
TOTAL APPROPRIATION	.. . . . . (( <del>\$487,000</del> ))
	<u>\$479,000</u>

Sec. 135. 2009 c 564 s 136 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS

Department of Retirement Systems Expense	
Account--State Appropriation	.. . . . . (( <del>\$49,504,000</del> ))
	<u>\$48,332,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1) \$148,000 of the department of retirement systems--state appropriation is provided solely for the administrative costs associated with implementation of Senate Bill No. 5303 (transferring members of retirement systems). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(2) \$66,000 of the department of retirement systems expense account--state appropriation is provided for the department of retirement systems to make revisions to various administrative processes as necessary to implement Engrossed Second Substitute Senate Bill No. 5688 (registered domestic partners). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(3) \$12,000 of the department of retirement systems--state appropriation is provided solely for the administrative costs associated with implementation of Senate Bill No. 5542 or House Bill No. 1678 (minimum disability benefits). If neither bill is enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(4) \$45,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Engrossed

1 Substitute House Bill No. 1445 (Washington state patrol retirement  
2 system domestic partners). If the bill is not enacted by June 30,  
3 2009, the amount provided in this subsection shall lapse.

4 (5) \$45,000 of the department of retirement systems expense  
5 account--state appropriation is provided solely to implement Engrossed  
6 House Bill No. 1616 (law enforcement officers' and firefighters'  
7 retirement system plan 2 domestic partners). If the bill is not  
8 enacted by June 30, 2009, the amount provided in this subsection shall  
9 lapse.

10 (6) \$56,000 of the department of retirement systems expense  
11 account--state appropriation is provided solely to implement House Bill  
12 No. 1548 (military service credit purchases). If the bill is not  
13 enacted by June 30, 2009, the amount provided in this subsection shall  
14 lapse.

15 (7) \$35,000 of the department of retirement systems expense  
16 account--state appropriation is provided solely to implement Substitute  
17 House Bill No. 1953 (department of fish and wildlife enforcement  
18 officers' past service credit). If the bill is not enacted by June 30,  
19 2009, the amount provided in this subsection shall lapse.

20 (8) \$58,000 of the department of retirement systems expense  
21 account--state appropriation is provided solely to implement House Bill  
22 No. 1541 (plan 2/3 half-time educational employee service credit). If  
23 the bill is not enacted by June 30, 2010, the amount provided in this  
24 subsection shall lapse.

25 (9) \$31,000 of the department of retirement systems expense  
26 account--state appropriation is provided solely to implement Engrossed  
27 House Bill No. 2519 (public safety death benefits). If the bill is not  
28 enacted by June 30, 2010, the amount provided in this subsection shall  
29 lapse.

30 **Sec. 136.** 2010 c 3 s 108 (uncodified) is amended to read as  
31 follows:

32 **FOR THE DEPARTMENT OF REVENUE**

33	General Fund--State Appropriation (FY 2010) . . . . .	(( \$108,215,000 ))
34		<u>\$109,472,000</u>
35	General Fund--State Appropriation (FY 2011) . . . . .	(( \$106,995,000 ))
36		<u>\$112,319,000</u>
37	Timber Tax Distribution Account--State	

1	Appropriation . . . . .	(( <del>\$5,904,000</del> ))
2		<u>\$5,933,000</u>
3	Waste Reduction/Recycling/Litter	
4	Control--State Appropriation . . . . .	\$130,000
5	Waste Tire Removal Account--State Appropriation . . . . .	\$2,000
6	Real Estate Excise Tax Grant Account--State	
7	Appropriation . . . . .	(( <del>\$1,050,000</del> ))
8		<u>\$3,429,000</u>
9	State Toxics Control Account--State Appropriation . . . . .	\$87,000
10	Oil Spill Prevention Account--State Appropriation . . . . .	\$19,000
11	TOTAL APPROPRIATION . . . . .	(( <del>\$222,402,000</del> ))
12		<u>\$231,391,000</u>

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

15 (1) \$469,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$374,000 of the general fund--state appropriation for  
17 fiscal year 2011 are for the implementation of Substitute Senate Bill  
18 No. 5368 (annual property revaluation). If the bill is not enacted by  
19 June 30, 2009, the amounts in this subsection shall lapse.

20 (2) \$4,653,000 of the general fund--state appropriation for fiscal  
21 year 2010 and ((~~\$4,424,000~~)) \$4,242,000 of the general fund--state  
22 appropriation for fiscal year 2011 are for the implementation of  
23 revenue enhancement strategies. The strategies must include increased  
24 out-of-state auditing and compliance, the purchase of third party data  
25 sources for enhanced audit selection, and increased traditional  
26 auditing and compliance efforts.

27 (3) \$3,127,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$1,737,000 of the general fund--state appropriation for  
29 fiscal year 2011 are for the implementation of Senate Bill No. 6173  
30 (sales tax compliance). If the bill is not enacted by June 30, 2009,  
31 the amounts provided in this subsection shall lapse.

32 (4) \$1,294,000 of the general fund--state appropriation for fiscal  
33 year 2010 and \$3,085,000 of the general fund--state appropriation for  
34 fiscal year 2011 are for the implementation of Second Engrossed  
35 Substitute Senate Bill No. 6143 (excise tax law modifications). If the  
36 bill is not enacted by June 30, 2010, the amounts provided in this  
37 subsection shall lapse.

1       (5) \$163,000 of the general fund--state appropriation for fiscal  
2 year 2011 is provided solely to implement Substitute Senate Bill No.  
3 6846 (enhanced 911 services). If the bill is not enacted by June 30,  
4 2010, the amount provided in this subsection shall lapse.

5       (6) \$1,200,000 of the general fund--state appropriation for fiscal  
6 year 2011 is provided solely for making the necessary preparations for  
7 implementation of the working families tax exemption pursuant to RCW  
8 82.08.0206 in 2012.

9       **Sec. 137.** 2009 c 564 s 138 (uncodified) is amended to read as  
10 follows:

11 **FOR THE STATE INVESTMENT BOARD**

12 State Investment Board Expense Account--State  
13 Appropriation . . . . . ((~~\$29,581,000~~))  
14 \$29,352,000

15       The appropriation in this section is subject to the following  
16 conditions and limitations:

17       (1) \$2,471,000 of the state investment board expense account--state  
18 appropriation is provided solely for development of a risk management  
19 information system, with the intent that further expenditures for this  
20 project be made only by appropriation.

21       (2) The state investment board shall include funding for any future  
22 salary increases authorized under RCW 43.33A.100 in the agency's budget  
23 request submitted in accordance with chapter 43.88 RCW in advance of  
24 granting related salary increases. The biennial salary survey required  
25 under RCW 43.33A.100 shall also be provided to the office of financial  
26 management and to the fiscal committees of the legislature as part of  
27 the state investment board's biennial budget submittal, and shall  
28 include the total amount of compensation increases proposed, as well as  
29 recommended salary ranges.

30       **Sec. 138.** 2010 c 3 s 109 (uncodified) is amended to read as  
31 follows:

32 **FOR THE BOARD OF TAX APPEALS**

33 General Fund--State Appropriation (FY 2010) . . . . . ((~~\$1,342,000~~))  
34 \$1,346,000  
35 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$1,346,000~~))  
36 \$1,318,000

1 TOTAL APPROPRIATION . . . . . ((~~\$2,688,000~~))  
2 \$2,664,000

3 **Sec. 139.** 2009 c 564 s 140 (uncodified) is amended to read as  
4 follows:

5 **FOR THE MUNICIPAL RESEARCH COUNCIL**  
6 County Research Services Account--State Appropriation . . . . . ((~~\$940,000~~))  
7 \$471,000  
8 City and Town Research Services--State  
9 Appropriation . . . . . ((~~\$4,515,000~~))  
10 \$2,258,000  
11 TOTAL APPROPRIATION . . . . . ((~~\$5,455,000~~))  
12 \$2,729,000

13 **Sec. 140.** 2009 c 564 s 141 (uncodified) is amended to read as  
14 follows:

15 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**  
16 OMWBE Enterprises Account--State Appropriation . . . . . ((~~\$3,622,000~~))  
17 \$3,674,000

18 **Sec. 141.** 2009 c 564 s 142 (uncodified) is amended to read as  
19 follows:

20 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**  
21 General Fund--State Appropriation (FY 2010) . . . . . \$815,000  
22 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$811,000~~))  
23 \$3,963,000  
24 General Fund--Federal Appropriation . . . . . ((~~\$5,738,000~~))  
25 \$2,956,000  
26 Building Code Council Account--State  
27 Appropriation . . . . . \$593,000  
28 General Fund--Private/Local Appropriation . . . . . \$84,000  
29 General Administration Service Account--State  
30 Appropriation . . . . . ((~~\$35,044,000~~))  
31 \$31,748,000  
32 TOTAL APPROPRIATION . . . . . ((~~\$42,408,000~~))  
33 \$40,159,000

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

1       (1) \$28,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$28,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for the purposes of section 8 of  
4 Engrossed Second Substitute Senate Bill No. 5854 (built environment  
5 pollution). If section 8 of the bill is not enacted by June 30, 2009,  
6 the amounts provided in this subsection shall lapse.

7       (2) \$3,545,000 of the general fund--state appropriation for fiscal  
8 year 2011 is provided solely for the payment of facilities and services  
9 charges, utilities and contracts charges, public and historic  
10 facilities charges, and capital projects surcharges allocable to the  
11 senate, house of representatives, statute law committee, and joint  
12 legislative systems committee. The department shall allocate charges  
13 attributable to these agencies among the affected revolving funds. The  
14 department shall enter into an interagency agreement with these  
15 agencies by July 1, 2010, to establish performance standards,  
16 prioritization of preservation and capital improvement projects, and  
17 quality assurance provisions for the delivery of services under this  
18 subsection. The agencies named in this subsection shall continue to  
19 enjoy all of the same rights of occupancy, support, and space use on  
20 the capitol campus as historically established.

21       (3) \$84,000 of the general fund--private/local appropriation and  
22 \$593,000 of the building code council account--state appropriation are  
23 provided solely to implement Engrossed Second Substitute House Bill No.  
24 2658 (refocusing the department of commerce, including transferring  
25 programs). If the bill is not enacted by June 30, 2010, the amounts  
26 provided in this subsection shall lapse.

27       **Sec. 142.** 2010 c 3 s 110 (uncodified) is amended to read as  
28 follows:

29 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

30	General Fund--State Appropriation (FY 2010) . . . . .	\$1,086,000
31	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,086,000)</del>
32		<u>\$1,080,000</u>
33	General Fund--Federal Appropriation . . . . .	\$701,000
34	<u>General Fund--Private/Local Appropriation . . . . .</u>	<u>\$178,000</u>
35	Data Processing Revolving Account--State	
36	Appropriation . . . . .	<del>(\$7,824,000)</del>
37		<u>\$7,601,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$10,697,000~~))  
2 \$10,646,000

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

5 (1) \$100,000 of the general fund--state appropriation for fiscal  
6 year 2010 and \$100,000 of the general fund--state appropriation for  
7 fiscal year 2011 are provided solely for the purposes of Engrossed  
8 Second Substitute House Bill No. 1701 (high-speed internet), including  
9 expenditure for deposit to the community technology opportunity  
10 account. If the bill is not enacted by June 30, 2009, the amounts  
11 provided in this subsection shall lapse.

12 (2) The department shall implement some or all of the following  
13 strategies to achieve savings on information technology expenditures  
14 through: (a) Holistic virtualization strategies; (b) wide-area network  
15 optimization strategies; (c) replacement of traditional telephone  
16 communications systems with alternatives; and (d) migration of external  
17 voice mail systems to internal voice mail systems coordinated by the  
18 department. The department shall report to the office of financial  
19 management and the fiscal committees of the legislature semiannually on  
20 progress made towards the implementation of savings strategies and the  
21 savings realized to date. No later than June 30, 2011, the department  
22 shall submit a final report on its findings and savings realized to the  
23 office of financial management and the fiscal committees of the  
24 legislature.

25 (3) \$178,000 of the general fund--private/local appropriation is  
26 provided solely for the implementation of the opportunity portal under  
27 Second Substitute House Bill No. 2782 (security lifeline act). If the  
28 bill is not enacted by June 30, 2010, the amount provided in this  
29 subsection shall lapse.

30 (4) Appropriations in this section include amounts sufficient to  
31 implement Engrossed Substitute House Bill No. 3178 (technology  
32 efficiencies).

33 **Sec. 143.** 2009 c 564 s 144 (uncodified) is amended to read as  
34 follows:

35 **FOR THE INSURANCE COMMISSIONER**

36 General Fund--Federal Appropriation . . . . . ((~~\$1,943,000~~))  
37 \$1,939,000



1 Insurance Commissioners Regulatory Account--State  
2 Appropriation . . . . . ((\$47,978,000))  
3 \$48,452,000  
4 TOTAL APPROPRIATION . . . . . ((\$49,921,000))  
5 \$50,391,000

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

8 (1) \$410,000 of the insurance commissioner's regulatory account  
9 appropriation is provided solely to implement Substitute Senate Bill  
10 No. 5480 (discount health plans). If the bill is not enacted by June  
11 30, 2009, the amount provided in this subsection shall lapse.

12 (2) \$598,000 of the insurance commissioner's regulatory account  
13 appropriation is provided solely to implement Substitute Senate Bill  
14 No. 5195 (life settlements model act). If the bill is not enacted by  
15 June 30, 2009, the amount provided in this subsection shall lapse.

16 (3) \$551,000 of the insurance commissioner's regulatory account  
17 appropriation is provided solely to implement Second Substitute Senate  
18 Bill No. 5346 (health care administration simplification). If the bill  
19 is not enacted by June 30, 2009, the amount provided in this subsection  
20 shall lapse.

21 (4) \$40,000 of the insurance commissioner's regulatory account  
22 appropriation is to implement Engrossed Substitute House Bill No. 2560  
23 (joint underwriting associations).

24 (5) \$227,000 of the insurance commissioner's regulatory account  
25 appropriation is provided solely to implement Engrossed Substitute  
26 House Bill No. 1714 (association health plans).

27 **Sec. 144.** 2009 c 564 s 145 (uncodified) is amended to read as  
28 follows:

29 **FOR THE BOARD OF ACCOUNTANCY**

30 Certified Public Accountants' Account--State  
31 Appropriation . . . . . ((\$3,016,000))  
32 \$3,649,000

33 The appropriation in this section is subject to the following  
34 conditions and limitations: \$150,000 of the certified public  
35 accountants' account appropriation is provided solely for the board to  
36 contract with a consultant or consultants to conduct an independent  
37 investigation. Each consultant must be a governmental entity or an

1 independent firm of legal consultants. Each consultant must be  
2 familiar with the administrative procedure act, chapter 34.05 RCW. The  
3 consultant or consultants shall produce a report that includes, but is  
4 not limited to, an evaluation of the efficiency and effectiveness of  
5 the board's practices, policies, and procedures, and an evaluation of  
6 the efficacy, economy, and accountability of merging the board into the  
7 department of licensing. The consultant or consultants shall deliver  
8 a report to the appropriate committees of the legislature on or before  
9 December 1, 2010.

10 **Sec. 145.** 2009 c 564 s 147 (uncodified) is amended to read as  
11 follows:

12 **FOR THE HORSE RACING COMMISSION**

13 Horse Racing Commission Operating Account--State  
14 Appropriation . . . . . ((~~\$5,123,000~~))  
15 \$4,830,000

16 The appropriation in this section is subject to the following  
17 conditions and limitations: Pursuant to RCW 43.135.055, the commission  
18 is authorized to increase licensing fees during the 2009-2011 fiscal  
19 biennium as necessary to support the appropriation in this section.

20 **Sec. 146.** 2009 c 564 s 148 (uncodified) is amended to read as  
21 follows:

22 **FOR THE LIQUOR CONTROL BOARD**

23 Liquor Control Board Construction and Maintenance  
24 Account--State Appropriation . . . . . \$8,817,000  
25 Liquor Revolving Account--State Appropriation . . . . . ((~~\$200,506,000~~))  
26 \$156,580,000  
27 TOTAL APPROPRIATION . . . . . ((~~\$209,323,000~~))  
28 \$165,397,000

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

31 (1) \$1,306,000 of the liquor revolving account--state appropriation  
32 is provided solely for the liquor control board to open five new state  
33 stores.

34 (2) \$40,000 of the liquor revolving account--state appropriation is  
35 provided solely for the liquor control board to open ten new contract  
36 stores.

1 (3) \$3,059,000 of the liquor revolving account--state appropriation  
2 is provided solely for the liquor control board to increase state and  
3 local revenues from new retail strategies including opening nine state  
4 stores on Sunday, opening state liquor stores on seven holidays,  
5 opening six mall locations during the holiday season, and increasing  
6 lottery sales.

7 (4) \$173,000 of the liquor revolving account--state appropriation  
8 is provided solely for the Engrossed House Bill No. 2040 (beer and wine  
9 regulation commission). If the bill is not enacted by June 30, 2009,  
10 the amount provided in this subsection shall lapse.

11 (5) \$130,000 of the liquor revolving account appropriation is  
12 provided to implement chapter 141, Laws of 2010 (SSB 6329).

13 (6) Within the amounts appropriated in this section, the liquor  
14 control board shall monitor the tasting endorsement authorized by  
15 chapter 141, Laws of 2010 (SSB 6329) and report to the appropriate  
16 committees of the legislature by June 30, 2011, on the enforcement of  
17 the endorsement. The report must include the number of compliance  
18 checks conducted by the liquor board during tasting activities, whether  
19 the checks were conducted with the knowledge of the licensee, the  
20 number of compliance checks passed, the number and type of notices of  
21 violation issued, the penalties imposed for the violations, the number  
22 of complaints received about tasting activities, and other information  
23 related to the enforcement of the endorsement. If the bill is not  
24 enacted by June 30, 2010, the requirements of this subsection shall be  
25 null and void.

26 (7) The board shall prepare a plan to transition selected state  
27 liquor stores to contract stores. The plan must identify stores for  
28 transition that the board determines will result in the greatest  
29 efficiency and cost-effectiveness for the state. The plan must provide  
30 for the conversion of at least twenty state liquor stores to contract  
31 liquor stores and for that conversion to occur between July 1, 2011,  
32 and July 1, 2013. The plan must also include an analysis of the  
33 revenue generating capacity and costs for the stores before and after  
34 the conversion as well as an analysis of access to liquor by  
35 intoxicated and underage persons. The board shall submit the plan to  
36 the appropriate policy and fiscal committees of the legislature by  
37 November 1, 2010.

1       **Sec. 147.**   2009 c 564 s 150 (uncodified) is amended to read as  
2 follows:

3 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

4	General Fund--Federal Appropriation . . . . .	\$267,000
5	General Fund--Private/Local Appropriation . . . . .	\$5,547,000
6	Public Service Revolving Account--State	
7	Appropriation . . . . .	((\$31,306,000))
8		<u>\$31,200,000</u>
9	Pipeline Safety Account--State Appropriation . . . . .	((\$3,194,000))
10		<u>\$3,187,000</u>
11	Pipeline Safety Account--Federal Appropriation . . . . .	((\$1,536,000))
12		<u>\$1,518,000</u>
13	TOTAL APPROPRIATION . . . . .	((\$36,036,000))
14		<u>\$41,719,000</u>

15       The appropriations in this section are subject to the following  
16 conditions and limitations: Pursuant to RCW 43.135.055, the commission  
17 is authorized to increase solid waste regulatory fees to the extent  
18 necessary to raise \$100,000 in fiscal year 2011 for enforcement  
19 activities under RCW 81.77.080.

20       **Sec. 148.**   2010 c 3 s 111 (uncodified) is amended to read as  
21 follows:

22 **FOR THE MILITARY DEPARTMENT**

23	General Fund--State Appropriation (FY 2010) . . . . .	((\$10,084,000))
24		<u>\$9,350,000</u>
25	General Fund--State Appropriation (FY 2011) . . . . .	((\$10,190,000))
26		<u>\$8,874,000</u>
27	General Fund--Federal Appropriation . . . . .	((\$149,101,000))
28		<u>\$168,599,000</u>
29	Enhanced 911 Account--State Appropriation . . . . .	((\$39,598,000))
30		<u>\$44,508,000</u>
31	Disaster Response Account--State Appropriation . . . . .	((\$28,194,000))
32		<u>\$28,350,000</u>
33	Disaster Response Account--Federal Appropriation . . . . .	((\$91,263,000))
34		<u>\$114,496,000</u>
35	Military Department Rent and Lease Account--State	
36	Appropriation . . . . .	((\$615,000))
37		<u>\$612,000</u>

1	Military Department Active State Service Account--Federal	
2	Appropriation . . . . .	(( <del>\$200,000</del> ))
3		<u>\$592,000</u>
4	Worker and Community Right-to-Know Account--State	
5	Appropriation . . . . .	\$341,000
6	Nisqually Earthquake Account--State Appropriation . . . . .	(( <del>\$144,000</del> ))
7		<u>\$307,000</u>
8	Nisqually Earthquake Account--Federal Appropriation . . . . .	(( <del>\$856,000</del> ))
9		<u>\$1,067,000</u>
10	TOTAL APPROPRIATION . . . . .	(( <del>\$330,586,000</del> ))
11		<u>\$377,096,000</u>

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

14       (1) ((~~\$28,194,000~~)) \$28,326,000 of the disaster response account--  
15 state appropriation and ((~~\$91,263,000~~)) \$114,496,000 of the disaster  
16 response account--federal appropriation may be spent only on disasters  
17 declared by the governor and with the approval of the office of  
18 financial management. The military department shall submit a report  
19 ((~~quarterly~~)) to the office of financial management and the legislative  
20 fiscal committees on October 1st and February 1st of each year  
21 detailing information on the disaster response account, including: (a)  
22 The amount and type of deposits into the account; (b) the current  
23 available fund balance as of the reporting date; and (c) the projected  
24 fund balance at the end of the 2009-2011 biennium based on current  
25 revenue and expenditure patterns.

26       (2) ((~~\$144,000~~)) \$307,000 of the Nisqually earthquake account--  
27 state appropriation and ((~~\$856,000~~)) \$1,067,000 of the Nisqually  
28 earthquake account--federal appropriation are provided solely for  
29 response and recovery costs associated with the February 28, 2001,  
30 earthquake. The military department shall submit a report  
31 ((~~quarterly~~)) to the office of financial management and the legislative  
32 fiscal committees on October 1st and February 1st of each year  
33 detailing earthquake recovery costs, including: (a) Estimates of total  
34 costs; (b) incremental changes from the previous estimate; (c) actual  
35 expenditures; (d) estimates of total remaining costs to be paid; and  
36 (e) estimates of future payments by biennium. This information shall  
37 be displayed by fund, by type of assistance, and by amount paid on  
38 behalf of state agencies or local organizations. The military

1 department shall also submit a report quarterly to the office of  
2 financial management and the legislative fiscal committees detailing  
3 information on the Nisqually earthquake account, including: (a) The  
4 amount and type of deposits into the account; (b) the current available  
5 fund balance as of the reporting date; and (c) the projected fund  
6 balance at the end of the 2009-2011 biennium based on current revenue  
7 and expenditure patterns.

8 (3) \$85,000,000 of the general fund--federal appropriation is  
9 provided solely for homeland security, subject to the following  
10 conditions:

11 (a) Any communications equipment purchased by local jurisdictions  
12 or state agencies shall be consistent with standards set by the  
13 Washington state interoperability executive committee; and

14 (b) The department shall submit (~~(a quarterly)~~) an annual report to  
15 the office of financial management and the legislative fiscal  
16 committees detailing the governor's domestic security advisory group  
17 recommendations; homeland security revenues and expenditures, including  
18 estimates of total federal funding for the state; and incremental  
19 changes from the previous estimate(~~(, planned and actual homeland~~  
20 ~~security expenditures by the state and local governments with this~~  
21 ~~federal funding; and matching or accompanying state or local~~  
22 ~~expenditures; and~~

23 ~~(c) The department shall submit a report by December 1st of each~~  
24 ~~year to the office of financial management and the legislative fiscal~~  
25 ~~committees detailing homeland security revenues and expenditures for~~  
26 ~~the previous fiscal year by county and legislative district)).~~

27 (4) \$500,000 of the general fund--state appropriation for fiscal  
28 year 2010 (~~(and \$500,000 of the general fund--state appropriation for~~  
29 ~~fiscal year 2011 are)) is provided solely for the military department  
30 to contract with the Washington information network 2-1-1 to operate a  
31 statewide 2-1-1 system. The department shall provide the entire amount  
32 for 2-1-1 and (~~shall~~) may not use any of the funds for administrative  
33 purposes.~~

34 **Sec. 149.** 2009 c 564 s 149 (uncodified) is amended to read as  
35 follows:

36 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

37 Volunteer Firefighters' and Reserve Officers'

1 Administrative Account--State Appropriation . . . . . (~~(\$1,044,000)~~)  
2 \$1,052,000

3 **Sec. 150.** 2009 c 564 s 152 (uncodified) is amended to read as  
4 follows:

5 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

6 General Fund--State Appropriation (FY 2010) . . . . . (~~(\$3,128,000)~~)  
7 \$2,667,000

8 General Fund--State Appropriation (FY 2011) . . . . . (~~(\$3,130,000)~~)  
9 \$2,635,000

10 Higher Education Personnel Services Account--State  
11 Appropriation . . . . . \$250,000

12 Department of Personnel Service Account--State  
13 Appropriation . . . . . (~~(\$3,290,000)~~)  
14 \$3,263,000

15 TOTAL APPROPRIATION . . . . . (~~(\$9,548,000)~~)  
16 \$8,815,000

17 The appropriations in this section are subject to the following  
18 conditions and limitations: \$50,000 of the general fund--state  
19 appropriation for fiscal year 2011 is provided solely for  
20 implementation of Engrossed Substitute Senate Bill No. 6726 (language  
21 access provider bargaining).

22 **Sec. 151.** 2010 c 3 s 112 (uncodified) is amended to read as  
23 follows:

24 **FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

25 General Fund--State Appropriation (FY 2010) . . . . . \$1,371,000  
26 General Fund--State Appropriation (FY 2011) . . . . . (~~(\$1,349,000)~~)  
27 \$1,382,000

28 General Fund--Federal Appropriation . . . . . (~~(\$1,653,000)~~)  
29 \$2,293,000

30 General Fund--Private/Local Appropriation . . . . . \$14,000

31 TOTAL APPROPRIATION . . . . . (~~(\$4,387,000)~~)  
32 \$5,060,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations: \$44,000 of the general fund--state  
35 appropriation for fiscal year 2011 is provided for implementation of

1 Substitute House Bill No. 2704 (Washington main street program). If  
2 the bill is not enacted by June 30, 2010, the amount provided in this  
3 subsection shall lapse.

4 **Sec. 152.** 2010 c 3 s 113 (uncodified) is amended to read as  
5 follows:

6 **FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

7	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$1,623,000</del> ))
8		<u>\$1,642,000</u>
9	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,549,000</del> ))
10		<u>\$1,424,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <del>\$3,172,000</del> ))
12		<u>\$3,066,000</u>

13 The appropriations in this section are subject to the following  
14 conditions and limitations: \$13,000 of the general fund--state  
15 appropriation for fiscal year 2011 is provided solely for Substitute  
16 House Bill No. 2935 (hearings boards/environment and land use). If the  
17 bill is not enacted by June 30, 2010, the amount provided in this  
18 subsection shall lapse.

19 **Sec. 153.** 2009 c 564 s 155 (uncodified) is amended to read as  
20 follows:

21 **FOR THE STATE CONVENTION AND TRADE CENTER**

22	State Convention and Trade Center Account--State	
23	Appropriation . . . . .	\$60,127,000
24	State Convention and Trade Center Operating	
25	Account--State Appropriation . . . . .	(( <del>\$56,995,000</del> ))
26		<u>\$56,694,000</u>
27	TOTAL APPROPRIATION . . . . .	(( <del>\$117,122,000</del> ))
28		<u>\$116,821,000</u>

(End of part)



**PART II**  
**HUMAN SERVICES**

**Sec. 201.** 2009 c 564 s 201 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.** (1)  
Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

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

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP), the department may combine and transfer such medicaid funds

1 appropriated under sections 204, 206, 208, and 209 of this act as may  
2 be necessary to finance a unified health care plan for the WMIP program  
3 enrollment. The WMIP pilot projects shall not exceed a daily  
4 enrollment of 6,000 persons, nor expand beyond one county, during the  
5 2009-2011 biennium. The amount of funding assigned to the pilot  
6 projects from each program may not exceed the average per capita cost  
7 assumed in this act for individuals covered by that program,  
8 actuarially adjusted for the health condition of persons enrolled in  
9 the pilot project, times the number of clients enrolled in the pilot  
10 project. In implementing the WMIP pilot projects, the department may:  
11 (a) Withhold from calculations of "available resources" as set forth in  
12 RCW 71.24.025 a sum equal to the capitated rate for individuals  
13 enrolled in the pilots; and (b) employ capitation financing and risk-  
14 sharing arrangements in collaboration with health care service  
15 contractors licensed by the office of the insurance commissioner and  
16 qualified to participate in both the medicaid and medicare programs.  
17 The department shall conduct an evaluation of the WMIP, measuring  
18 changes in participant health outcomes, changes in patterns of service  
19 utilization, participant satisfaction, participant access to services,  
20 and the state fiscal impact.

21 (5)(a) The appropriations to the department of social and health  
22 services in this act shall be expended for the programs and in the  
23 amounts specified in this act. However, after May 1, 2010, unless  
24 specifically prohibited by this act, the department may transfer  
25 general fund--state appropriations for fiscal year 2010 among programs  
26 after approval by the director of financial management. However, the  
27 department shall not transfer state moneys that are provided solely for  
28 a specified purpose except as expressly provided in (b) of this  
29 subsection.

30 (b) To the extent that transfers under (a) of this subsection are  
31 insufficient to fund actual expenditures in excess of fiscal year 2010  
32 caseload forecasts and utilization assumptions in the medical  
33 assistance, long-term care, foster care, adoptions support, and child  
34 support programs, the department may transfer state moneys that are  
35 provided solely for a specified purpose. The department shall not  
36 transfer funds, and the director of financial management shall not  
37 approve the transfer, unless the transfer is consistent with the  
38 objective of conserving, to the maximum extent possible, the

1 expenditure of state funds. The director of financial management shall  
2 notify the appropriate fiscal committees of the senate and house of  
3 representatives in writing seven days prior to approving any allotment  
4 modifications or transfers under this subsection. The written  
5 notification shall include a narrative explanation and justification of  
6 the changes, along with expenditures and allotments by budget unit and  
7 appropriation, both before and after any allotment modifications or  
8 transfers.

9 (6) The legislature finds that medicaid payment rates, as  
10 calculated by the department pursuant to the appropriations in this  
11 act, bear a reasonable relationship to the costs incurred by  
12 efficiently and economically operated facilities for providing quality  
13 services and will be sufficient to enlist enough providers so that care  
14 and services are available to the extent that such care and services  
15 are available to the general population in the geographic area. The  
16 legislature finds that cost reports, payment data from the federal  
17 government, historical utilization, economic data, and clinical input  
18 constitute reliable data upon which to determine the payment rates.

19 (7) With the objective of improving and enhancing the efficiency  
20 and effectiveness of the audit and oversight program, the department  
21 shall identify streamlining opportunities in the areas described in (a)  
22 through (d) of this subsection. The goals of these activities are to  
23 leverage department resources to better fulfill the obligations of all  
24 aspects of audit and oversight programs in an era of resource  
25 constraints and to assure that the burden of audits and other oversight  
26 activities on the state's businesses, organizations, and individuals is  
27 as minimal as practical.

28 (a) The department shall complete an assessment of expanding the  
29 use of technology and automated data matches for identification and  
30 recovery of third party resources, including data matches with pharmacy  
31 benefit managers (PBM). The department shall submit a report to the  
32 governor and the relevant fiscal and policy committees of the  
33 legislature by September 1, 2010, that identifies resources needed to  
34 implement the enhanced data matching capability and the actions and  
35 timelines necessary for implementation of automated production data  
36 matching capability.

37 (b) The department shall complete a comprehensive review of  
38 multiple licensing and certification reviews, onsite surveys, and

1 contract oversight obligations that require provider site visits or  
2 require provider response. The department shall identify all related  
3 oversight and review activities and identify opportunities for  
4 consolidation of multiple clinical and business management review  
5 activities as appropriate with a view to minimizing the cost of both  
6 conducting and receiving the audits or other review or oversight  
7 activities.

8 (c) The department shall expand its provider audit capacity through  
9 its provider one payment system. The department shall identify  
10 medicaid payment system enhancements that will maximize new technical  
11 capabilities. The department shall explore new technical capabilities  
12 of its fraud and abuse detection system to identify more efficient ways  
13 to correlate audit efforts to the levels of risk and materiality.  
14 Results of focused audits must be used to enhance educational  
15 materials. The department shall report to the governor and legislature  
16 by December 1, 2010, on the status of developing this audit capacity.

17 (d) The department shall conduct a review and assessment of audit  
18 processes and timeframes. The department shall review audit outcomes  
19 from the past three fiscal years and will concentrate on identifying  
20 opportunities to shorten timeframes between the various stages of an  
21 audit, including the letter of intent to audit, records collection to  
22 issuance of the draft audit, dispute resolution activities, issuance of  
23 the final audit, and administrative hearings. The department shall  
24 initiate a provider outreach and education program to include  
25 communication materials that clearly identify expectations of the  
26 department and the provider being audited. The department must develop  
27 and publish an orientation to medicaid audits publication by October 1,  
28 2010, that includes audit requirements, expectations of providers and  
29 the department, and associated timelines. The department shall report  
30 to the governor and relevant policy and fiscal committees of the  
31 legislature by December 1, 2010, on the status of these activities.

32 **Sec. 202.** 2010 c 3 s 201 (uncodified) is amended to read as  
33 follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**  
35 **SERVICES PROGRAM**

36 General Fund--State Appropriation (FY 2010) . . . . . ((\$314,698,000))  
37 \$315,002,000

1	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$316,181,000</del> ))
2		<u>\$306,947,000</u>
3	General Fund--Federal Appropriation . . . . .	(( <del>\$494,889,000</del> ))
4		<u>\$506,248,000</u>
5	General Fund--Private/Local Appropriation . . . . .	(( <del>\$828,000</del> ))
6		<u>\$3,320,000</u>
7	Home Security Fund Appropriation . . . . .	(( <del>\$8,389,000</del> ))
8		<u>\$10,183,000</u>
9	Domestic Violence Prevention Account--State	
10	Appropriation . . . . .	\$1,154,000
11	Education Legacy Trust Account--State Appropriation . . . . .	\$725,000
12	TOTAL APPROPRIATION . . . . .	(( <del>\$1,136,864,000</del> ))
13		<u>\$1,143,579,000</u>

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

16       (1) (~~(\$5,563,000 of the general fund state appropriation for~~  
17 ~~fiscal year 2010 and \$5,563,000 of the general fund state~~  
18 ~~appropriation for fiscal year 2011 are provided solely for intensive~~  
19 ~~family preservation services as defined in RCW 74.14C.010 and for~~  
20 ~~evidence-based services that prevent out-of-home placement and reduce~~  
21 ~~length of stay in the child welfare system.~~

22       ~~(2) \$993,000)~~ \$937,000 of the general fund--state appropriation  
23 for fiscal year 2010 and ~~((~~\$993,000~~))~~ \$742,000 of the general fund--  
24 state appropriation for fiscal year 2011 are provided solely to  
25 contract for the operation of one pediatric interim care facility. The  
26 facility shall provide residential care for up to ~~((seventeen))~~  
27 thirteen children through two years of age. Seventy-five percent of  
28 the children served by the facility must be in need of special care as  
29 a result of substance abuse by their mothers. The facility shall also  
30 provide on-site training to biological, adoptive, or foster parents.  
31 The facility shall provide at least three months of consultation and  
32 support to parents accepting placement of children from the facility.  
33 The facility may recruit new and current foster and adoptive parents  
34 for infants served by the facility. The department shall not require  
35 case management as a condition of the contract.

36       ~~((~~(3) \$375,000~~))~~ (2) \$369,000 of the general fund--state  
37 appropriation for fiscal year 2010, ~~((~~\$375,000~~))~~ \$366,000 of the  
38 general fund--state appropriation for fiscal year 2011, and

1 (~~(\$322,000)~~) \$316,000 of the general fund--federal appropriation are  
2 provided solely for up to three nonfacility-based programs for the  
3 training, consultation, support, and recruitment of biological, foster,  
4 and adoptive parents of children through age three in need of special  
5 care as a result of substance abuse by their mothers, except that each  
6 program may serve up to three medically fragile nonsubstance-abuse-  
7 affected children. In selecting nonfacility-based programs, preference  
8 shall be given to programs whose federal or private funding sources  
9 have expired or that have successfully performed under the existing  
10 pediatric interim care program.

11 (~~(+4)~~) (3) \$2,500,000 of the general fund--state appropriation for  
12 fiscal year 2010 and (~~(\$2,500,000)~~) \$93,000 of the general fund--state  
13 appropriation for fiscal year 2011, and \$2,407,000 of the home security  
14 fund--state appropriation are provided solely for secure crisis  
15 residential centers. Within appropriated amounts, the department shall  
16 collaborate with providers to maintain no less than forty-five beds  
17 that are geographically representative of the state. The department  
18 shall examine current secure crisis residential staffing requirements,  
19 flexible payment options, center specific waivers, and other  
20 appropriate methods to accomplish this outcome.

21 (~~(+5)~~) (4) A maximum of (~~(\$76,831,000)~~) \$73,209,000 of the general  
22 fund--state appropriations and (~~(\$56,901,000)~~) \$54,596,000 of the  
23 general fund--federal appropriations for the 2009-11 biennium shall be  
24 expended for behavioral rehabilitative services and these amounts are  
25 provided solely for this purpose. The department shall work with  
26 behavioral rehabilitative service providers to safely keep youth with  
27 emotional, behavioral, or medical needs at home, with relatives, or  
28 with other permanent placement resources and decrease the length of  
29 (~~(stay)~~) service through improved emotional, behavioral, or medical  
30 outcomes for children in behavioral rehabilitative services in order to  
31 achieve the appropriated levels.

32 (a) Contracted providers shall act in good faith and accept the  
33 hardest to (~~(place)~~) serve children, to the greatest extent possible,  
34 in order to improve their emotional, behavioral, or medical conditions.

35 (b) The department and the contracted provider shall mutually agree  
36 and establish an exit date for when the child is to exit the behavioral  
37 rehabilitative service provider. The department and the contracted  
38 provider should mutually agree, to the greatest extent possible, on a

1 viable placement for the child to go to once the child's treatment  
2 process has been completed. The child shall exit only when the  
3 emotional, behavioral, or medical condition has improved or if the  
4 provider has not shown progress toward the outcomes specified in the  
5 signed contract at the time of exit. This subsection (b) does not  
6 prevent or eliminate the department's responsibility for removing the  
7 child from the provider if the child's emotional, behavioral, or  
8 medical condition worsens or is threatened.

9 (c) The department is encouraged to use performance-based contracts  
10 with incentives directly tied to outcomes described in this section.  
11 The contracts should incentivize contracted providers to accept the  
12 hardest to ~~((place))~~ serve children and incentivize improvement in  
13 children's emotional, mental, and medical well-being within the  
14 established exit date. The department is further encouraged to  
15 increase the use of behavioral rehabilitative service group homes, wrap  
16 around services to facilitate and support placement of youth at home  
17 with relatives, or other permanent resources, and other means to  
18 control expenditures.

19 (d) The total foster care per capita amount shall not increase more  
20 than four percent in the 2009-11 biennium and shall not include  
21 behavioral rehabilitative service.

22 ~~((+6))~~ (5) Within amounts provided for the foster care and  
23 adoption support programs, the department shall control reimbursement  
24 decisions for foster care and adoption support cases such that the  
25 aggregate average cost per case for foster care and for adoption  
26 support does not exceed the amounts assumed in the projected caseload  
27 expenditures.

28 ~~((+7) Within amounts appropriated in this section,))~~ (6)  
29 \$14,460,000 of the general fund--state appropriation for fiscal year  
30 2011 and \$6,231,000 of the general fund--federal appropriation are  
31 provided solely for the department to provide contracted prevention and  
32 early intervention services. The legislature recognizes the need for  
33 flexibility as the department transitions to performance-based  
34 contracts. The following services are included in the prevention and  
35 early intervention block grant: Crisis family intervention services,  
36 family preservation services, intensive family preservation services,  
37 evidence-based programs, public health nurses, and early family support  
38 services. The legislature intends for the department to maintain and

1 build on existing evidence-based and research-based programs with the  
2 goal of utilizing contracted prevention and intervention services to  
3 keep children safe at home and to safely reunify families. Priority  
4 shall be given to proven intervention models, including evidence-based  
5 prevention and early intervention programs identified by the Washington  
6 state institute for public policy and the department. The department  
7 shall include information on the number, type, and outcomes of the  
8 evidence-based programs being implemented in its reports on child  
9 welfare reform efforts and shall provide the legislature and governor  
10 a report regarding the allocation of resources in this subsection by  
11 September 30, 2010. The department shall expend federal funds under  
12 this subsection in compliance with federal regulations.

13 ~~((8)---\$37,000))~~ (7) \$36,000 of the general fund--state  
14 appropriation for fiscal year 2010, ~~((37,000))~~ \$36,000 of the general  
15 fund--state appropriation for fiscal year 2011, and ~~((32,000))~~ \$31,000  
16 of the general fund--federal appropriation are provided solely for the  
17 implementation of chapter 465, Laws of 2007 (child welfare).

18 ~~((9))~~ (8) \$125,000 of the general fund--state appropriation for  
19 fiscal year 2010 and \$125,000 of the general fund--state appropriation  
20 for fiscal year 2011 are provided solely for continuum of care  
21 services. \$100,000 of this amount is for Casey family partners and  
22 \$25,000 of this amount is for volunteers of America crosswalk in fiscal  
23 year 2010. \$100,000 of this amount is for Casey family partners and  
24 \$25,000 of this amount is for volunteers of America crosswalk in fiscal  
25 year 2011.

26 ~~((10)---\$616,000))~~ (9) \$1,904,000 of the general fund--state  
27 appropriation for fiscal year 2010, ~~((616,000))~~ \$1,832,000 of the  
28 general fund--state appropriation for fiscal year 2011, and  
29 ~~((368,000))~~ \$357,000 of the general fund--federal appropriation are  
30 provided solely to contract with medical professionals for  
31 comprehensive safety assessments of high-risk families and for foster  
32 care assessments. The safety assessments will use validated assessment  
33 tools to guide intervention decisions through the identification of  
34 additional safety and risk factors. ~~((800,000 of this amount is for))~~  
35 The department will maintain the availability of comprehensive foster  
36 care assessments and follow up services for children in out-of-home  
37 care who do not have permanent plans, comprehensive safety assessments  
38 for families receiving in-home child protective services or family



1 voluntary services(~~(. \$800,000 of this amount is for)~~), and  
2 comprehensive safety assessments (~~(of)~~) for families with an infant age  
3 birth to fifteen days where the infant was, at birth, diagnosed as  
4 substance exposed and the department received an intake referral  
5 related to the infant due to the substance exposure. The department  
6 must consolidate contracts, streamline administration, and explore  
7 efficiencies to achieve savings.

8 ~~((11) \$7,970,000)~~ (10) \$7,679,000 of the general fund--state  
9 appropriation for fiscal year 2010, ~~(( \$7,711,000))~~ \$6,643,000 of the  
10 general fund--state appropriation for fiscal year 2011, and  
11 ~~(( \$5,177,000))~~ \$4,971,000 of the general fund--federal appropriation  
12 are provided solely for court-ordered supervised visits between parents  
13 and dependent children and for sibling visits. The department shall  
14 work collaboratively with the juvenile dependency courts and revise the  
15 supervised visit reimbursement procedures to stay within appropriations  
16 without impeding reunification outcomes between parents and dependent  
17 children. The department shall report to the legislative fiscal  
18 committees (~~(quarterly)~~) on September 30, 2010, and December 30, 2010,  
19 the number of children in foster care who receive supervised visits,  
20 their frequency, length of time of each visit, and whether  
21 reunification is attained.

22 ~~((12) \$1,789,000)~~ (11) \$145,000 of the general fund--state  
23 appropriation for fiscal year 2010, \$871,000 of the general fund--state  
24 appropriation for fiscal year 2011, and \$773,000 of the home security  
25 fund--state appropriation is provided solely for street youth program  
26 services.

27 ~~((13) \$1,584,000)~~ (12) \$1,522,000 of the general fund--state  
28 appropriation for fiscal year 2010, ~~(( \$1,584,000))~~ \$1,340,000 of the  
29 general fund--state appropriation for fiscal year 2011, and  
30 ~~(( \$1,586,000))~~ \$1,464,000 of the general fund--federal appropriation  
31 are provided solely for the department to recruit foster parents. The  
32 recruitment efforts shall include collaborating with community-based  
33 organizations and current or former foster parents to recruit foster  
34 parents.

35 ~~((14))~~ (13) \$493,000 of the general fund--state appropriation for  
36 fiscal year 2010, \$303,000 of the general fund--state appropriation for  
37 fiscal year 2011, \$466,000 of the general fund--private/local  
38 appropriation, and \$725,000 of the education legacy trust account--

1 state appropriation (~~(is)~~) are provided solely for children's  
2 administration to contract with an educational advocacy provider with  
3 expertise in foster care educational outreach. Funding is provided  
4 solely for contracted education coordinators to assist foster children  
5 in succeeding in K-12 and higher education systems. Funding shall be  
6 prioritized to regions with high numbers of foster care youth and/or  
7 regions where backlogs of youth that have formerly requested  
8 educational outreach services exist. The department shall utilize  
9 private matching funds to maintain educational advocacy services.

10 ~~((15) \$1,300,000))~~ (14) \$1,677,000 of the home security fund  
11 account--state appropriation is provided solely for HOPE beds.

12 ~~((16) \$5,300,000))~~ (15) \$5,193,000 of the home security fund  
13 account--state appropriation is provided solely for the crisis  
14 residential centers.

15 ~~((17))~~ (16) The appropriations in this section reflect reductions  
16 in the appropriations for the children's administration administrative  
17 expenses. It is the intent of the legislature that these reductions  
18 shall be achieved, to the greatest extent possible, by reducing those  
19 administrative costs that do not affect direct client services or  
20 direct service delivery or programs.

21 ~~((18))~~ (17) Within the amounts appropriated in this section, the  
22 department shall contract for a pilot project with family and community  
23 networks in Whatcom county and up to four additional counties to  
24 provide services. The pilot project shall be designed to provide a  
25 continuum of services that reduce out-of-home placements and the  
26 lengths of stay for children in out-of-home placement. The department  
27 and the community networks shall collaboratively select the additional  
28 counties for the pilot project and shall collaboratively design the  
29 contract. Within the framework of the pilot project, the contract  
30 shall seek to maximize federal funds. The pilot project in each county  
31 shall include the creation of advisory and management teams which  
32 include members from neighborhood-based family advisory committees,  
33 residents, parents, youth, providers, and local and regional department  
34 staff. The Whatcom county team shall facilitate the development of  
35 outcome-based protocols and policies for the pilot project and develop  
36 a structure to oversee, monitor, and evaluate the results of the pilot  
37 projects. The department shall report the costs and savings of the

1 pilot project to the appropriate committees of the legislature by  
2 November 1 of each year.

3 ~~((+19))~~ (18) \$157,000 of the general fund--state appropriation for  
4 fiscal year 2010 and \$157,000 of the general fund--state appropriation  
5 for fiscal year 2011 are provided solely for the department to contract  
6 with a nonprofit entity for a reunification pilot project in Whatcom  
7 and Skagit counties. The contract for the reunification pilot project  
8 shall include a rate of \$46.16 per hour for evidence-based  
9 interventions, in combination with supervised visits, to provide 3,564  
10 hours of services to reduce the length of stay for children in the  
11 child welfare system. The contract shall also include evidence-based  
12 intensive parenting skills building services and family support case  
13 management services for 38 families participating in the reunification  
14 pilot project. The contract shall include the flexibility for the  
15 nonprofit entity to subcontract with trained providers.

16 ~~((+20))~~ (19) \$303,000 of the general fund--state appropriation for  
17 fiscal year 2010, \$418,000 of the general fund--state appropriation for  
18 fiscal year 2011, and \$257,000 of the general fund--federal  
19 appropriation are provided solely to implement Engrossed Substitute  
20 House Bill No. 1961 (increasing adoptions act). If the bill is not  
21 enacted by June 30, 2009, the amounts provided in this subsection shall  
22 lapse.

23 ~~((+21)---\$100,000))~~ (20) \$98,000 of the general fund--state  
24 appropriation for fiscal year 2010 and ~~((+\$100,000))~~ \$98,000 of the  
25 general fund--state appropriation for fiscal year 2011 are provided  
26 solely for the department to contract with an agency that is working in  
27 partnership with, and has been evaluated by, the University of  
28 Washington school of social work to implement promising practice  
29 constellation hub models of foster care support.

30 ~~((+22))~~ (21) The legislature intends for the department to reduce  
31 the time a child remains in the child welfare system. The department  
32 shall establish a measurable goal and report progress toward meeting  
33 that goal to the legislature by January 15 of each fiscal year of the  
34 2009- 11 fiscal biennium. To the extent that actual caseloads exceed  
35 those assumed in this section, it is the intent of the legislature to  
36 address those issues in a manner similar to all other caseload  
37 programs.

1       (22) \$715,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$715,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for services provided through  
4 children's advocacy centers.

5       (23) \$11,000 of the general fund--state appropriation for fiscal  
6 year 2011 and \$3,000 of the general fund--federal appropriation are  
7 provided solely for implementation of chapter 224, Laws of 2010  
8 (confinement alternatives). If the bill is not enacted by June 30,  
9 2010, the amounts provided in this subsection shall lapse.

10       (24) \$1,867,000 of the general fund--state appropriation for fiscal  
11 year 2010, \$1,790,000 of the general fund--state appropriation for  
12 fiscal year 2011, and \$4,673,000 of the general fund--federal  
13 appropriation are provided solely for the department to contract for  
14 medicaid treatment child care (MTCC) services. Children's  
15 administration case workers, local public health nurses and case  
16 workers from the temporary assistance for needy families program shall  
17 refer children to MTCC services, as long as the children meet the  
18 eligibility requirements as outlined in the Washington state plan for  
19 the MTCC services.

20       (25) The department shall contract for at least one pilot project  
21 with adolescent services providers to deliver a continuum of short-term  
22 crisis stabilization services. The pilot project shall include  
23 adolescent services provided through secure crisis residential centers,  
24 crisis residential centers, and hope beds. The department shall work  
25 with adolescent service providers to maintain availability of  
26 adolescent services and maintain the delivery of services in a  
27 geographically representative manner. The department shall examine  
28 current staffing requirements, flexible payment options, center-  
29 specific licensing waivers, and other appropriate methods to achieve  
30 savings and streamline the delivery of services. The legislature  
31 intends for the pilot project to provide flexibility to the department  
32 to improve outcomes and to achieve more efficient utilization of  
33 existing resources, while meeting the statutory goals of the adolescent  
34 services programs. The department shall provide an update to the  
35 appropriate legislative committees and governor on the status of the  
36 pilot project implementation by December 1, 2010.

37       (26) To ensure expenditures remain within available funds  
38 appropriated in this section as required by RCW 74.13A.005 and

1 74.13A.020, the secretary shall not set the amount of any adoption  
 2 assistance payment or payments, made pursuant to RCW 26.33.320 and  
 3 74.13A.005 through 74.13A.080, to more than ninety percent of the  
 4 foster care maintenance payment for that child had he or she remained  
 5 in a foster family home during the same period. This subsection does  
 6 not apply to adoption assistance agreements in existence on the  
 7 effective date of this section.

8 (27) Receipts from fees per chapter 289, Laws of 2010, as deposited  
 9 into the prostitution prevention and intervention account for services  
 10 provided to sexually exploited children as defined in RCW 13.32A.030 in  
 11 secure and semi-secure crisis residential centers with access to staff  
 12 trained to meet their specific needs shall be used to expand capacity  
 13 for secure crisis residential centers and not supplant existing  
 14 funding.

15 **Sec. 203.** 2010 c 3 s 202 (uncodified) is amended to read as  
 16 follows:

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

19	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$104,185,000</del> ))
20		<u>\$103,437,000</u>
21	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$92,392,000</del> ))
22		<u>\$97,761,000</u>
23	General Fund--Federal Appropriation . . . . .	(( <del>\$6,565,000</del> ))
24		<u>\$1,715,000</u>
25	General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,900,000</del> ))
26		<u>\$1,899,000</u>
27	Washington Auto Theft Prevention Authority Account--	
28	State Appropriation . . . . .	\$3,896,000
29	Juvenile Accountability Incentive Account--Federal	
30	Appropriation . . . . .	(( <del>\$2,801,000</del> ))
31		<u>\$2,805,000</u>
32	<u>State Efficiency and Restructuring Account--State</u>	
33	<u>Appropriation . . . . .</u>	<u>\$4,958,000</u>
34	TOTAL APPROPRIATION . . . . .	(( <del>\$211,739,000</del> ))
35		<u>\$216,471,000</u>

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

1 (1) \$353,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$353,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for deposit in the county criminal  
4 justice assistance account for costs to the criminal justice system  
5 associated with the implementation of chapter 338, Laws of 1997  
6 (juvenile code revisions). The amounts provided in this subsection are  
7 intended to provide funding for county adult court costs associated  
8 with the implementation of chapter 338, Laws of 1997 and shall be  
9 distributed in accordance with RCW 82.14.310.

10 (2) (~~(\$3,578,000)~~) \$3,408,000 of the general fund--state  
11 appropriation for fiscal year 2010 and (~~(\$3,578,000)~~) \$2,898,000 of the  
12 general fund--state appropriation for fiscal year 2011 are provided  
13 solely for the implementation of chapter 338, Laws of 1997 (juvenile  
14 code revisions). The amounts provided in this subsection are intended  
15 to provide funding for county impacts associated with the  
16 implementation of chapter 338, Laws of 1997 and shall be distributed to  
17 counties as prescribed in the current consolidated juvenile services  
18 (CJS) formula.

19 (3) \$3,716,000 of the general fund--state appropriation for fiscal  
20 year 2010 and \$3,716,000 of the general fund--state appropriation for  
21 fiscal year 2011 are provided solely to implement community juvenile  
22 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile  
23 code revisions). Funds provided in this subsection may be used solely  
24 for community juvenile accountability grants, administration of the  
25 grants, and evaluations of programs funded by the grants.

26 (4) (~~(\$1,506,000)~~) \$1,427,000 of the general fund--state  
27 appropriation for fiscal year 2010 and (~~(\$1,506,000)~~) \$1,206,000 of the  
28 general fund--state appropriation for fiscal year 2011 are provided  
29 solely to implement alcohol and substance abuse treatment programs for  
30 locally committed offenders. The juvenile rehabilitation  
31 administration shall award these moneys on a competitive basis to  
32 counties that submitted a plan for the provision of services approved  
33 by the division of alcohol and substance abuse. The juvenile  
34 rehabilitation administration shall develop criteria for evaluation of  
35 plans submitted and a timeline for awarding funding and shall assist  
36 counties in creating and submitting plans for evaluation.

37 (5) \$3,066,000 of the general fund--state appropriation for fiscal  
38 year 2010 and \$3,066,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for grants to county juvenile  
2 courts for the following programs identified by the Washington state  
3 institute for public policy (institute) in its October 2006 report:  
4 "Evidence-Based Public Policy Options to Reduce Future Prison  
5 Construction, Criminal Justice Costs and Crime Rates": Functional  
6 family therapy, multi-systemic therapy, aggression replacement training  
7 and interagency coordination programs, or other programs with a  
8 positive benefit-cost finding in the institute's report. County  
9 juvenile courts shall apply to the juvenile rehabilitation  
10 administration for funding for program-specific participation and the  
11 administration shall provide grants to the courts consistent with the  
12 per-participant treatment costs identified by the institute.

13 (6) \$1,287,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$1,287,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely for expansion of the following  
16 treatments and therapies in juvenile rehabilitation administration  
17 programs identified by the Washington state institute for public policy  
18 in its October 2006 report: "Evidence-Based Public Policy Options to  
19 Reduce Future Prison Construction, Criminal Justice Costs and Crime  
20 Rates": Multidimensional treatment foster care, family integrated  
21 transitions, and aggression replacement training. The administration  
22 may concentrate delivery of these treatments and therapies at a limited  
23 number of programs to deliver the treatments in a cost-effective  
24 manner.

25 ~~(7)(a) ((For the fiscal year ending June 30, 2010, the juvenile~~  
26 ~~rehabilitation administration shall administer a block grant, rather~~  
27 ~~than categorical funding, of consolidated juvenile service funds,~~  
28 ~~community juvenile accountability act grants, the chemical dependency~~  
29 ~~disposition alternative funds, the special sex offender disposition~~  
30 ~~alternative funds, the mental health disposition alternative,~~  
31 ~~sentencing disposition alternative, and evidence based program~~  
32 ~~expansion grants to juvenile courts for the purpose of serving youth~~  
33 ~~adjudicated in the juvenile justice system. Evidence based programs,~~  
34 ~~based on the criteria established by the Washington state institute for~~  
35 ~~public policy, and disposition alternatives will be funding priorities.~~  
36 ~~Funds may be used for promising practices when approved by juvenile~~  
37 ~~rehabilitation administration, based on criteria established in~~

1 consultation with Washington state institute for public policy and the  
2 juvenile courts.

3 By September 1, 2009, a committee with four members, in  
4 consultation with Washington state institute for public policy, shall  
5 develop a funding formula that takes into account the juvenile courts  
6 average daily population of program eligible youth in conjunction with  
7 the number of youth served in each approved evidence based program or  
8 disposition alternative. The committee shall have one representative  
9 from the juvenile rehabilitation administration, one representative  
10 from the office of financial management, one representative from the  
11 office of the administrator of the courts, and one representative from  
12 the juvenile courts. Decision making will be by majority rule.

13 By September 1, 2010, the Washington state institute for public  
14 policy shall provide a report to the office of financial management and  
15 the legislature on the administration of the block grant authorized in  
16 this subsection. The report shall include the criteria used for  
17 allocating the funding as a block grant and the participation targets  
18 and actual participation in the programs subject to the block grant.

19 (b) By December 1, 2009, the committee established in (a) of this  
20 subsection, in consultation with Washington state institute for public  
21 policy, shall propose to the office of financial management and the  
22 legislature changes in the process of funding and managing, including  
23 accountability and information collection and dissemination, grants to  
24 juvenile courts for serving youth adjudicated in the juvenile court  
25 system use in the fiscal year ending June 30, 2011. The proposal shall  
26 include, but is not limited to: A process of making a block grant of  
27 funds consistent with (a) of this subsection; a program of data  
28 collection and measurement criteria for receiving the funds which will  
29 include targets of the number of youth served in identified evidence-  
30 based programs and disposition alternatives in which the juvenile  
31 courts and office of the administrator of the courts will have  
32 responsibility for collecting and distributing information and  
33 providing access to the data systems to the juvenile rehabilitation  
34 administration and the Washington state institute for public policy  
35 related to program and outcome data; and necessary changes to the  
36 Washington administrative code.

37 (c) Within the funds provided for criminal justice analysis in  
38 section 610(4) of this act, the Washington state institute for public



1 ~~policy shall conduct an analysis of the costs per participant of~~  
2 ~~evidence-based programs by the juvenile courts and by December 1, 2009,~~  
3 ~~shall report the results of this analysis to the juvenile~~  
4 ~~rehabilitation administration, the juvenile courts, office of the~~  
5 ~~administrator of the courts, the office of financial management, and~~  
6 ~~the fiscal committees of the legislature)) For the fiscal year ending  
7 June 30, 2011, the juvenile rehabilitation administration shall  
8 administer a block grant, rather than categorical funding, of  
9 consolidated juvenile service funds, community juvenile accountability  
10 act grants, the chemical dependency disposition alternative funds, the  
11 mental health disposition alternative, and the sentencing disposition  
12 alternative for the purpose of serving youth adjudicated in the  
13 juvenile justice system. In making the block grant, the juvenile  
14 rehabilitation administration shall follow the following formula and  
15 will prioritize evidence-based programs and disposition alternatives  
16 and take into account juvenile courts program-eligible youth in  
17 conjunction with the number of youth served in each approved evidence-  
18 based program or disposition alternative: (i) Thirty-seven and one-  
19 half percent for the at-risk population of youth ten to seventeen years  
20 old; (ii) fifteen percent for moderate and high-risk youth; (iii)  
21 twenty-five percent for evidence-based program participation; (iv)  
22 seventeen and one-half percent for minority populations; (v) three  
23 percent for the chemical dependency disposition alternative; and (vi)  
24 two percent for the mental health and sentencing dispositional  
25 alternatives. Funding for the special sex offender disposition  
26 alternative (SSODA) shall not be included in the block grant, but  
27 allocated on the average daily population in juvenile courts. Funding  
28 for the evidence-based expansion grants shall be excluded from the  
29 block grant formula. Funds may be used for promising practices when  
30 approved by the juvenile rehabilitation administration and juvenile  
31 courts, through the community juvenile accountability act committee,  
32 based on the criteria established in consultation with Washington state  
33 institute for public policy and the juvenile courts.~~

34 (b) It is the intent of the legislature that the juvenile  
35 rehabilitation administration phase the implementation of the formula  
36 provided in subsection (1) of this section by including a stop-loss  
37 formula of three percent in fiscal year 2011, five percent in fiscal  
38 year 2012, and five percent in fiscal year 2013. It is further the

1 intent of the legislature that the evidence-based expansion grants be  
2 incorporated into the block grant formula by fiscal year 2013 and SSODA  
3 remain separate unless changes would result in increasing the cost  
4 benefit savings to the state as identified in (c) of this subsection.

5 (c) The juvenile rehabilitation administration and the juvenile  
6 courts shall establish a block grant funding formula oversight  
7 committee with equal representation from the juvenile rehabilitation  
8 administration and the juvenile courts. The purpose of this committee  
9 is to assess the ongoing implementation of the block grant funding  
10 formula, utilizing data-driven decision making and the most current  
11 available information. The committee will be cochaired by the juvenile  
12 rehabilitation administration and the juvenile courts, who will also  
13 have the ability to change members of the committee as needed to  
14 achieve its purpose. Initial members will include one juvenile court  
15 representative from the finance committee, the community juvenile  
16 accountability act committee, the risk assessment quality assurance  
17 committee, the executive board of the Washington association of  
18 juvenile court administrators, the Washington state center for court  
19 research, and a representative of the superior court judges  
20 association; two representatives from the juvenile rehabilitation  
21 administration headquarters program oversight staff, two  
22 representatives of the juvenile rehabilitation administration regional  
23 office staff, one representative of the juvenile rehabilitation  
24 administration fiscal staff and a juvenile rehabilitation  
25 administration division director. The committee may make changes to  
26 the formula categories other than the evidence-based program and  
27 disposition alternative categories if it is determined the changes will  
28 increase statewide service delivery or effectiveness of evidence-based  
29 program or disposition alternative resulting in increased cost benefit  
30 savings to the state. Long-term cost benefit must be considered.  
31 Percentage changes may occur in the evidence-based program or  
32 disposition alternative categories of the formula should it be  
33 determined the changes will increase evidence-based program or  
34 disposition alternative delivery and increase the cost benefit to the  
35 state. These outcomes will also be considered in determining when  
36 evidence-based expansion or special sex offender disposition  
37 alternative funds should be included in the block grant or left  
38 separate.

1       (d) The juvenile courts and administrative office of the courts  
2 shall be responsible for collecting and distributing information and  
3 providing access to the data systems to the juvenile rehabilitation  
4 administration and the Washington state institute for public policy  
5 related to program and outcome data. The juvenile rehabilitation  
6 administration and the juvenile courts will work collaboratively to  
7 develop program outcomes that reinforce the greatest cost benefit to  
8 the state in the implementation of evidence-based practices and  
9 disposition alternatives.

10       (e) By December 1, 2010, the Washington state institute for public  
11 policy shall report to the office of financial management and  
12 appropriate committees of the legislature on the administration of the  
13 block grant authorized in this subsection. The report shall include  
14 the criteria used for allocating the funding as a block grant and the  
15 participation targets and actual participation in the programs subject  
16 to the block grant.

17       (8) \$3,700,000 of the Washington auto theft prevention authority  
18 account--state appropriation is provided solely for competitive grants  
19 to community-based organizations to provide at-risk youth intervention  
20 services, including but not limited to, case management, employment  
21 services, educational services, and street outreach intervention  
22 programs. Projects funded should focus on preventing, intervening, and  
23 suppressing behavioral problems and violence while linking at-risk  
24 youth to pro-social activities. The department may not expend more  
25 than \$1,850,000 per fiscal year. The costs of administration must not  
26 exceed four percent of appropriated funding for each grant recipient.  
27 Each entity receiving funds must report to the juvenile rehabilitation  
28 administration on the number and types of youth served, the services  
29 provided, and the impact of those services upon the youth and the  
30 community.

31       (9) The appropriations in this section assume savings associated  
32 with the transfer of youthful offenders age eighteen or older whose  
33 sentences extend beyond age twenty-one to the department of corrections  
34 to complete their sentences. Prior to transferring an offender to the  
35 department of corrections, the juvenile rehabilitation administration  
36 shall evaluate the offender to determine the offender's physical and  
37 emotional suitability for transfer.

1       **Sec. 204.**   2010 c 3 s 203 (uncodified) is amended to read as  
2 follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**  
4 **PROGRAM**

5       (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

6	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$266,677,000</del> ))
7		<u>\$273,648,000</u>
8	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$296,619,000</del> ))
9		<u>\$278,530,000</u>
10	General Fund--Federal Appropriation . . . . .	(( <del>\$463,180,000</del> ))
11		<u>\$519,456,000</u>
12	General Fund--Private/Local Appropriation . . . . .	(( <del>\$14,868,000</del> ))
13		<u>\$16,674,000</u>
14	<u>Hospital Safety Net Assessment Fund--State</u>	
15	<u>Appropriation . . . . .</u>	<u>\$3,476,000</u>
16	TOTAL APPROPRIATION . . . . .	(( <del>\$1,041,344,000</del> ))
17		<u>\$1,091,784,000</u>

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

20       (a) \$113,689,000 of the general fund--state appropriation for  
21 fiscal year 2010 and \$113,689,000 of the general fund--state  
22 appropriation for fiscal year 2011 are provided solely for persons and  
23 services not covered by the medicaid program. This is a reduction of  
24 \$11,606,000 each fiscal year from the nonmedicaid funding that was  
25 allocated for expenditure by regional support networks during fiscal  
26 year 2009 prior to supplemental budget reductions. This \$11,606,000  
27 reduction shall be distributed among regional support networks  
28 proportional to each network's share of the total state population. To  
29 the extent possible, levels of regional support network spending shall  
30 be maintained in the following priority order: (i) Crisis and  
31 commitment services; (ii) community inpatient services; and (iii)  
32 residential care services, including personal care and emergency  
33 housing assistance.

34       (b) ((~~\$16,900,000~~)) \$10,400,000 of the general fund--state  
35 appropriation for fiscal year 2010 ((~~and \$16,900,000~~)), \$9,100,000 of  
36 the general fund--state appropriation for fiscal year 2011, and  
37 \$1,300,000 of the general fund--federal appropriation are provided  
38 solely for the department and regional support networks to contract for

1 implementation of high-intensity program for active community treatment  
2 (PACT) teams(~~(, and other proven program approaches that the department~~  
3 ~~concur will enable the regional support network to achieve significant~~  
4 ~~reductions in the number of beds the regional support network would~~  
5 ~~otherwise need to use at the state hospitals)). The department shall  
6 work with regional support networks and the center for medicare and  
7 medicaid services to integrate eligible components of the PACT service  
8 delivery model into medicaid capitation rates no later than January  
9 2011, while maintaining consistency with all essential elements of the  
10 PACT evidence-based practice model.~~

11 (c) \$6,500,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$6,500,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely for the western Washington  
14 regional support networks to provide either community- or hospital  
15 campus-based services for persons who require the level of care  
16 provided by the program for adaptive living skills (PALS) at western  
17 state hospital.

18 (d) The number of nonforensic beds allocated for use by regional  
19 support networks at eastern state hospital shall be 192 per day. The  
20 number of nonforensic beds allocated for use by regional support  
21 networks at western state hospital shall be 617 per day during the  
22 first quarter of fiscal year 2010, and 587 per day thereafter. Beds in  
23 the program for adaptive living skills (PALS) are not included in the  
24 preceding bed allocations. The department shall separately charge  
25 regional support networks for persons served in the PALS program.

26 ~~((d))~~ (e) From the general fund--state appropriations in this  
27 subsection, the secretary of social and health services shall assure  
28 that regional support networks reimburse the aging and disability  
29 services administration for the general fund--state cost of medicaid  
30 personal care services that enrolled regional support network consumers  
31 use because of their psychiatric disability.

32 ~~((e))~~ (f) \$4,582,000 of the general fund--state appropriation for  
33 fiscal year 2010 and \$4,582,000 of the general fund--state  
34 appropriation for fiscal year 2011 are provided solely for mental  
35 health services for mentally ill offenders while confined in a county  
36 or city jail and for facilitating access to programs that offer mental  
37 health services upon release from confinement.

1       ~~((f))~~ (g) The department is authorized to continue to contract  
2 directly, rather than through contracts with regional support networks,  
3 for children's long-term inpatient facility services.

4       ~~((g))~~ (h) \$750,000 of the general fund--state appropriation for  
5 fiscal year 2010 and \$750,000 of the general fund--state appropriation  
6 for fiscal year 2011 are provided solely to continue performance-based  
7 incentive contracts to provide appropriate community support services  
8 for individuals with severe mental illness who were discharged from the  
9 state hospitals as part of the expanding community services initiative.  
10 These funds will be used to enhance community residential and support  
11 services provided by regional support networks through other state and  
12 federal funding.

13       ~~((h))~~ (i) \$1,500,000 of the general fund--state appropriation for  
14 fiscal year 2010 and \$1,500,000 of the general fund--state  
15 appropriation for fiscal year 2011 are provided solely for the Spokane  
16 regional support network to implement services to reduce utilization  
17 and the census at eastern state hospital. Such services shall include:

18       (i) High intensity treatment team for persons who are high  
19 utilizers of psychiatric inpatient services, including those with co-  
20 occurring disorders and other special needs;

21       (ii) Crisis outreach and diversion services to stabilize in the  
22 community individuals in crisis who are at risk of requiring inpatient  
23 care or jail services;

24       (iii) Mental health services provided in nursing facilities to  
25 individuals with dementia, and consultation to facility staff treating  
26 those individuals; and

27       (iv) Services at the sixteen-bed evaluation and treatment facility.

28       At least annually, the Spokane regional support network shall  
29 assess the effectiveness of these services in reducing utilization at  
30 eastern state hospital, identify services that are not optimally  
31 effective, and modify those services to improve their effectiveness.

32       ~~((i))~~ (j) The department shall return to the Spokane regional  
33 support network fifty percent of the amounts assessed against the  
34 network during the last six months of calendar year 2009 for state  
35 hospital utilization in excess of its contractual limit. The regional  
36 support network shall use these funds for operation during its initial  
37 months of a new sixteen-bed evaluation and treatment facility that will

1 enable the network to reduce its use of the state hospital, and for  
2 diversion and community support services for persons with dementia who  
3 would likely otherwise require care at the state hospital.

4 ~~((+j))~~ (k) The department is directed to identify and implement  
5 program efficiencies and benefit changes in its delivery of medicaid  
6 managed-care services that are sufficient to operate within the state  
7 and federal appropriations in this section. Such actions may include  
8 but are not limited to methods such as adjusting the care access  
9 standards; improved utilization management of ongoing, recurring, and  
10 high-intensity services; and increased uniformity in provider payment  
11 rates. The department shall ensure that the capitation rate  
12 adjustments necessary to accomplish these efficiencies and changes are  
13 distributed uniformly and equitably across all regional support  
14 networks statewide. The department is directed to report to the  
15 relevant legislative fiscal and policy committees at least thirty days  
16 prior to implementing rate adjustments reflecting these changes.

17 ~~((+k))~~ (l) In developing the new medicaid managed care rates under  
18 which the public mental health managed care system will operate during  
19 the five years beginning in fiscal year 2011, the department should  
20 seek to estimate the reasonable and necessary cost of efficiently and  
21 effectively providing a comparable set of medically necessary mental  
22 health benefits to persons of different acuity levels regardless of  
23 where in the state they live. Actual prior period spending in a  
24 regional administrative area shall not be a key determinant of future  
25 payment rates. The department shall report to the office of financial  
26 management and to the relevant fiscal and policy committees of the  
27 legislature on its proposed new waiver and mental health managed care  
28 rate-setting approach by October 1, 2009, and again at least sixty days  
29 prior to implementation of new capitation rates.

30 (m) In implementing the new public mental health managed care  
31 payment rates for fiscal year 2011, the department shall to the maximum  
32 extent possible within each regional support network's allowable rate  
33 range establish rates so that there is no increase or decrease in the  
34 total state and federal funding that the regional support network would  
35 receive if it were to continue to be paid at its October 2009 through  
36 June 2010 rates. The department shall additionally revise the draft  
37 rates issued January 28, 2010, to more accurately reflect the lower  
38 practitioner productivity inherent in the delivery of services in

1 extremely rural regions in which a majority of the population reside in  
2 frontier counties, as defined and designated by the national center for  
3 frontier communities.

4 ((+l)) (n) \$1,529,000 of the general fund--state appropriation for  
5 fiscal year 2010 and \$1,529,000 of the general fund--state  
6 appropriation for fiscal year 2011 are provided solely to reimburse  
7 Pierce and Spokane counties for the cost of conducting 180-day  
8 commitment hearings at the state psychiatric hospitals.

9 ((+m)) (o) The legislature intends and expects that regional  
10 support networks and contracted community mental health agencies shall  
11 make all possible efforts to, at a minimum, maintain current  
12 compensation levels of direct care staff. Such efforts shall include,  
13 but not be limited to, identifying local funding that can preserve  
14 client services and staff compensation, achieving administrative  
15 reductions at the regional support network level, and engaging  
16 stakeholders on cost-savings ideas that maintain client services and  
17 staff compensation. For purposes of this section, "direct care staff"  
18 means persons employed by community mental health agencies whose  
19 primary responsibility is providing direct treatment and support to  
20 people with mental illness, or whose primary responsibility is  
21 providing direct support to such staff in areas such as client  
22 scheduling, client intake, client reception, client records-keeping,  
23 and facilities maintenance.

24 (p) Regional support networks may use local funds to earn  
25 additional federal medicaid match, provided the locally matched rate  
26 does not exceed the upper-bound of their federally allowable rate  
27 range, and provided that the enhanced funding is used only to provide  
28 medicaid state plan or waiver services to medicaid clients.  
29 Additionally, regional support networks may use a portion of the state  
30 funds allocated in accordance with (a) of this subsection to earn  
31 additional medicaid match, but only to the extent that the application  
32 of such funds to medicaid services does not diminish the level of  
33 crisis and commitment, community inpatient, residential care, and  
34 outpatient services presently available to persons not eligible for  
35 medicaid.

36 (2) INSTITUTIONAL SERVICES

37 General Fund--State Appropriation (FY 2010) . . . . .	(( \$120,637,000 ))
38	<u>\$119,423,000</u>



1	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$124,995,000</del> ))
2		<u>\$123,012,000</u>
3	General Fund--Federal Appropriation . . . . .	(( <del>\$151,160,000</del> ))
4		<u>\$153,425,000</u>
5	General Fund--Private/Local Appropriation . . . . .	(( <del>\$65,868,000</del> ))
6		<u>\$64,614,000</u>
7	TOTAL APPROPRIATION . . . . .	(( <del>\$462,660,000</del> ))
8		<u>\$460,474,000</u>

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

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

14 (b) \$231,000 of the general fund--state appropriation for fiscal  
15 year 2008 and \$231,000 of the general fund--state appropriation for  
16 fiscal year 2009 are provided solely for a community partnership  
17 between western state hospital and the city of Lakewood to support  
18 community policing efforts in the Lakewood community surrounding  
19 western state hospital. The amounts provided in this subsection (2)(b)  
20 are for the salaries, benefits, supplies, and equipment for one full-  
21 time investigator, one full-time police officer, and one full-time  
22 community service officer at the city of Lakewood.

23 (c) \$45,000 of the general fund--state appropriation for fiscal  
24 year 2010 and \$45,000 of the general fund--state appropriation for  
25 fiscal year 2011 are provided solely for payment to the city of  
26 Lakewood for police services provided by the city at western state  
27 hospital and adjacent areas.

28 (d) \$200,000 of the general fund--state appropriation for fiscal  
29 year 2011 is provided solely for support of the psychiatric security  
30 review panel established pursuant to Senate Bill No. 6610. If Senate  
31 Bill No. 6610 is not enacted by June 30, 2010, the amount provided in  
32 this subsection shall lapse.

33 (3) SPECIAL PROJECTS

34	General Fund--State Appropriation (FY 2010) . . . . .	\$1,819,000
35	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,812,000</del> ))
36		<u>\$2,092,000</u>
37	General Fund--Federal Appropriation . . . . .	\$2,142,000
38	TOTAL APPROPRIATION . . . . .	(( <del>\$5,773,000</del> ))

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

(a) \$1,511,000 of the general fund--state appropriation for fiscal year 2010 and \$1,511,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for children's evidence based mental health services. Funding is sufficient to continue serving children at the same levels as fiscal year 2009.

(b) \$100,000 of the general fund--state appropriation for fiscal year 2011 is provided solely for consultation, training, and technical assistance to regional support networks on strategies for effective service delivery in very sparsely populated counties.

(c) \$60,000 of the general fund--state appropriation for fiscal year 2011 is provided solely for the department to contract with the Washington state institute for public policy for completion of the research reviews to be conducted in accordance with chapter 263, Laws of 2010.

(d) \$60,000 of the general fund--state appropriation for fiscal year 2011 is provided solely for the department to contract with the Washington state institute for public policy for completion of the research reviews to be conducted in accordance with section 1, chapter 280, Laws of 2010.

(e) \$60,000 of the general fund--state appropriation for fiscal year 2011 is provided solely for implementation of sections 2 and 3, chapter 280, Laws of 2010. The department shall use these funds to contract with the Washington state institute for public policy for completion of an assessment of (i) the extent to which the number of persons involuntarily committed for 3, 14, and 90 days is likely to increase as a result of the revised commitment standards; (ii) the availability of community treatment capacity to accommodate that increase; (iii) strategies for cost-effectively leveraging state, local, and private resources to increase community involuntary treatment capacity; and (iv) the extent to which increases in involuntary commitments are likely to be offset by reduced utilization of correctional facilities, publicly-funded medical care, and state psychiatric hospitalizations.

(f) By October 1, 2010, the department shall report to the governor and appropriate committees of the legislature with (i) a report on

1 improving services for children who are at greatest risk of requiring  
2 long-term inpatient and residential care due to the severity of their  
3 emotional impairments; and (ii) an inventory of current publicly funded  
4 efforts in Washington to identify children at risk of emotional  
5 impairments and to provide intervention before a mental disorder  
6 manifests itself. The report on improving services for children at  
7 risk of long-term care shall be developed by the division of behavioral  
8 health and recovery services in consultation with treatment  
9 specialists, regional support networks, behavioral health provider  
10 organizations, and consumer and family representatives. It shall  
11 include potential alternatives for services to children at risk of  
12 long-term, intensive mental health care and recommend specific  
13 proposals regarding program components, delivery system organization,  
14 and cost estimates. The proposals may include short and long-term  
15 alternatives to reach statewide equity in access to high-intensity  
16 services with a primary focus on children who are at risk of out-of-  
17 home placement or who are high system utilizers. Evidence-based and  
18 research-based practices shall be included as options to the extent  
19 that they provide appropriate services for children at risk of long-  
20 term, intensive mental health care. The inventory shall include, but  
21 is not limited to, activities that focus on prevention rather than  
22 solely on clinical or medical treatment and that rely on strategies  
23 such as those identified by the national academies' institute of  
24 medicine as effective in preventing childhood emotional impairments.  
25 The inventory shall be developed by the family policy council in  
26 consultation with public health departments, special education experts,  
27 managed health care plans, regional support networks, the University of  
28 Washington's children's mental health evidence-based practice  
29 institute, and behavioral health provider organizations.

30 (4) PROGRAM SUPPORT

31	General Fund--State Appropriation (FY 2010) . . . . .	(( \$4,077,000 ))
32		\$4,078,000
33	General Fund--State Appropriation (FY 2011) . . . . .	(( \$4,094,000 ))
34		\$4,070,000
35	General Fund--Federal Appropriation . . . . .	(( \$7,227,000 ))
36		\$7,219,000
37	TOTAL APPROPRIATION . . . . .	(( \$15,398,000 ))
38		\$15,367,000

1 The department is authorized and encouraged to continue its  
2 contract with the Washington state institute for public policy to  
3 provide a longitudinal analysis of long-term mental health outcomes as  
4 directed in chapter 334, Laws of 2001 (mental health performance  
5 audit); to build upon the evaluation of the impacts of chapter 214,  
6 Laws of 1999 (mentally ill offenders); and to assess program outcomes  
7 and cost effectiveness of the children's mental health pilot projects  
8 as required by chapter 372, Laws of 2006.

9 **Sec. 205.** 2010 c 3 s 204 (uncodified) is amended to read as  
10 follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**  
12 **DISABILITIES PROGRAM**

13 (1) COMMUNITY SERVICES

14 General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$311,589,000</del> ))
	<u>\$307,348,000</u>
16 General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$366,489,000</del> ))
	<u>\$338,299,000</u>
18 General Fund--Federal Appropriation . . . . .	(( <del>\$849,263,000</del> ))
	<u>\$902,900,000</u>
20 TOTAL APPROPRIATION . . . . .	(( <del>\$1,527,341,000</del> ))
	<u>\$1,548,547,000</u>

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

24 (a) Individuals receiving services as supplemental security income  
25 (SSI) state supplemental payments shall not become eligible for medical  
26 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
27 supplemental payments.

28 (b)(i) Amounts appropriated in this section reflect a reduction to  
29 funds appropriated for in-home care. The department shall reduce the  
30 number of in-home hours authorized. The reduction shall be scaled  
31 based on the acuity level of care recipients. The largest hour  
32 reductions shall be to lower acuity patients and the smallest hour  
33 reductions shall be to higher acuity patients. In doing so, the  
34 department shall comply with all maintenance of effort requirements  
35 contained in the American reinvestment and recovery act.

36 (ii) \$508,000 of the general fund--state appropriation for fiscal  
37 year 2011 and \$822,000 of the general fund--federal appropriation are

1 provided solely for the department to partially restore the reductions  
2 to in-home care that are taken in (b)(i) of this subsection. The  
3 department will use the same formula to restore personal care hours  
4 that it used to reduce personal care hours.

5 (c) Amounts appropriated in this section are sufficient to develop  
6 and implement the use of a consistent, statewide outcome-based vendor  
7 contract for employment and day services by April 1, 2011. The rates  
8 paid to vendors under this contract shall also be made consistent. In  
9 its description of activities the agency shall include activity  
10 listings and dollars appropriated for: Employment services, day  
11 services, child development services and county administration of  
12 services to the developmentally disabled. The department shall begin  
13 reporting to the office of financial management on these activities  
14 beginning in fiscal year 2010.

15 ~~(d) ((\$5,593,000 of the general fund state appropriation for~~  
16 ~~fiscal year 2010, \$4,002,000 of the general fund state appropriation~~  
17 ~~for fiscal year 2011, and \$14,701,000 of the general fund federal~~  
18 ~~appropriation are provided solely for community residential and support~~  
19 ~~services. Funding in this subsection shall be prioritized for (i)~~  
20 ~~residents of residential habilitation centers who are able to be~~  
21 ~~adequately cared for in community settings and who choose to live in~~  
22 ~~those community settings; (ii) clients without residential services who~~  
23 ~~are at immediate risk of institutionalization or in crisis; (iii)~~  
24 ~~children who are at risk of institutionalization or who are aging out~~  
25 ~~of other state services; and (iv) current home and community-based~~  
26 ~~waiver program clients who have been assessed as having an immediate~~  
27 ~~need for increased services. First priority shall be given to children~~  
28 ~~who are at risk of institutionalization. The department shall ensure~~  
29 ~~that the average cost per day for all program services other than~~  
30 ~~start-up costs shall not exceed \$300. In order to maximize the number~~  
31 ~~of clients served and ensure the cost-effectiveness of the waiver~~  
32 ~~programs, the department will strive to limit new client placement~~  
33 ~~expenditures to 90 percent of the budgeted daily rate. If this can be~~  
34 ~~accomplished, additional clients may be served with excess funds,~~  
35 ~~provided the total projected carry-forward expenditures do not exceed~~  
36 ~~the amounts estimated. The department shall electronically report to~~  
37 ~~the appropriate committees of the legislature, within 45 days following~~  
38 ~~each fiscal year quarter, the number of persons served with these~~

1 additional community services, where they were residing, what kinds of  
2 services they were receiving prior to placement, and the actual  
3 expenditures for all community services to support these clients.

4 ~~(e)(i)~~ \$493,000 of the general fund--state appropriation for fiscal  
5 year 2010, \$1,463,000 of the general fund--state appropriation for  
6 fiscal year 2011, and \$2,741,000 of the general fund--federal  
7 appropriation are provided solely for community services for persons  
8 with developmental disabilities who also have community protection  
9 issues. Funding in this subsection shall be prioritized for (A)  
10 clients being diverted or discharged from the state psychiatric  
11 hospitals; (B) clients participating in the dangerous mentally ill  
12 offender program; (C) clients participating in the community protection  
13 program; and (D) mental health crisis diversion outplacements. The  
14 department shall ensure that the average cost per day for all program  
15 services other than start-up costs shall not exceed \$349 per day in  
16 fiscal year 2010 and \$356 per day in fiscal year 2011. In order to  
17 maximize the number of clients served and ensure the cost-effectiveness  
18 of the waiver programs, the department will strive to limit new client  
19 placement expenditures to 90 percent of the budgeted daily rate. If  
20 this can be accomplished, additional clients may be served with excess  
21 funds if the total projected carry-forward expenditures do not exceed  
22 the amounts estimated.

23 ~~(ii)~~ The department shall electronically report to the appropriate  
24 committees of the legislature, within 45 days following each fiscal  
25 year quarter, the number of persons served with these additional  
26 community services, where they were residing, what kinds of services  
27 they were receiving prior to placement, and the actual expenditures for  
28 all community services to support these clients.

29 ~~(f))~~ \$302,000 of the general fund--state appropriation for fiscal  
30 year 2010, \$831,000 of the general fund--state appropriation for fiscal  
31 year 2011, and \$1,592,000 of the general fund--federal appropriation  
32 are provided solely for health care benefits pursuant to a collective  
33 bargaining agreement negotiated with the exclusive bargaining  
34 representative of individual providers established under RCW  
35 74.39A.270.

36 ~~((g))~~ (e)(i) \$682,000 of the general fund--state appropriation  
37 for fiscal year 2010, \$1,651,000 of the general fund--state  
38 appropriation for fiscal year 2011, and \$1,678,000 of the general

1 fund--federal appropriation are provided solely for the state's  
2 contribution to the training partnership, as provided in RCW  
3 74.39A.360, pursuant to a collective bargaining agreement negotiated  
4 with the exclusive bargaining representative of individual providers  
5 established under RCW 74.39A.270.

6 (ii) The federal portion of the amounts in this subsection (g) is  
7 contingent upon federal approval of participation in contributions to  
8 the trust and shall remain unallotted and placed in reserve status  
9 until the office of financial management and the department of social  
10 and health services receive federal approval.

11 (iii) Expenditures for the purposes specified in this subsection  
12 (g) shall not exceed the amounts provided in this subsection.

13 ~~((h))~~ (f) Within the amounts appropriated in this subsection (1),  
14 the department shall implement all necessary rules to facilitate the  
15 transfer to a department home and community-based services (HCBS)  
16 waiver of all eligible individuals who (i) currently receive services  
17 under the existing state-only employment and day program or the  
18 existing state-only residential program, and (ii) otherwise meet the  
19 waiver eligibility requirements. The amounts appropriated are  
20 sufficient to ensure that all individuals currently receiving services  
21 under the state-only employment and day and state-only residential  
22 programs who are not transferred to a department HCBS waiver will  
23 continue to receive services.

24 ~~((i) Adult day health services shall only be authorized for in-~~  
25 ~~home clients.~~

26 ~~(j))~~ (g) In addition to other reductions, the appropriations in  
27 this subsection reflect reductions targeted specifically to state  
28 government administrative costs. These administrative reductions shall  
29 be achieved, to the greatest extent possible, by reducing those  
30 administrative costs that do not affect direct client services or  
31 direct service delivery or programs.

32 ~~((k))~~ (h) The department shall not pay a home care agency  
33 licensed under chapter 70.127 RCW for personal care services provided  
34 by a family member, pursuant to Substitute House Bill No. 2361  
35 (modifying state payments for in-home care).

36 ~~((l))~~ (i) Within the appropriations of this section, the  
37 department shall reduce all seventeen payment levels of the seventeen-  
38 level payment system from the fiscal year 2009 levels for boarding

1 homes, boarding homes contracted as assisted living, and adult family  
2 homes. Excluded from the reductions are exceptional care rate add-ons.  
3 The long-term care program may develop add-ons to pay exceptional care  
4 rates to adult family homes and boarding homes with specialty contracts  
5 to provide support for the following specifically eligible clients:

6 (i) Persons with AIDS or HIV-related diseases who might otherwise  
7 require nursing home or hospital care;

8 (ii) Persons with Alzheimer's disease and related dementia who  
9 might otherwise require nursing home care; and

10 (iii) Persons with co-occurring mental illness and long-term care  
11 needs who are eligible for expanded community services and who might  
12 otherwise require state and local psychiatric hospital care.

13 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,  
14 dementia specialty care, and expanded community services may be  
15 standardized within each program.

16 ~~((m))~~ (j) The amounts appropriated in this subsection reflect a  
17 reduction in funds available for employment and day services. In  
18 administering this reduction the department shall negotiate with  
19 counties and their vendors so that this reduction, to the greatest  
20 extent possible, is achieved by reducing vendor rates and allowable  
21 contract administrative charges (overhead) and not through reductions  
22 to direct client services or direct service delivery or programs.

23 ~~((n) Within the amounts allotted for employment and day services  
24 in this section, the department shall prioritize the funding of  
25 employment services for students graduating from high school during  
26 fiscal years 2010 and 2011. However, nothing in this subsection is  
27 intended to displace services for other recipients of employment  
28 services.~~

29 ~~(o))~~ (k) As part of the needs assessment instrument, the  
30 department may collect data on family income for minor children with  
31 developmental disabilities and all individuals who are receiving state-  
32 only funded services. The department may ensure that this information  
33 is collected as part of the client assessment process.

34 (l) \$116,000 of the general fund--state appropriation for fiscal  
35 year 2010, \$2,689,000 of the general fund--state appropriation for  
36 fiscal year 2011, and \$1,772,000 of the general fund--federal  
37 appropriation are provided solely for employment services and required  
38 waiver services. Priority consideration for this new funding shall be



1 young adults with developmental disabilities living with their family  
2 who need employment opportunities and assistance after high school  
3 graduation. Services shall be provided for both waiver and nonwaiver  
4 clients. Fifty percent of the general fund appropriation shall be  
5 utilized for graduates served on a home and community-based services  
6 waiver and fifty percent of the general fund appropriation shall be  
7 used for nonwaiver clients.

8 (m) The division of developmental disabilities shall not reduce  
9 funding for county employment contracts. Funding for this purpose  
10 shall be maintained at the amount appropriated for this purpose in  
11 chapter 564, Laws of 2009.

12 (n) The department shall, by September 30, 2010, provide a report  
13 to the legislature on the implementation of chapter 571, Laws of 2009  
14 (Substitute House Bill No. 2361). The report shall provide an analysis  
15 of the savings and/or costs to the agency associated with the  
16 implementation of the bill. Additionally, the report shall provide a  
17 full accounting of the relative hourly costs of agency providers and  
18 individual providers.

19 (o) The department shall establish a working group with  
20 representatives of the home care industry to identify and eliminate or  
21 mitigate administrative burdens. The make-up of this working group  
22 shall be limited to:

23 (i) The state unit on aging chief of the aging and disabilities  
24 service administration (ADSA);

25 (ii) Other ADSA representatives as the state unit on aging chief  
26 deems necessary;

27 (iii) A representative from the department of health facility  
28 services licensing;

29 (iv) No more than seven representatives of the home care industry,  
30 to include:

31 (A) A representative of each of the three home care associations;

32 (B) A for-profit agency with at least seven area agency on aging  
33 contracts;

34 (C) A nonprofit with at least seven area agency on aging contracts;

35 (D) An agency that serves persons with developmental disabilities;

36 and

37 (E) An agency that is a community action program;

38 (v) No more than two area agency on aging directors; and

1 (vi) Representatives from each of the two labor unions which  
2 represent home care workers.

3 The department is authorized to assign work group members  
4 consistent with this subsection (1)(s). The working group shall hold  
5 its first meeting no later than May 1, 2010, and shall meet at least  
6 monthly or as needed until the group has accomplished its goals. The  
7 work group shall provide a report on its findings to the legislative  
8 fiscal committees by January 1, 2011.

9 (p) The department shall electronically report to the appropriate  
10 committees of the legislature, within 45 days following each fiscal  
11 year quarter, the number of persons served in each of the following  
12 categories: (i) Residents of residential habilitation centers who are  
13 able to be adequately cared for in community settings and who choose to  
14 live in those community settings; (ii) clients without residential  
15 services who are at immediate risk of institutionalization or in  
16 crisis; (iii) children who are at risk of institutionalization or who  
17 are aging out of other state services; (iv) current home and community-  
18 based waiver program clients who have been assessed as having an  
19 immediate need for increased services; (v) clients being diverted or  
20 discharged from the state psychiatric hospitals; (vi) clients  
21 participating in the dangerous mentally ill offender program; (vii)  
22 clients participating in the community protection program; or (viii)  
23 mental health crisis diversion outplacements. The department shall  
24 strive to serve these clients in the most cost-effective manner.

25 (q) \$81,000 of the general fund--state appropriation for fiscal  
26 year 2010, \$599,000 of the general fund--state appropriation for fiscal  
27 year 2011, and \$1,111,000 of the general fund--federal appropriation  
28 are provided solely for the department to provide employment and day  
29 services for eligible students who are currently on a waiver and will  
30 graduate from high school during fiscal years 2010 and 2011.

31 (r) \$100,000 of the general fund--state appropriation for fiscal  
32 year 2011 is provided solely for direct support to families of  
33 individuals with developmental disabilities to provide instruction in  
34 self-advocacy.

35 (s) \$100,000 of the general fund--state appropriation for fiscal  
36 year 2011 is provided solely for direct support of local organizations  
37 that utilize parent-to-parent networks and communication to promote

1 access and quality of care for individuals with developmental  
2 disabilities and their families.

3 (t) The automatic award of additional hours of personal care for  
4 people with special meal preparation or incontinence needs is  
5 eliminated. Authorization of service hours will be based upon the  
6 individual's assessed needs.

7 (2) INSTITUTIONAL SERVICES

8	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$61,612,000</del> ))
9		<u>\$61,422,000</u>
10	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$74,185,000</del> ))
11		<u>\$65,685,000</u>
12	General Fund--Federal Appropriation . . . . .	(( <del>\$202,160,000</del> ))
13		<u>\$210,473,000</u>
14	General Fund--Private/Local Appropriation . . . . .	\$22,441,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$360,398,000</del> ))
16		<u>\$360,021,000</u>

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

19 (a) Individuals receiving services as supplemental security income  
20 (SSI) state supplemental payments shall not become eligible for medical  
21 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
22 supplemental payments.

23 (b) The developmental disabilities program is authorized to use  
24 funds appropriated in this subsection to purchase goods and supplies  
25 through direct contracting with vendors when the program determines it  
26 is cost-effective to do so.

27 (c) \$721,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$721,000 of the general fund--state appropriation for  
29 fiscal year 2011 are provided solely for the department to fulfill its  
30 contracts with the school districts under chapter 28A.190 RCW to  
31 provide transportation, building space, and other support services as  
32 are reasonably necessary to support the educational programs of  
33 students living in residential habilitation centers.

34 (d) In addition to other reductions, the appropriations in this  
35 subsection reflect reductions targeted specifically to state government  
36 administrative costs. These administrative reductions shall be  
37 achieved, to the greatest extent possible, by reducing those

1 administrative costs that do not affect direct client services or  
2 direct service delivery or programs.

3 (3) PROGRAM SUPPORT

4	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$1,420,000</del> ))
5		<u>\$1,407,000</u>
6	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,372,000</del> ))
7		<u>\$1,379,000</u>
8	General Fund--Federal Appropriation . . . . .	(( <del>\$1,360,000</del> ))
9		<u>\$1,319,000</u>
10	TOTAL APPROPRIATION . . . . .	(( <del>\$4,152,000</del> ))
11		<u>\$4,105,000</u>

12 The appropriations in this subsection are subject to the following  
13 conditions and limitations: In addition to other reductions, the  
14 appropriations in this subsection reflect reductions targeted  
15 specifically to state government administrative costs. These  
16 administrative reductions shall be achieved, to the greatest extent  
17 possible, by reducing those administrative costs that do not affect  
18 direct client services or direct service delivery or programs.

19 (4) SPECIAL PROJECTS

20	<del>((General Fund--State Appropriation (FY 2010) . . . . .</del>	<del>\$15,000</del>
21	<del>General Fund--State Appropriation (FY 2011) . . . . .</del>	<del>\$15,000</del> )
22	General Fund--Federal Appropriation . . . . .	(( <del>\$21,066,000</del> ))
23		<u>\$9,631,000</u>
24	TOTAL APPROPRIATION . . . . .	(( <del>\$21,096,000</del> ))
25		<u>\$9,631,000</u>

26 The appropriations in this subsection are subject to the following  
27 conditions and limitations: The appropriations in this subsection are  
28 available solely for the infant toddler early intervention program.

29 **Sec. 206.** 2010 c 3 s 205 (uncodified) is amended to read as  
30 follows:

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

33	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$584,741,000</del> ))
34		<u>\$616,837,000</u>
35	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$693,325,000</del> ))
36		<u>\$638,535,000</u>

1	General Fund--Federal Appropriation . . . . .	(( <del>\$1,805,958,000</del> ))
2		<u>\$1,953,289,000</u>
3	General Fund--Private/Local Appropriation . . . . .	(( <del>\$19,973,000</del> ))
4		<u>\$18,013,000</u>
5	Traumatic Brain Injury Account--State Appropriation . .	(( <del>\$1,816,000</del> ))
6		<u>\$4,136,000</u>
7	TOTAL APPROPRIATION . . . . .	(( <del>\$3,105,813,000</del> ))
8		<u>\$3,230,810,000</u>

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

11 (1) For purposes of implementing chapter 74.46 RCW, the weighted  
12 average nursing facility payment rate shall not exceed ((~~\$156.37~~))  
13 \$169.85 for fiscal year 2010 and shall not exceed ((~~\$158.74~~)) \$166.24  
14 for fiscal year 2011, including the rate add-on described in subsection  
15 (12) of this section. There will be no adjustments for economic trends  
16 and conditions in fiscal years 2010 and 2011. The economic trends and  
17 conditions factor or factors defined in the biennial appropriations act  
18 shall not be compounded with the economic trends and conditions factor  
19 or factors defined in any other biennial appropriations acts before  
20 applying it to the component rate allocations established in accordance  
21 with chapter 74.46 RCW. When no economic trends and conditions factor  
22 for either fiscal year is defined in a biennial appropriations act, no  
23 economic trends and conditions factor or factors defined in any earlier  
24 biennial appropriations act shall be applied solely or compounded to  
25 the component rate allocations established in accordance with chapter  
26 74.46 RCW.

27 (2) After examining actual nursing facility cost information, the  
28 legislature finds that the medicaid nursing facility rates calculated  
29 pursuant to Substitute House Bill No. 3202 or Substitute Senate Bill  
30 No. 6872 (nursing facility medicaid payments) provide sufficient  
31 reimbursement to efficient and economically operating nursing  
32 facilities and bears a reasonable relationship to costs.

33 (3) In accordance with chapter 74.46 RCW, the department shall  
34 issue no additional certificates of capital authorization for fiscal  
35 year 2010 and no new certificates of capital authorization for fiscal  
36 year 2011 and shall grant no rate add-ons to payment rates for capital  
37 improvements not requiring a certificate of need and a certificate of  
38 capital authorization for fiscal year 2011.

1        ~~((+3))~~ (4) The long-term care program may develop and pay enhanced  
2 rates for exceptional care to nursing homes for persons with traumatic  
3 brain injuries who are transitioning from hospital care. The cost per  
4 patient day for caring for these clients in a nursing home setting may  
5 be equal to or less than the cost of caring for these clients in a  
6 hospital setting.

7        ~~((+4))~~ (5) Within the appropriations of this section, the  
8 department shall reduce all seventeen payment levels of the seventeen-  
9 level payment system from the fiscal year 2009 levels for boarding  
10 homes, boarding homes contracted as assisted living, and adult family  
11 homes. Excluded from the reductions are exceptional care rate add-ons.  
12 The long-term care program may develop add-ons to pay exceptional care  
13 rates to adult family homes and boarding homes with specialty contracts  
14 to provide support for the following specifically eligible clients:

15        (a) Persons with AIDS or HIV-related diseases who might otherwise  
16 require nursing home or hospital care;

17        (b) Persons with Alzheimer's disease and related dementia who might  
18 otherwise require nursing home care; and

19        (c) Persons with co-occurring mental illness and long-term care  
20 needs who are eligible for expanded community services and who might  
21 otherwise require state and local psychiatric hospital care.

22        Within amounts appropriated, exceptional add-on rates for AIDS/HIV,  
23 dementia specialty care, and expanded community services may be  
24 standardized within each program.

25        ~~((+5))~~ (6)(a) Amounts appropriated in this section reflect a  
26 reduction to funds appropriated for in-home care. The department shall  
27 reduce the number of in-home hours authorized. The reduction shall be  
28 scaled based on the acuity level of care recipients. The largest hour  
29 reductions shall be to lower acuity patients and the smallest hour  
30 reductions shall be to higher acuity patients. In doing so, the  
31 department shall comply with all maintenance of effort requirements  
32 contained in the American reinvestment and recovery act.

33        (b) \$3,070,000 of the general fund--state appropriation for fiscal  
34 year 2011 and \$4,980,000 of the general fund--federal appropriation are  
35 provided solely for the department to partially restore the reduction  
36 to in-home care that are taken in (a) of this subsection. The  
37 department will use the same formula to restore personal care hours  
38 that it used to reduce personal care hours.

1        ~~((+6))~~ (7) \$536,000 of the general fund--state appropriation for  
2 fiscal year 2010, \$1,477,000 of the general fund--state appropriation  
3 for fiscal year 2011, and \$2,830,000 of the general fund--federal  
4 appropriation are provided solely for health care benefits pursuant to  
5 a collective bargaining agreement negotiated with the exclusive  
6 bargaining representative of individual providers established under RCW  
7 74.39A.270.

8        ~~((+7))~~ (8)(a) \$1,212,000 of the general fund--state appropriation  
9 for fiscal year 2010, \$2,934,000 of the general fund--state  
10 appropriation for fiscal year 2011, and \$2,982,000 of the general  
11 fund--federal appropriation are provided solely for the state's  
12 contribution to the training partnership, as provided in RCW  
13 74.39A.360, pursuant to a collective bargaining agreement negotiated  
14 with the exclusive bargaining representative of individual providers  
15 established under RCW 74.39A.270.

16        (b) \$330,000 of the general fund--state appropriation for fiscal  
17 year 2010, \$660,000 of the general fund--state appropriation for fiscal  
18 year 2011, and \$810,000 of the general fund--federal appropriation are  
19 provided solely for transfer from the department to the training  
20 partnership, as provided in RCW 74.39A.360, for infrastructure and  
21 instructional costs associated with training of individual providers,  
22 pursuant to a collective bargaining agreement negotiated with the  
23 exclusive bargaining representative of individual providers established  
24 under RCW 74.39A.270.

25        (c) The federal portion of the amounts in this subsection is  
26 contingent upon federal approval of participation in contributions to  
27 the trust and shall remain unallotted and placed in reserve status  
28 until the office of financial management and the department of social  
29 and health services receive federal approval.

30        (d) Expenditures for the purposes specified in this subsection  
31 shall not exceed the amounts provided in this subsection.

32        ~~((+8))~~ (9) Within the amounts appropriated in this section, the  
33 department may expand the new freedom waiver program to accommodate new  
34 waiver recipients throughout the state. As possible, and in compliance  
35 with current state and federal laws, the department shall allow current  
36 waiver recipients to transfer to the new freedom waiver.

37        ~~((+9))~~ (10) Individuals receiving services as supplemental

1 security income (SSI) state supplemental payments shall not become  
2 eligible for medical assistance under RCW 74.09.510 due solely to the  
3 receipt of SSI state supplemental payments.

4 ~~((10) Adult day health services shall only be authorized for in-~~  
5 ~~home clients.))~~

6 (11) \$3,955,000 of the general fund--state appropriation for fiscal  
7 year 2010, \$4,239,000 of the general fund--state appropriation for  
8 fiscal year 2011, and \$10,190,000 of the general fund--federal  
9 appropriation are provided solely for the continued operation of  
10 community residential and support services for persons who are older  
11 adults or who have co-occurring medical and behavioral disorders and  
12 who have been discharged or diverted from a state psychiatric hospital.  
13 These funds shall be used to serve individuals whose treatment needs  
14 constitute substantial barriers to community placement, who no longer  
15 require active psychiatric treatment at an inpatient hospital level of  
16 care, and who no longer meet the criteria for inpatient involuntary  
17 commitment. Coordination of these services will be done in partnership  
18 between the mental health program and the aging and disability services  
19 administration.

20 (12) Within the funds provided, the department shall continue to  
21 provide an add-on per medicaid resident day per facility not to exceed  
22 \$1.57. The add-on shall be used to increase wages, benefits, and/or  
23 staffing levels for certified nurse aides; or to increase wages and/or  
24 benefits for dietary aides, housekeepers, laundry aides, or any other  
25 category of worker whose statewide average dollars-per-hour wage was  
26 less than \$15 in calendar year 2008, according to cost report data.  
27 The add-on may also be used to address resulting wage compression for  
28 related job classes immediately affected by wage increases to low-wage  
29 workers. The department shall continue reporting requirements and a  
30 settlement process to ensure that the funds are spent according to this  
31 subsection. The department shall adopt rules to implement the terms of  
32 this subsection.

33 (13) \$1,840,000 of the general fund--state appropriation for fiscal  
34 year 2010 and \$1,877,000 of the general fund--state appropriation for  
35 fiscal year 2011 are provided solely for operation of the volunteer  
36 ~~((here))~~ services program. Funding shall be prioritized towards  
37 serving populations traditionally served by long-term care services to  
38 include senior citizens and persons with disabilities.



1 (14) In accordance with chapter 74.39 RCW, the department may  
2 implement two medicaid waiver programs for persons who do not qualify  
3 for such services as categorically needy, subject to federal approval  
4 and the following conditions and limitations:

5 (a) One waiver program shall include coverage of care in community  
6 residential facilities. Enrollment in the waiver shall not exceed 600  
7 persons at any time.

8 (b) The second waiver program shall include coverage of in-home  
9 care. Enrollment in this second waiver shall not exceed 200 persons at  
10 any time.

11 (c) The department shall identify the number of medically needy  
12 nursing home residents, and enrollment and expenditures on each of the  
13 two medically needy waivers, on monthly management reports.

14 (d) If it is necessary to establish a waiting list for either  
15 waiver because the budgeted number of enrollment opportunities has been  
16 reached, the department shall track how the long-term care needs of  
17 applicants assigned to the waiting list are met.

18 (15) The department shall establish waiting lists to the extent  
19 necessary to assure that annual expenditures on the community options  
20 program entry systems (COPES) program do not exceed appropriated  
21 levels. In establishing and managing any such waiting list, the  
22 department shall assure priority access to persons with the greatest  
23 unmet needs, as determined by department assessment processes.

24 (16) The department shall contract for housing with service models,  
25 such as cluster care, to create efficiencies in service delivery and  
26 responsiveness to unscheduled personal care needs by clustering hours  
27 for clients that live in close proximity to each other.

28 (17) The department shall not pay a home care agency licensed under  
29 chapter 70.127 RCW for personal care services provided by a family  
30 member, pursuant to Substitute House Bill No. 2361 (modifying state  
31 payments for in-home care).

32 (18) (~~(\$204,000)~~) \$209,000 of the general fund--state appropriation  
33 for fiscal year 2010, (~~(\$1,099,000)~~) \$781,000 of the general fund--  
34 state appropriation for fiscal year 2011, and (~~(\$1,697,000)~~) \$1,293,000  
35 of the general fund--federal appropriation are provided solely to  
36 implement Engrossed House Bill No. 2194 (extraordinary medical  
37 placement for offenders). The department shall work in partnership  
38 with the department of corrections to identify services and find

1 placements for offenders who are released through the extraordinary  
2 medical placement program. The department shall collaborate with the  
3 department of corrections to identify and track cost savings to the  
4 department of corrections, including medical cost savings and to  
5 identify and track expenditures incurred by the aging and disability  
6 services program for community services and by the medical assistance  
7 program for medical expenses. A joint report regarding the identified  
8 savings and expenditures shall be provided to the office of financial  
9 management and the appropriate fiscal committees of the legislature by  
10 November 30, 2010. If this bill is not enacted by June 30, 2009, the  
11 amounts provided in this subsection shall lapse.

12 ~~(19) ((Sufficient funding is provided in this section for the~~  
13 ~~department to implement Engrossed Second Substitute House Bill No. 1935~~  
14 ~~(adult family homes). During the 2009-11 biennium, the initial~~  
15 ~~licensing fee for an adult family home shall be set at \$900.00. During~~  
16 ~~the 2009-11 biennium, the annual licensing renewal fee shall be set at~~  
17 ~~\$100.00.)) In accordance with RCW 18.51.050, 18.20.050, and 43.135.055,~~  
18 the department is authorized to increase nursing facility and boarding  
19 home fees in fiscal year 2011 as necessary to meet the actual costs of  
20 conducting the licensure, inspection, and regulatory programs.

21 (a) \$1,035,000 of the general fund--private/local appropriation  
22 assumes that the current annual renewal license fee for nursing  
23 facilities shall be increased to \$327 per bed beginning in fiscal year  
24 2011.

25 (b) \$1,806,000 of the general fund--local appropriation assumes  
26 that the current annual renewal license fee for boarding homes shall be  
27 increased to \$106 per bed beginning in fiscal year 2011.

28 (20) The department shall, by September 30, 2010, provide a report  
29 to the legislature on the implementation of chapter 571, Laws of 2009  
30 (Substitute House Bill No. 2361). The report shall provide an analysis  
31 of the savings and/or costs to the agency associated with the  
32 implementation of the bill. Additionally, the report shall provide a  
33 full accounting of the relative hourly costs of agency providers and  
34 individual providers.

35 (21) The department shall establish a working group with  
36 representatives of the home care industry to identify and eliminate or  
37 mitigate administrative burdens. The make-up of this working group  
38 shall be limited to:

1 (a) The state unit on aging chief of the aging and disabilities  
2 service administration (ADSA);

3 (b) Other ADSA representatives as the state unit on aging chief  
4 deems necessary;

5 (c) A representative from the department of health facility  
6 services licensing;

7 (d) No more than seven representatives of the home care industry,  
8 to include:

9 (i) A representative of each of the three home care associations;

10 (ii) A for-profit agency with at least seven area agency on aging  
11 contracts;

12 (iii) A nonprofit with at least seven area agency on aging  
13 contracts;

14 (iv) An agency that serves persons with developmental disabilities;  
15 and

16 (v) An agency that is a community action program;

17 (e) No more than two area agency on aging directors; and

18 (f) Representatives from each of the two labor unions which  
19 represent home care workers.

20 The department is authorized to assign work group members  
21 consistent with this subsection. The working group shall hold its  
22 first meeting no later than May 1, 2010, and shall meet at least  
23 monthly or as needed until the group has accomplished its goals. The  
24 work group shall provide a report on its findings to the legislative  
25 fiscal committees by January 1, 2011.

26 (22) \$2,566,000 of the traumatic brain injury account--state  
27 appropriation is provided solely to continue services for persons with  
28 traumatic brain injury (TBI) as defined in RCW 74.31.020 through  
29 74.31.050. The TBI advisory council shall provide a report to the  
30 legislature by December 1, 2010, on the effectiveness of the functions  
31 overseen by the council and shall provide recommendations on the  
32 development of critical services for individuals with traumatic brain  
33 injury.

34 (23) The automatic award of additional hours of personal care for  
35 people with special meal preparation or incontinence needs is  
36 eliminated. Authorization of service hours will be based upon the  
37 individual's assessed needs.

1       (24) For calendar year 2009, the department shall calculate split  
2 settlements covering two periods January 1, 2009, through June 30,  
3 2009, and July 1, 2009, through December 31, 2009. For the second  
4 period beginning July 1, 2009, the department may partially or totally  
5 waive settlements only in specific cases where a nursing home can  
6 demonstrate significant decreases in costs from the first period.

7       (25) \$72,000 of the traumatic brain injury account appropriation  
8 and \$116,000 of the general fund--federal appropriation are provided  
9 solely for a direct care rate add-on to any nursing facility  
10 specializing in the care of residents with traumatic brain injuries  
11 where more than 50 percent of residents are classified with this  
12 condition based upon the federal minimum data set assessment.

13       (26) \$69,000 of the general fund--state appropriation for fiscal  
14 year 2010, \$1,289,000 of the general fund--state appropriation for  
15 fiscal year 2011, and \$2,050,000 of the general fund--federal  
16 appropriation are provided solely for the department to maintain  
17 enrollment in the adult day health services program. New enrollments  
18 are authorized for up to 1,575 clients or to the extent that  
19 appropriated funds are available to cover additional clients.

20       (27) \$1,000,000 of the general fund--state appropriation for fiscal  
21 year 2011 is provided solely for the department to contract for the  
22 provision of an individual provider referral registry.

23       (28) \$100,000 of the general fund--state appropriation for fiscal  
24 year 2011 and \$100,000 of the general fund--federal appropriation are  
25 provided solely for the department to contract with a consultant to  
26 evaluate and make recommendations on a pay-for-performance payment  
27 subsidy system. The department shall organize one workgroup meeting  
28 with the consultant where nursing home stakeholders may provide input  
29 on pay-for-performance ideas. The consultant shall review pay-for-  
30 performance strategies used in other states to sustain and enhance  
31 quality-improvement efforts in nursing facilities. The evaluation  
32 shall include a review of the centers for medicare and medicaid  
33 services demonstration project to explore the feasibility of pay-for-  
34 performance systems in medicare certified nursing facilities. The  
35 consultant shall develop a report to include:

36       (a) Best practices used in other states for pay-for-performance  
37 strategies incorporated into medicaid nursing home payment systems;

38       (b) The relevance of existing research to Washington state;

1 (c) A summary and review of suggestions for pay-for-performance  
2 strategies provided by nursing home stakeholders in Washington state;  
3 and

4 (d) An evaluation of the effectiveness on a variety of performance  
5 measures.

6 (29) \$4,100,000 of the general fund--state appropriation for fiscal  
7 year 2010, \$4,174,000 of the general fund--state appropriation for  
8 fiscal year 2011, and \$8,124,000 of the general fund--federal  
9 appropriation are provided for the operation of the management services  
10 division of the aging and disability services administration. This  
11 includes but is not limited to the budget, contracts, accounting,  
12 decision support, information technology, and rate development  
13 activities for programs administered by the aging and disability  
14 services administration. Nothing in this subsection is intended to  
15 exempt the management services division of the aging and disability  
16 services administration from reductions directed by the secretary.  
17 However, funds provided in this subsection shall not be transferred  
18 elsewhere within the department nor used for any other purpose.

19 **Sec. 207.** 2010 c 3 s 206 (uncodified) is amended to read as  
20 follows:

21 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**  
22 **PROGRAM**

23	General Fund--State Appropriation (FY 2010) . . . . .	(( \$557,452,000 ))
24		<u>\$564,492,000</u>
25	General Fund--State Appropriation (FY 2011) . . . . .	(( \$587,973,000 ))
26		<u>\$581,459,000</u>
27	General Fund--Federal Appropriation . . . . .	(( \$1,139,899,000 ))
28		<u>\$1,223,832,000</u>
29	General Fund--Private/Local Appropriation . . . . .	(( \$27,920,000 ))
30		<u>\$31,816,000</u>
31	Administrative Contingency Account--State	
32	Appropriation . . . . .	(( \$29,136,000 ))
33		<u>\$24,336,000</u>
34	TOTAL APPROPRIATION . . . . .	(( \$2,342,380,000 ))
35		<u>\$2,425,935,000</u>

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

1           (1) (~~(\$303,196,000)~~) \$303,393,000 of the general fund--state  
2 appropriation for fiscal year 2010, (~~(\$309,755,000)~~) \$285,913,000 of  
3 the general fund--state appropriation for fiscal year 2011,  
4 (~~(\$29,136,000)~~) \$24,336,000 of the administrative contingency account--  
5 state appropriation, and \$778,606,000 of the general fund--federal  
6 appropriation are provided solely for all components of the WorkFirst  
7 program. The department shall use moneys from the administrative  
8 contingency account for WorkFirst job placement services provided by  
9 the employment security department. Within the amounts provided for  
10 the WorkFirst program, the department may provide assistance using  
11 state-only funds for families eligible for temporary assistance for  
12 needy families. In addition, within the amounts provided for WorkFirst  
13 the department shall:

14           (a) Establish a career services work transition program;

15           (b) Continue to implement WorkFirst program improvements that are  
16 designed to achieve progress against outcome measures specified in RCW  
17 74.08A.410. Outcome data regarding job retention and wage progression  
18 shall be reported quarterly to appropriate fiscal and policy committees  
19 of the legislature for families who leave assistance, measured after 12  
20 months, 24 months, and 36 months. The department shall also report the  
21 percentage of families who have returned to temporary assistance for  
22 needy families after 12 months, 24 months, and 36 months;

23           (c) Submit a report electronically by October 1, 2009, to the  
24 fiscal committees of the legislature containing a spending plan for the  
25 WorkFirst program. The plan shall identify how spending levels in the  
26 2009-2011 biennium will be adjusted to stay within available federal  
27 grant levels and the appropriated state-fund levels;

28           (d) Provide quarterly fiscal reports to the office of financial  
29 management and the legislative fiscal committees detailing information  
30 on the amount expended from general fund--state and general fund--  
31 federal by activity;

32           (e) Maintain the fiscal year 2009 grant standard for the temporary  
33 assistance for needy families grant.

34           (2) The WorkFirst subcabinet, in partnership with the department of  
35 social and health services, shall review and prepare a report on  
36 services provided and accessed by both general population clients and  
37 limited English proficiency clients. The review shall include  
38 information on efficiencies and outcomes related to client services for

1 each client population. The report should identify services and  
2 expenditures related to client outcomes in fiscal year 2010. The  
3 report on these programs and client outcomes shall be reported to the  
4 appropriate committees of the legislature no later than December 15,  
5 2010.

6 (3) The department and the office of financial management shall  
7 electronically report quarterly the expenditures, maintenance of effort  
8 allotments, expenditure amounts, and caseloads for the WorkFirst  
9 program to the legislative fiscal committees.

10 ((+3)) (4) \$16,783,000 of the general fund--state appropriation  
11 for fiscal year 2011 and \$62,000,000 of the general fund--federal  
12 appropriation are provided solely for all components of the WorkFirst  
13 program in order to maintain services to January 2011. The legislature  
14 intends to work with the governor to design and implement fiscal and  
15 programmatic modifications to provide for the sustainability of the  
16 program. The funding in this subsection assumes that no other  
17 expenditure reductions will be made prior to January 2011 other than  
18 those assumed in the appropriation levels in this act.

19 (5) (~~(\$84,856,000)~~) \$94,322,000 of the general fund--state  
20 appropriation for fiscal year 2010 and (~~(\$95,173,000)~~) \$97,168,000 of  
21 the general fund--state appropriation for fiscal year 2011, net of  
22 recoveries, are provided solely for cash assistance and other services  
23 to recipients in the (~~general assistance unemployable program~~) cash  
24 program pursuant to chapter 8, Laws of 2010 1st sp. sess. (security  
25 lifeline act), including persons in the unemployable, expedited, and  
26 aged, blind, and disabled components of the program. It is the intent  
27 of the legislature that the lifeline incapacity determination and  
28 progressive evaluation process regulations be carefully designed to  
29 accurately identify those persons who have been or will be  
30 incapacitated for at least ninety days. The incapacity determination  
31 and progressive evaluation process regulations in effect on January 1,  
32 2010, cannot be amended until at least September 30, 2010; except that  
33 provisions related to the use of administrative review teams may be  
34 amended, and obsolete terminology and functional assessment language  
35 may be updated on or after July 1, 2010, in a manner that only  
36 minimally impacts the outcome of incapacity evaluations. After  
37 September 30, 2010, the incapacity determination and progressive  
38 evaluation process regulations may be amended only if the reports under

1 (a) and (b) of this subsection have been submitted, and find that  
2 expenditures will exceed the appropriated level by three percent or  
3 more.

4 (a) The department and the caseload forecast council shall, by  
5 September 21, 2010, submit a report to the legislature based upon the  
6 most recent caseload forecast and actual expenditure data available, as  
7 to whether expenditures for the lifeline-unemployable grants in fiscal  
8 year 2011 will exceed \$69,648,000 for fiscal year 2011 in the 2010  
9 supplemental operating budget by three percent or more. If  
10 expenditures will exceed the appropriated amount for lifeline-  
11 unemployable grants by three percent or more, the department may adopt  
12 regulations modifying incapacity determination and progressive  
13 evaluation process regulations after September 30, 2010.

14 (b) On or before September 21, 2010, the department shall submit a  
15 report to the relevant policy and fiscal committees of the legislature  
16 that includes the following information regarding any regulations  
17 proposed for adoption that would modify the lifeline incapacity  
18 determination and progressive evaluation process:

19 (i) A copy of the proposed changes and a concise description of the  
20 changes;

21 (ii) A description of the persons who would likely be affected by  
22 adoption of the regulations, including their impairments, age,  
23 education, and work history;

24 (iii) An estimate of the number of persons who, on a monthly basis  
25 through June 2013, would be denied lifeline benefits if the regulations  
26 were adopted, expressed as a number, as a percentage of total  
27 applicants, and as a percentage of the number of persons granted  
28 lifeline benefits in each month;

29 (iv) An estimate of the number of persons who, on a monthly basis  
30 through June 2013, would have their lifeline benefits terminated  
31 following an eligibility review if the regulations were adopted,  
32 expressed as a number, as a percentage of the number of persons who  
33 have had an eligibility review in each month, and as a percentage of  
34 the total number of persons currently receiving lifeline-unemployable  
35 benefits in each month; and

36 (v) Intended improvements in employment or treatment outcomes among  
37 persons receiving lifeline benefits that could be attributable to the  
38 changes in the regulations.



1       (c) Within these amounts:

2       ((+a)) (i) The department shall aggressively pursue opportunities  
3 to transfer ((general assistance unemployable)) lifeline clients to  
4 general assistance expedited coverage and to facilitate client  
5 applications for federal supplemental security income when the client's  
6 incapacities indicate that he or she would be likely to meet the  
7 federal disability criteria for supplemental security income. The  
8 department shall initiate and file the federal supplemental security  
9 income interim agreement as quickly as possible in order to maximize  
10 the recovery of federal funds;

11       ((+b)) (ii) The department shall review the ((general assistance))  
12 lifeline caseload to identify recipients that would benefit from  
13 assistance in becoming naturalized citizens, and thus be eligible to  
14 receive federal supplemental security income benefits. Those cases  
15 shall be given high priority for naturalization funding through the  
16 department;

17       ((+c)) (iii) The department shall actively coordinate with local  
18 workforce development councils to expedite access to worker retraining  
19 programs for ((general assistance unemployable)) lifeline clients in  
20 those regions of the state with the greatest number of such clients;

21       ((+d)) (iv) By July 1, 2009, the department shall enter into an  
22 interagency agreement with the department of veterans' affairs to  
23 establish a process for referral of veterans who may be eligible for  
24 veteran's services. This agreement must include outstationing  
25 department of veterans' affairs staff in selected community service  
26 office locations in King and Pierce counties to facilitate applications  
27 for veterans' services; and

28       ((+e)) (v) In addition to any earlier evaluation that may have  
29 been conducted, the department shall intensively evaluate those clients  
30 who have been receiving ((general assistance unemployable)) lifeline  
31 benefits for twelve months or more as of July 1, 2009, or thereafter,  
32 if the available medical and incapacity related evidence indicates that  
33 the client is unlikely to meet the disability standard for federal  
34 supplemental security income benefits. The evaluation shall identify  
35 services necessary to eliminate or minimize barriers to employment,  
36 including mental health treatment, substance abuse treatment and  
37 vocational rehabilitation services. The department shall expedite

1 referrals to chemical dependency treatment, mental health and  
2 vocational rehabilitation services for these clients.

3 ~~((+f))~~ (vi) The appropriations in this subsection reflect a change  
4 in the earned income disregard policy for ~~((general--assistance  
5 unemployable))~~ lifeline clients. It is the intent of the legislature  
6 that the department shall adopt the temporary assistance for needy  
7 families earned income policy for ~~((general--assistance--unemployable))~~  
8 the lifeline program.

9 ~~((+4))~~ (6) \$750,000 of the general fund--state appropriation for  
10 fiscal year 2010 and \$750,000 of the general fund--state appropriation  
11 for fiscal year 2011 are provided solely for naturalization services.

12 ~~((+5))~~ (7)(a) \$3,550,000 of the general fund--state appropriation  
13 for fiscal year 2010 is provided solely for refugee employment  
14 services, of which \$2,650,000 is provided solely for the department to  
15 pass through to statewide refugee assistance organizations for limited  
16 English proficiency pathway services; and \$3,550,000 of the general  
17 fund--state appropriation for fiscal year 2011 is provided solely for  
18 refugee employment services, of which \$2,650,000 is provided solely for  
19 the department to pass through to statewide refugee assistance  
20 organizations for limited English proficiency pathway services.

21 (b) The legislature intends that the appropriation in this  
22 subsection for the 2009-11 fiscal biennium will maintain funding for  
23 refugee programs at a level at least equal to expenditures on these  
24 programs in the 2007-09 fiscal biennium.

25 ~~((+6))~~ (8) The appropriations in this section reflect reductions  
26 in the appropriations for the economic services administration's  
27 administrative expenses. It is the intent of the legislature that  
28 these reductions shall be achieved, to the greatest extent possible, by  
29 reducing those administrative costs that do not affect direct client  
30 services or direct service delivery or program.

31 (9) \$855,000 of the general fund--state appropriation for fiscal  
32 year 2011, \$719,000 of the general fund--federal appropriation, and  
33 \$2,907,000 of the general fund--private/local appropriation are  
34 provided solely for the implementation of the opportunity portal, the  
35 food stamp employment and training program, and the disability lifeline  
36 program under Second Substitute House Bill No. 2782 (security lifeline  
37 act). If the bill is not enacted by June 30, 2010, the amounts  
38 provided in this subsection shall lapse.

1       (10) \$200,000 of the general fund--state appropriation for fiscal  
 2 year 2011 is provided solely for the department to award grants to  
 3 small mutual assistance or small community-based organizations that  
 4 contract with the department for immigrant and refugee assistance  
 5 services. The funds shall be awarded to provide funding for community  
 6 groups to provide transitional assistance, language skills, and other  
 7 resources to improve refugees' economic self-sufficiency through the  
 8 effective use of social services, financial services, and medical  
 9 assistance.

10       (11) \$250,000 of the general fund--state appropriation for fiscal  
 11 year 2010 is provided solely for increased funding for limited English  
 12 proficiency pathway programs.

13       **Sec. 208.**   2010 c 3 s 207 (uncodified) is amended to read as  
 14 follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**  
 16 **SUBSTANCE ABUSE PROGRAM**

17	General Fund--State Appropriation (FY 2010) . . . . .	(( \$82,028,000 ))
18		<u>\$81,982,000</u>
19	General Fund--State Appropriation (FY 2011) . . . . .	(( \$84,682,000 ))
20		<u>\$82,393,000</u>
21	General Fund--Federal Appropriation . . . . .	(( \$145,604,000 ))
22		<u>\$148,034,000</u>
23	General Fund--Private/Local Appropriation . . . . .	(( \$2,719,000 ))
24		<u>\$2,718,000</u>
25	Criminal Justice Treatment Account--State	
26	Appropriation . . . . .	(( \$17,747,000 ))
27		<u>\$17,743,000</u>
28	Problem Gambling Account--State Appropriation . . . . .	(( \$1,459,000 ))
29		<u>\$1,456,000</u>
30	TOTAL APPROPRIATION . . . . .	(( \$334,239,000 ))
31		<u>\$334,326,000</u>

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

34       (1) Within the amounts appropriated in this section, the department  
 35 may contract with the University of Washington and community-based  
 36 providers for the provision of the parent-child assistance program.

1 For all contractors, indirect charges for administering the program  
2 shall not exceed ten percent of the total contract amount.

3 (2) Within the amounts appropriated in this section, the department  
4 shall continue to provide for chemical dependency treatment services  
5 for adult medicaid eligible and general assistance-unemployable  
6 patients.

7 (3) In addition to other reductions, the appropriations in this  
8 section reflect reductions targeted specifically to state government  
9 administrative costs. These administrative reductions shall be  
10 achieved, to the greatest extent possible, by reducing those  
11 administrative costs that do not affect direct client services or  
12 direct service delivery or programs.

13 (4) \$2,247,000 of the general fund--state appropriation for fiscal  
14 year 2011 is provided solely for the implementation of the lifeline  
15 program under Second Substitute House Bill No. 2782 (security lifeline  
16 act). If the bill is not enacted by June 30, 2010, the amount provided  
17 in this subsection shall lapse.

18 (5) \$3,500,000 of the general fund--federal appropriation (from the  
19 substance abuse prevention and treatment federal block grant) is  
20 provided solely for the continued funding of existing county drug and  
21 alcohol use prevention programs.

22 **Sec. 209.** 2010 c 3 s 208 (uncodified) is amended to read as  
23 follows:

24 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**  
25 **PROGRAM**

26 General Fund--State Appropriation (FY 2010) . . . . . ((~~\$1,598,043,000~~))  
27 \$1,697,203,000

28 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$1,985,797,000~~))  
29 \$1,789,973,000

30 General Fund--Federal Appropriation . . . . . ((~~\$5,212,855,000~~))  
31 \$6,086,632,000

32 General Fund--Private/Local Appropriation . . . . . ((~~\$12,903,000~~))  
33 \$37,249,000

34 Emergency Medical Services and Trauma Care Systems  
35 Trust Account--State Appropriation . . . . . ((~~\$15,076,000~~))  
36 \$15,075,000

37 Tobacco Prevention and Control Account--

1	State Appropriation . . . . .	(( <del>\$3,766,000</del> ))
2		<u>\$4,464,000</u>
3	<u>Hospital Safety Net Assessment Fund--State</u>	
4	<u>Appropriation . . . . .</u>	<u>\$260,036,000</u>
5	TOTAL APPROPRIATION . . . . .	(( <del>\$8,828,440,000</del> ))
6		<u>\$9,890,632,000</u>

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

9 (1) Based on quarterly expenditure reports and caseload forecasts,  
10 if the department estimates that expenditures for the medical  
11 assistance program will exceed the appropriations, the department shall  
12 take steps including but not limited to reduction of rates or  
13 elimination of optional services to reduce expenditures so that total  
14 program costs do not exceed the annual appropriation authority.

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

19 (3) The legislature affirms that it is in the state's interest for  
20 Harborview medical center to remain an economically viable component of  
21 the state's health care system.

22 (4) When a person is ineligible for medicaid solely by reason of  
23 residence in an institution for mental diseases, the department shall  
24 provide the person with the same benefits as he or she would receive if  
25 eligible for medicaid, using state-only funds to the extent necessary.

26 (5) In accordance with RCW 74.46.625, \$6,000,000 of the general  
27 fund--federal appropriation is provided solely for supplemental  
28 payments to nursing homes operated by public hospital districts. The  
29 public hospital district shall be responsible for providing the  
30 required nonfederal match for the supplemental payment, and the  
31 payments shall not exceed the maximum allowable under federal rules.  
32 It is the legislature's intent that the payments shall be supplemental  
33 to and shall not in any way offset or reduce the payments calculated  
34 and provided in accordance with part E of chapter 74.46 RCW. It is the  
35 legislature's further intent that costs otherwise allowable for rate-  
36 setting and settlement against payments under chapter 74.46 RCW shall  
37 not be disallowed solely because such costs have been paid by revenues  
38 retained by the nursing home from these supplemental payments. The

1 supplemental payments are subject to retrospective interim and final  
2 cost settlements based on the nursing homes' as-filed and final  
3 medicare cost reports. The timing of the interim and final cost  
4 settlements shall be at the department's discretion. During either the  
5 interim cost settlement or the final cost settlement, the department  
6 shall recoup from the public hospital districts the supplemental  
7 payments that exceed the medicaid cost limit and/or the medicare upper  
8 payment limit. The department shall apply federal rules for  
9 identifying the eligible incurred medicaid costs and the medicare upper  
10 payment limit.

11 (6) \$1,110,000 of the general fund--federal appropriation and  
12 \$1,105,000 of the general fund--state appropriation for fiscal year  
13 2011 are provided solely for grants to rural hospitals. The department  
14 shall distribute the funds under a formula that provides a relatively  
15 larger share of the available funding to hospitals that (a) serve a  
16 disproportionate share of low-income and medically indigent patients,  
17 and (b) have relatively smaller net financial margins, to the extent  
18 allowed by the federal medicaid program.

19 (7) \$9,818,000 of the general fund--state appropriation for fiscal  
20 year 2011, and \$9,865,000 of the general fund--federal appropriation  
21 are provided solely for grants to nonrural hospitals. The department  
22 shall distribute the funds under a formula that provides a relatively  
23 larger share of the available funding to hospitals that (a) serve a  
24 disproportionate share of low-income and medically indigent patients,  
25 and (b) have relatively smaller net financial margins, to the extent  
26 allowed by the federal medicaid program.

27 (8) The department shall continue the inpatient hospital certified  
28 public expenditures program for the 2009-11 biennium. The program  
29 shall apply to all public hospitals, including those owned or operated  
30 by the state, except those classified as critical access hospitals or  
31 state psychiatric institutions. The department shall submit reports to  
32 the governor and legislature by November 1, 2009, and by November 1,  
33 2010, that evaluate whether savings continue to exceed costs for this  
34 program. If the certified public expenditures (CPE) program in its  
35 current form is no longer cost-effective to maintain, the department  
36 shall submit a report to the governor and legislature detailing  
37 cost-effective alternative uses of local, state, and federal resources  
38 as a replacement for this program. During fiscal year 2010 and fiscal

1 year 2011, hospitals in the program shall be paid and shall retain one  
2 hundred percent of the federal portion of the allowable hospital cost  
3 for each medicaid inpatient fee-for-service claim payable by medical  
4 assistance and one hundred percent of the federal portion of the  
5 maximum disproportionate share hospital payment allowable under federal  
6 regulations. Inpatient medicaid payments shall be established using an  
7 allowable methodology that approximates the cost of claims submitted by  
8 the hospitals. Payments made to each hospital in the program in each  
9 fiscal year of the biennium shall be compared to a baseline amount.  
10 The baseline amount will be determined by the total of (a) the  
11 inpatient claim payment amounts that would have been paid during the  
12 fiscal year had the hospital not been in the CPE program based on the  
13 reimbursement rates developed, implemented, and consistent with  
14 policies approved in the 2009-11 biennial operating appropriations act  
15 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half  
16 of the indigent assistance disproportionate share hospital payment  
17 amounts paid to and retained by each hospital during fiscal year 2005,  
18 and (c) all of the other disproportionate share hospital payment  
19 amounts paid to and retained by each hospital during fiscal year 2005  
20 to the extent the same disproportionate share hospital programs exist  
21 in the 2009-11 biennium. If payments during the fiscal year exceed the  
22 hospital's baseline amount, no additional payments will be made to the  
23 hospital except the federal portion of allowable disproportionate share  
24 hospital payments for which the hospital can certify allowable match.  
25 If payments during the fiscal year are less than the baseline amount,  
26 the hospital will be paid a state grant equal to the difference between  
27 payments during the fiscal year and the applicable baseline amount.  
28 Payment of the state grant shall be made in the applicable fiscal year  
29 and distributed in monthly payments. The grants will be recalculated  
30 and redistributed as the baseline is updated during the fiscal year.  
31 The grant payments are subject to an interim settlement within eleven  
32 months after the end of the fiscal year. A final settlement shall be  
33 performed. To the extent that either settlement determines that a  
34 hospital has received funds in excess of what it would have received as  
35 described in this subsection, the hospital must repay the excess  
36 amounts to the state when requested. \$20,403,000 of the general fund--  
37 state appropriation for fiscal year 2010, of which \$6,570,000 ((of the  
38 general fund state appropriation for fiscal year 2010, which)) is

1 appropriated in section 204(1) of this act, and (~~(\$1,500,000 of the~~  
2 ~~general fund state appropriation for fiscal year 2011, which~~))  
3 \$29,480,000 of the general fund--state appropriation for fiscal year  
4 2011, of which \$6,570,000 is appropriated in section 204(1) of this  
5 act, are provided solely for state grants for the participating  
6 hospitals. (~~(Sufficient amounts are appropriated in this section for~~  
7 ~~the remaining state grants for the participating hospitals.)~~) CPE  
8 hospitals will receive the inpatient and outpatient reimbursement rate  
9 restorations in section 9 and rate increases in section 10(1)(b) of  
10 Engrossed Second Substitute House Bill No. 2956 (hospital safety net  
11 assessment) funded through the hospital safety net assessment fund  
12 rather than through the baseline mechanism specified in this  
13 subsection.

14 (9) The department is authorized to use funds appropriated in this  
15 section to purchase goods and supplies through direct contracting with  
16 vendors when the department determines it is cost-effective to do so.

17 (10) \$93,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$93,000 of the general fund--federal appropriation are  
19 provided solely for the department to pursue a federal Medicaid waiver  
20 pursuant to Second Substitute Senate Bill No. 5945 (Washington health  
21 partnership plan). If the bill is not enacted by June 30, 2009, the  
22 amounts provided in this subsection shall lapse.

23 (11) The department shall require managed health care systems that  
24 have contracts with the department to serve medical assistance clients  
25 to limit any reimbursements or payments the systems make to providers  
26 not employed by or under contract with the systems to no more than the  
27 medical assistance rates paid by the department to providers for  
28 comparable services rendered to clients in the fee-for-service delivery  
29 system.

30 (12) A maximum of (~~(\$166,875,000 of the general fund state~~  
31 ~~appropriation and \$38,389,000 of the general fund federal~~))  
32 \$241,141,000 in total funds from the general fund--state, general  
33 fund--federal, and tobacco and prevention control account--state  
34 appropriations may be expended in the fiscal biennium for the (~~general~~  
35 ~~assistance-unemployable~~) medical program pursuant to chapter 8, Laws  
36 of 2010 1st sp. sess. (security lifeline act), and these amounts are  
37 provided solely for this program. Of these amounts, \$10,749,000 of the  
38 general fund--state appropriation for fiscal year 2010 and \$10,892,000



1 of the general fund--federal appropriation are provided solely for  
2 payments to hospitals for providing outpatient services to low income  
3 patients who are recipients of (~~general assistance unemployable~~)  
4 lifeline benefits. Pursuant to RCW 74.09.035, the department shall not  
5 expend for the (~~general assistance~~) lifeline medical care services  
6 program any amounts in excess of the amounts provided in this  
7 subsection.

8 (~~(13) (If the department determines that it is feasible within the~~  
9 ~~amounts provided in subsection (16) of this section, and without the~~  
10 ~~loss of federal disproportionate share hospital funds, the department~~  
11 ~~shall contract with the carrier currently operating a managed care~~  
12 ~~pilot project for the provision of medical care services to general~~  
13 ~~assistance unemployable clients.))~~ Mental health services shall be  
14 included in the services provided through the managed care system(~~(-~~  
15 ~~If the department determines that it is feasible, effective October 1,~~  
16 ~~2009, in addition to serving clients in the pilot counties, the carrier~~  
17 ~~shall expand managed care services to clients residing in at least the~~  
18 ~~following counties: Spokane, Yakima, Chelan, Kitsap, and Cowlitz. If~~  
19 ~~the department determines that it is feasible, the carrier shall~~  
20 ~~complete implementation into the remaining counties. Total per person~~  
21 ~~costs to the state, including outpatient and inpatient services and any~~  
22 ~~additional costs due to stop loss agreements, shall not exceed the per~~  
23 ~~capita payments projected for the general assistance unemployable~~  
24 ~~eligibility category, by fiscal year, in the February 2009 medical~~  
25 ~~assistance expenditures forecast))~~ for lifeline clients under chapter  
26 8, Laws of 2010 1st sp. sess. In transitioning lifeline clients to  
27 managed care, the department shall attempt to deliver care to lifeline  
28 clients through medical homes in community and migrant health centers.  
29 The department, in collaboration with the carrier, shall seek to  
30 improve the transition rate of (~~general assistance~~) lifeline clients  
31 to the federal supplemental security income program. The department  
32 shall renegotiate the contract with the managed care plan that provides  
33 services for lifeline clients to maximize state retention of future  
34 hospital savings as a result of improved care coordination. The  
35 department, in collaboration with stakeholders, shall propose a new  
36 name for the lifeline program.

37 (14) The department shall evaluate the impact of the use of a  
38 managed care delivery and financing system on state costs, savings, and

1 outcomes for (~~general assistance~~) lifeline medical clients. Outcomes  
2 measured shall include state costs, utilization, changes in mental  
3 health status and symptoms, and involvement in the criminal justice  
4 system. Outcomes measured shall also include the total costs or  
5 savings resulting from utilization changes due to care management, and  
6 how much of those costs or savings accrued to the state and the managed  
7 care organization. The department shall provide a report on these  
8 outcomes to the relevant policy and fiscal committees of the  
9 legislature by November 1, 2010. Monthly encounter data shall be  
10 included in the report.

11 (15) The department shall report to the governor and the fiscal  
12 committees of the legislature by June 1, 2010, on its progress toward  
13 achieving a twenty percentage point increase in the generic  
14 prescription drug utilization rate.

15 (16) State funds shall not be used by hospitals for advertising  
16 purposes.

17 (17) \$24,356,000 of the general fund--private/local appropriation  
18 and \$35,707,000 of the general fund--federal appropriation are provided  
19 solely for the implementation of professional services supplemental  
20 payment programs. The department shall seek a medicaid state plan  
21 amendment to create a professional services supplemental payment  
22 program for University of Washington medicine professional providers no  
23 later than July 1, 2009. The department shall apply federal rules for  
24 identifying the shortfall between current fee-for-service medicaid  
25 payments to participating providers and the applicable federal upper  
26 payment limit. Participating providers shall be solely responsible for  
27 providing the local funds required to obtain federal matching funds.  
28 Any incremental costs incurred by the department in the development,  
29 implementation, and maintenance of this program will be the  
30 responsibility of the participating providers. Participating providers  
31 will retain the full amount of supplemental payments provided under  
32 this program, net of any potential costs for any related audits or  
33 litigation brought against the state. The department shall report to  
34 the governor and the legislative fiscal committees on the prospects for  
35 expansion of the program to other qualifying providers as soon as  
36 feasibility is determined but no later than December 31, 2009. The  
37 report will outline estimated impacts on the participating providers,  
38 the procedures necessary to comply with federal guidelines, and the

1 administrative resource requirements necessary to implement the  
2 program. The department will create a process for expansion of the  
3 program to other qualifying providers as soon as it is determined  
4 feasible by both the department and providers but no later than June  
5 30, 2010.

6 (18) (~~(\$9,350,000)~~) \$9,075,000 of the general fund--state  
7 appropriation for fiscal year 2010, (~~(\$8,313,000)~~) \$8,588,000 of the  
8 general fund--state appropriation for fiscal year 2011, and  
9 (~~(\$20,371,000)~~) \$39,747,000 of the general fund--federal appropriation  
10 are provided solely for development and implementation of a replacement  
11 system for the existing medicaid management information system. The  
12 amounts provided in this subsection are conditioned on the department  
13 satisfying the requirements of section 902 of this act.

14 (19) \$506,000 of the general fund--state appropriation for fiscal  
15 year 2011 and \$657,000 of the general fund--federal appropriation are  
16 provided solely for the implementation of Second Substitute House Bill  
17 No. 1373 (children's mental health). If the bill is not enacted by  
18 June 30, 2009, the amounts provided in this subsection shall lapse.

19 (20) Pursuant to 42 U.S.C. Sec. 1396(a)(25), the department shall  
20 pursue insurance claims on behalf of medicaid children served through  
21 its in-home medically intensive child program under WAC 388-551-3000.  
22 The department shall report to the Legislature by December 31, 2009, on  
23 the results of its efforts to recover such claims.

24 (21) The department may, on a case-by-case basis and in the best  
25 interests of the child, set payment rates for medically intensive home  
26 care services to promote access to home care as an alternative to  
27 hospitalization. Expenditures related to these increased payments  
28 shall not exceed the amount the department would otherwise pay for  
29 hospitalization for the child receiving medically intensive home care  
30 services.

31 (22) \$425,000 of the general fund--state appropriation for fiscal  
32 year 2010(~~(, \$425,000 of the general fund--state appropriation for~~  
33 ~~fiscal year 2011,)) and (~~(\$1,580,000)~~) \$790,000 of the general fund--  
34 federal appropriation are provided solely to continue children's health  
35 coverage outreach and education efforts under RCW 74.09.470. These  
36 efforts shall rely on existing relationships and systems developed with  
37 local public health agencies, health care providers, public schools,  
38 the women, infants, and children program, the early childhood education~~

1 and assistance program, child care providers, newborn visiting nurses,  
2 and other community-based organizations. The department shall seek  
3 public-private partnerships and federal funds that are or may become  
4 available to provide on-going support for outreach and education  
5 efforts under the federal children's health insurance program  
6 reauthorization act of 2009.

7 (23) The department, in conjunction with the office of financial  
8 management, shall ~~((reduce outpatient and inpatient hospital rates  
9 and))~~ implement a prorated inpatient payment policy. ~~((In determining  
10 the level of reductions needed, the department shall include in its  
11 calculations services paid under fee for service, managed care, and  
12 certified public expenditure payment methods; but reductions shall not  
13 apply to payments for psychiatric inpatient services or payments to  
14 critical access hospitals.))~~

15 (24) The department will pursue a competitive procurement process  
16 for antihemophilic products, emphasizing evidence-based medicine and  
17 protection of patient access without significant disruption in  
18 treatment.

19 (25) The department will pursue several strategies towards reducing  
20 pharmacy expenditures including but not limited to increasing generic  
21 prescription drug utilization by 20 percentage points and promoting  
22 increased utilization of the existing mail-order pharmacy program.

23 (26) The department shall reduce reimbursement for over-the-counter  
24 medications while maintaining reimbursement for those over-the-counter  
25 medications that can replace more costly prescription medications.

26 (27) The department shall seek public-private partnerships and  
27 federal funds that are or may become available to implement health  
28 information technology projects under the federal American recovery and  
29 reinvestment act of 2009.

30 (28) The department shall target funding for maternity support  
31 services towards pregnant women with factors that lead to higher rates  
32 of poor birth outcomes, including hypertension, a preterm or low birth  
33 weight birth in the most recent previous birth, a cognitive deficit or  
34 developmental disability, substance abuse, severe mental illness,  
35 unhealthy weight or failure to gain weight, tobacco use, or African  
36 American or Native American race.

37 (29) \$260,036,000 of the hospital safety net assessment fund--state  
38 appropriation and \$255,448,000 of the general fund--federal

1 appropriation are provided solely for the implementation of Engrossed  
2 Second Substitute House Bill No. 2956 (hospital safety net assessment).  
3 If the bill is not enacted by June 30, 2010, the amounts provided in  
4 this subsection shall lapse.

5 (30) \$79,000 of the general fund--state appropriation for fiscal  
6 year 2010 and \$53,000 of the general fund--federal appropriation are  
7 provided solely to implement Substitute House Bill No. 1845 (medical  
8 support obligations).

9 ((+30+)) (31) \$63,000 of the general fund--state appropriation for  
10 fiscal year 2010, \$583,000 of the general fund--state appropriation for  
11 fiscal year 2011, and \$864,000 of the general fund--federal  
12 appropriation are provided solely to implement Engrossed House Bill No.  
13 2194 (extraordinary medical placement for offenders). The department  
14 shall work in partnership with the department of corrections to  
15 identify services and find placements for offenders who are released  
16 through the extraordinary medical placement program. The department  
17 shall collaborate with the department of corrections to identify and  
18 track cost savings to the department of corrections, including medical  
19 cost savings, and to identify and track expenditures incurred by the  
20 aging and disability services program for community services and by the  
21 medical assistance program for medical expenses. A joint report  
22 regarding the identified savings and expenditures shall be provided to  
23 the office of financial management and the appropriate fiscal  
24 committees of the legislature by November 30, 2010. If this bill is  
25 not enacted by June 30, 2009, the amounts provided in this subsection  
26 shall lapse.

27 ((+31+)) (32) \$73,000 of the general fund--state appropriation for  
28 fiscal year 2011 and \$50,000 of the general fund--federal appropriation  
29 is provided solely for supplemental services that will be provided to  
30 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of  
31 2010 (Substitute Senate Bill No. 6639).

32 (33) Sufficient amounts are provided in this section to provide  
33 full benefit dual eligible beneficiaries with medicare part D  
34 prescription drug copayment coverage in accordance with RCW 74.09.520.

35 (34) In addition to other reductions, the appropriations in this  
36 section reflect reductions targeted specifically to state government  
37 administrative costs. These administrative reductions shall be

1 achieved, to the greatest extent possible, by reducing those  
2 administrative costs that do not affect providers, direct client  
3 services, or direct service delivery or programs.

4 (35) The department shall contract with an organization that  
5 provides medication therapy management services to increase the use of  
6 lower cost alternative medications, improve patient compliance with  
7 prescribed regimens, reduce harmful side effects from medication, and  
8 ensure that medications achieve their desired therapeutic results. The  
9 department shall not contract for these services unless the contractor  
10 guarantees that the services will generate savings, as measured by the  
11 department's actual experience after implementation, that are greater  
12 than the cost of the contracted services.

13 (36) \$331,000 of the general fund--state appropriation for fiscal  
14 year 2010, \$331,000 of the general fund--state appropriation for fiscal  
15 year 2011, and \$1,228,000 of the general fund--federal appropriation  
16 are provided solely for the department to support the activities of the  
17 Washington poison center. The department shall seek federal authority  
18 to receive matching funds from the federal government through the  
19 children's health insurance program.

20 (37) \$528,000 of the general fund--state appropriation and  
21 \$2,955,000 of the general fund--federal appropriation are provided  
22 solely for the implementation of the lifeline program under chapter 8,  
23 Laws of 2010 1st sp. sess. (security lifeline act).

24 (38) If the cost of a brand name drug, after receiving discounted  
25 prices and rebates, is less than the cost of the generic version of the  
26 drug for the medical assistance program, the brand name drug shall be  
27 purchased.

28 (39) The department shall propose a new medicaid prescription drug  
29 pricing benchmark to replace the average wholesale price (AWP), and  
30 report on the transition plan, the potential impact on stakeholders,  
31 and impact on state expenditures for the 2011-13 biennium to the  
32 governor and the fiscal committees of the legislature by November 1,  
33 2010. This effort will include collaboration with stakeholders and be  
34 consistent with the recommendations of the American medicaid pharmacy  
35 administrators association and the national association of medicaid  
36 directors working group on post-AWP pricing and reimbursement.

37 (40) Sufficient amounts are provided in this section to provide  
38 medicaid school-based medical services.

1       (41) The department shall pursue all opportunities to maximize  
2 discounted drug pricing through the 340B drug pricing program in  
3 section 340B of the public health service act. The department shall  
4 report its findings to the governor and the fiscal committees of the  
5 legislature by December 1, 2010.

6       (42) The department shall develop a transition plan from a fee-for-  
7 service delivery system to a managed care delivery system for aged,  
8 blind, and disabled clients eligible for medical assistance coverage by  
9 June 1, 2011.

10       (43) Reductions in dental services are to be achieved by focusing  
11 on the fastest growing areas of dental care. Reductions in  
12 preventative care, particularly for children, will be avoided to the  
13 extent possible.

14       (44) The department shall develop the capability to implement apple  
15 health for kids express lane eligibility enrollments for children  
16 receiving basic food assistance by June 30, 2011.

17       (45)(a) The department, in coordination with the health care  
18 authority, shall actively continue to negotiate a medicaid section 1115  
19 waiver with the federal centers for medicare and medicaid services that  
20 would provide federal matching funds for services provided to persons  
21 enrolled in the basic health plan under chapter 70.47 RCW and the  
22 medical care services program under RCW 74.09.035.

23       (b) If the waiver in (a) of this subsection is granted, the  
24 department and the health care authority may implement the waiver if it  
25 allows the program to remain within appropriated levels, after  
26 providing notice of its terms and conditions to the relevant policy and  
27 fiscal committees of the legislature in writing thirty days prior to  
28 the planned implementation date of the waiver.

29       (46) \$704,000 of the general fund--state appropriation for fiscal  
30 year 2010, \$812,000 of the general fund--state appropriation for fiscal  
31 year 2011, and \$1,516,000 of the general fund--federal appropriation  
32 are provided solely for maintaining employer-sponsored insurance  
33 program staff, coordination of benefits unit staff, the payment  
34 integrity audit team, and family planning nursing.

35       (47) For healthy options managed care rates established on or after  
36 July 1, 2010, the department shall pay health plans operating in the  
37 same county the same base capitation rates for that county, with plan-  
38 specific adjustments related to risk characteristics of the plan's

1 members including age, gender, and diagnostic-based risk adjustments,  
2 such as chronic disability payment system risk scores. The department  
3 shall provide preliminary rates for the upcoming fiscal year to all the  
4 healthy options plans and the fiscal committees of the legislature by  
5 September 30, 2010.

6 (48) Every effort shall be made to maintain current employment  
7 levels and achieve administrative savings through vacancies and  
8 employee attrition. Efficiencies shall be implemented as soon as  
9 possible in order to minimize actual reduction in force. The  
10 department shall implement a management strategy that minimizes  
11 disruption of service and negative impacts on employees.

12 **Sec. 210.** 2010 c 3 s 209 (uncodified) is amended to read as  
13 follows:

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

16	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$10,451,000</del> ))
17		<u>\$10,327,000</u>
18	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$10,125,000</del> ))
19		<u>\$10,077,000</u>
20	General Fund--Federal Appropriation . . . . .	(( <del>\$83,534,000</del> ))
21		<u>\$107,961,000</u>
22	Telecommunications Devices for the Hearing and	
23	Speech Impaired--State Appropriation . . . . .	(( <del>\$1,979,000</del> ))
24		<u>\$5,976,000</u>
25	TOTAL APPROPRIATION . . . . .	(( <del>\$106,089,000</del> ))
26		<u>\$134,341,000</u>

27 The appropriations in this section are subject to the following  
28 conditions and limitations: The vocational rehabilitation program  
29 shall coordinate closely with the economic services program to serve  
30 (~~general assistance unemployable~~) lifeline clients under chapter 8,  
31 Laws of 2010 1st sp. sess. who are referred for eligibility  
32 determination and vocational rehabilitation services, and shall make  
33 every effort, within the requirements of the federal rehabilitation act  
34 of 1973, to serve these clients.

35 **Sec. 211.** 2010 c 3 s 210 (uncodified) is amended to read as  
36 follows:



1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**  
2 **PROGRAM**

3	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$49,818,000</del> ))
4		<u>\$48,827,000</u>
5	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$47,259,000</del> ))
6		<u>\$46,922,000</u>
7	TOTAL APPROPRIATION . . . . .	(( <del>\$97,077,000</del> ))
8		<u>\$95,749,000</u>

9 **Sec. 212.** 2010 c 3 s 211 (uncodified) is amended to read as  
10 follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**  
12 **SUPPORTING SERVICES PROGRAM**

13	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$34,425,000</del> ))
14		<u>\$33,604,000</u>
15	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$34,627,000</del> ))
16		<u>\$29,407,000</u>
17	General Fund--Federal Appropriation . . . . .	(( <del>\$55,169,000</del> ))
18		<u>\$51,119,000</u>
19	General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,526,000</del> ))
20		<u>\$1,121,000</u>
21	<u>Institutional Impact Account--State Appropriation . . . . .</u>	<u>\$22,000</u>
22	TOTAL APPROPRIATION . . . . .	(( <del>\$125,747,000</del> ))
23		<u>\$115,273,000</u>

24 The appropriations in this section are subject to the following  
25 conditions and limitations: In addition to other reductions, the  
26 appropriations in this section reflect reductions targeted specifically  
27 to state government administrative costs. These administrative  
28 reductions shall be achieved, to the greatest extent possible, by  
29 reducing those administrative costs that do not affect direct client  
30 services or direct service delivery or programs.

31 (1) ((~~\$150,000~~)) \$333,000 of the general fund--state appropriation  
32 for fiscal year 2010 and ((~~\$150,000~~)) \$300,000 of the general fund--  
33 state appropriation for fiscal year 2011 are provided solely for the  
34 Washington state mentors program to continue its public-private  
35 partnerships to provide technical assistance and training to mentoring  
36 programs that serve at-risk youth.

1 (2) \$445,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$445,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for funding of the teamchild  
4 project through the governor's juvenile justice advisory committee.

5 (3) \$178,000 of the general fund--state appropriation for fiscal  
6 year 2010 and \$178,000 of the general fund--state appropriation for  
7 fiscal year 2011 are provided solely for the juvenile detention  
8 alternatives initiative.

9 (4) Amounts appropriated in this section reflect a reduction to the  
10 family policy council. The family policy council shall reevaluate  
11 staffing levels and administrative costs to ensure to the extent  
12 possible a maximum ratio of grant moneys provided and administrative  
13 costs.

14 (5) Amounts appropriated in this section reflect a reduction to the  
15 council on children and families. The council on children and families  
16 shall reevaluate staffing levels and administrative costs to ensure to  
17 the extent possible a maximum ratio of grant moneys provided and  
18 administrative costs.

19 (6) The department shall not reduce funding to the governor's  
20 juvenile justice advisory committee from the amounts appropriated for  
21 this purpose in chapter 564, Laws of 2009.

22 (7) \$25,000 of the general fund--state appropriation for fiscal  
23 year 2010 is provided for the department, in collaboration with the  
24 department of health and the health care authority, to report to the  
25 fiscal committees of the legislature by November 1, 2010, on estimates  
26 of the full costs and savings to all state-purchased health care from  
27 the inclusion of coverage for the diagnosis and treatment of autism  
28 spectrum disorders for individuals less than twenty-one years of age.  
29 Autism spectrum disorders are defined to mean any of the pervasive  
30 developmental disorders defined by the most recent edition of the  
31 diagnostic and statistical manual of mental disorders. Coverage must  
32 include all medically necessary care which is defined to include any  
33 care, treatment, intervention, service, or item that is prescribed,  
34 provided, or ordered by a licensed physician or licensed psychologist.  
35 Treatment of autism spectrum disorders includes the following care  
36 prescribed, ordered, or provided for an individual diagnosed with one  
37 of the autism spectrum disorders by a licensed physician or licensed  
38 psychologist who determines the care to be medically necessary: (a)

1 Habilitative or rehabilitative care; (b) pharmacy care, except when  
2 plans do not offer any pharmacy benefits; (c) psychiatric care; and (d)  
3 psychological care. The estimates should fully consider all potential  
4 offsets to currently funded care and services and should consider  
5 including the coverage of the diagnosis and treatment of autism  
6 spectrum disorders within the currently mandated provision of mental  
7 health benefits.

8 **Sec. 213.** 2009 c 564 s 213 (uncodified) is amended to read as  
9 follows:

10 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**  
11 **AGENCIES PROGRAM**

12	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$53,431,000</del> ))
13		<u>\$61,985,000</u>
14	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$53,472,000</del> ))
15		<u>\$61,461,000</u>
16	General Fund--Federal Appropriation . . . . .	(( <del>\$49,494,000</del> ))
17		<u>\$56,572,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$156,397,000</del> ))
19		<u>\$180,018,000</u>

20 **Sec. 214.** 2009 c 564 s 214 (uncodified) is amended to read as  
21 follows:

22 **FOR THE STATE HEALTH CARE AUTHORITY**

23	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$206,295,000</del> ))
24		<u>\$208,258,000</u>
25	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$182,138,000</del> ))
26		<u>\$159,306,000</u>
27	General Fund--Federal Appropriation . . . . .	(( <del>\$6,302,000</del> ))
28		<u>\$34,727,000</u>
29	State Health Care Authority Administration Account--	
30	State Appropriation . . . . .	(( <del>\$35,261,000</del> ))
31		<u>\$34,880,000</u>
32	Medical Aid Account--State Appropriation . . . . .	(( <del>\$529,000</del> ))
33		<u>\$527,000</u>
34	TOTAL APPROPRIATION . . . . .	(( <del>\$430,525,000</del> ))
35		<u>\$437,698,000</u>

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

3 (1) Within amounts appropriated in this section and sections 205  
4 and 206 of this act, the health care authority shall continue to  
5 provide an enhanced basic health plan subsidy for foster parents  
6 licensed under chapter 74.15 RCW and workers in state-funded home care  
7 programs. Under this enhanced subsidy option, foster parents eligible  
8 to participate in the basic health plan as subsidized enrollees and  
9 home care workers with family incomes below 200 percent of the federal  
10 poverty level shall be allowed to enroll in the basic health plan at  
11 the minimum premium amount charged to enrollees with incomes below  
12 sixty-five percent of the federal poverty level.

13 (2) The health care authority shall require organizations and  
14 individuals that are paid to deliver basic health plan services and  
15 that choose to sponsor enrollment in the subsidized basic health plan  
16 to pay 133 percent of the premium amount which would otherwise be due  
17 from the sponsored enrollees.

18 (3) The administrator shall take at least the following actions to  
19 assure that persons participating in the basic health plan are eligible  
20 for the level of assistance they receive: (a) Require submission of  
21 (i) income tax returns, and recent pay history, from all applicants, or  
22 (ii) other verifiable evidence of earned and unearned income from those  
23 persons not required to file income tax returns; (b) check employment  
24 security payroll records at least once every twelve months on all  
25 enrollees; (c) require enrollees whose income as indicated by payroll  
26 records exceeds that upon which their subsidy is based to document  
27 their current income as a condition of continued eligibility; (d)  
28 require enrollees for whom employment security payroll records cannot  
29 be obtained to document their current income at least once every six  
30 months; (e) not reduce gross family income for self-employed persons by  
31 noncash-flow expenses such as, but not limited to, depreciation,  
32 amortization, and home office deductions, as defined by the United  
33 States internal revenue service; and (f) pursue repayment and civil  
34 penalties from persons who have received excessive subsidies, as  
35 provided in RCW 70.47.060(9).

36 (4)(a) In order to maximize the funding appropriated for the basic  
37 health plan, the health care authority is directed to make  
38 modifications that will reduce the total number of subsidized enrollees

1 to approximately 65,000 by January 1, 2010. In addition to the reduced  
2 enrollment, other modifications may include changes in enrollee premium  
3 obligations, changes in benefits, enrollee cost-sharing, and  
4 termination of the enrollment of individuals concurrently enrolled in  
5 a medical assistance program as provided in Substitute House Bill No.  
6 2341.

7 (b) The health care authority shall coordinate with the department  
8 of social and health services to negotiate a medicaid section 1115  
9 waiver with the federal centers for medicare and medicaid services that  
10 would provide matching funds for services provided to persons enrolled  
11 in the basic health plan under chapter 70.47 RCW.

12 (c) If the waiver in (b) of this subsection is granted, the health  
13 care authority may implement the waiver if it allows the program to  
14 remain within appropriated levels, after providing notice of its terms  
15 and conditions to the relevant policy and fiscal committees of the  
16 legislature in writing thirty days prior to the planned implementation  
17 date of the waiver.

18 (5) \$250,000 of the general fund--state appropriation for fiscal  
19 year 2010 and \$250,000 of the general fund--state appropriation for  
20 fiscal year 2011 are provided solely for the implementation of  
21 Substitute Senate Bill No. 5360 (community collaboratives). If the  
22 bill is not enacted by June 30, 2009, the amounts provided in this  
23 section shall lapse.

24 (6) The ((department)) authority shall seek public-private  
25 partnerships and federal funds that are or may become available to  
26 implement health information technology projects under the federal  
27 American recovery and reinvestment act of 2009.

28 (7)(a) \$2,495,000 of the general fund--state appropriation for  
29 fiscal year 2011 is provided solely for the authority for grants to two  
30 pilot projects, one each based in Spokane and Whatcom counties, to  
31 provide a full continuum of health care services to low-income adults.  
32 The pilot project in Spokane county shall aim for an enrollment of five  
33 hundred individuals and the pilot project in Whatcom county shall aim  
34 for an enrollment of one thousand individuals. All individuals  
35 enrolled in the pilot projects shall meet the criteria in (b) of this  
36 subsection. Grantees must demonstrate experience in working with an  
37 established network of health care providers in the county capable of  
38 providing continuity of health care services that may include a primary

1 care medical home and catastrophic insurance coverage, to low-income  
2 adults. Expectations of grantees will include: Coordinating public,  
3 private, and volunteer efforts within the county to maximize  
4 participation within the grant funds available; and providing  
5 continuity of care to participants that promotes improved health  
6 outcomes as determined by the health care authority. Grantees will  
7 submit reports as directed by the health care authority.

8 (b) In order to participate in a pilot, eligible low-income adults  
9 must have an income at or below two hundred percent of the federal  
10 poverty level; reside in the county where the project is based; be on  
11 the basic health waiting list at the time of application to  
12 participate; have no other health insurance coverage; and not be  
13 eligible for full-scope medical assistance programs, federal medicare  
14 programs, or health insurance through their employer. Grantees may  
15 require participants to meet other criteria, such as qualifying for  
16 health insurance coverage and paying premiums or other costs in order  
17 to participate in the pilot.

18 (c) The authority, in collaboration with the grantees of the pilots  
19 in (a) of this subsection, shall seek any federal funds that may be  
20 available with the enactment of federal health care reform.

21 (8) In the event that the authority markets a nonsubsidized version  
22 of the basic health plan, the authority must also provide information  
23 on other health care coverage options to potential clients.

24 (9) \$20,000 of the general fund--state appropriation for fiscal  
25 year 2010 and \$63,000 of the general fund--state appropriation for  
26 fiscal year 2011 are provided solely for the implementation of chapter  
27 220, Laws of 2010 (accountable care organizations).

28 **Sec. 215.** 2010 c 3 s 212 (uncodified) is amended to read as  
29 follows:

30 **FOR THE HUMAN RIGHTS COMMISSION**

31	General Fund--State Appropriation (FY 2010) . . . . .	\$2,638,000
32	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,533,000)</del>
33		\$2,511,000
34	General Fund--Federal Appropriation . . . . .	<del>(\$1,299,000)</del>
35		\$1,584,000
36	TOTAL APPROPRIATION . . . . .	<del>(\$6,470,000)</del>
37		\$6,733,000

1       **Sec. 216.** 2009 c 564 s 216 (uncodified) is amended to read as  
2 follows:

3       **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

4	Worker and Community Right-to-Know Account--	
5	State Appropriation . . . . .	\$20,000
6	Accident Account--State Appropriation . . . . .	(((\$18,453,000))
7		<u>\$18,139,000</u>
8	Medical Aid Account--State Appropriation . . . . .	(((\$18,453,000))
9		<u>\$18,139,000</u>
10	TOTAL APPROPRIATION . . . . .	(((\$36,926,000))
11		<u>\$36,298,000</u>

12       **Sec. 217.** 2009 c 564 s 217 (uncodified) is amended to read as  
13 follows:

14       **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

15	General Fund--State Appropriation (FY 2010) . . . . .	(((\$19,146,000))
16		<u>\$17,273,000</u>
17	General Fund--State Appropriation (FY 2011) . . . . .	(((\$19,176,000))
18		<u>\$17,843,000</u>
19	<u>General Fund--Federal Appropriation . . . . .</u>	<u>\$143,000</u>
20	General Fund--Private/Local Appropriation . . . . .	(((\$200,000))
21		<u>\$1,303,000</u>
22	Death Investigations Account--State Appropriation . . . . .	\$148,000
23	Municipal Criminal Justice Assistance Account--	
24	State Appropriation . . . . .	\$460,000
25	Washington Auto Theft Prevention Authority Account--	
26	State Appropriation . . . . .	\$5,844,000
27	TOTAL APPROPRIATION . . . . .	(((\$44,974,000))
28		<u>\$43,014,000</u>

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

31       (1) ~~(((\$1,874,000 of the general fund state appropriation for~~  
32 ~~fiscal year 2010 and \$1,922,000 of the general fund state~~  
33 ~~appropriation for fiscal year 2011 are provided solely for 10~~  
34 ~~additional basic law enforcement academies in fiscal year 2010 and 10~~  
35 ~~additional basic law enforcement academies in fiscal year 2011.~~

36       (2)) \$1,191,000 of the general fund--state appropriation for  
37 fiscal year 2010 and \$1,191,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely for the  
2 Washington association of sheriffs and police chiefs to continue to  
3 develop, maintain, and operate the jail booking and reporting system  
4 (JBRS) and the statewide automated victim information and notification  
5 system (SAVIN).

6 ~~((+3))~~ (2) \$5,000,000 of the general fund--state appropriation for  
7 fiscal year 2010 and \$5,000,000 of the general fund--state  
8 appropriation for fiscal year 2011, are provided to the Washington  
9 association of sheriffs and police chiefs solely to verify the address  
10 and residency of registered sex offenders and kidnapping offenders  
11 under RCW 9A.44.130. The Washington association of sheriffs and police  
12 chiefs shall:

13 (a) Enter into performance-based agreements with units of local  
14 government to ensure that registered offender address and residency are  
15 verified:

- 16 (i) For level I offenders, every twelve months;
- 17 (ii) For level II offenders, every six months; and
- 18 (iii) For level III offenders, every three months.

19 For the purposes of this subsection, unclassified offenders and  
20 kidnapping offenders shall be considered at risk level I unless in the  
21 opinion of the local jurisdiction a higher classification is in the  
22 interest of public safety.

23 (b) Collect performance data from all participating jurisdictions  
24 sufficient to evaluate the efficiency and effectiveness of the address  
25 and residency verification program; and

26 (c) Submit a report on the effectiveness of the address and  
27 residency verification program to the governor and the appropriate  
28 committees of the house of representatives and senate by December 31,  
29 each year.

30 The Washington association of sheriffs and police chiefs may retain up  
31 to three percent of the amount provided in this subsection for the cost  
32 of administration. Any funds not disbursed for address and residency  
33 verification or retained for administration may be allocated to local  
34 prosecutors for the prosecution costs associated with failing-to-  
35 register offenses.

36 ~~((+4))~~ (3) \$30,000 of the general fund--state appropriation for  
37 fiscal year 2010 is provided solely for the implementation of Second



1 Substitute House Bill No. 2078 (persons with developmental disabilities  
2 in correctional facilities or jails). If the bill is not enacted by  
3 June 30, 2009, the amount provided in this subsection shall lapse.

4 (4) \$171,000 of the general fund--local appropriation is provided  
5 solely to purchase ammunition for the basic law enforcement academy.  
6 Jurisdictions with one hundred or more full-time commissioned officers  
7 shall reimburse to the criminal justice training commission the costs  
8 of ammunition, based on the average cost of ammunition per cadet, for  
9 cadets that they enroll in the basic law enforcement academy.

10 (5) The criminal justice training commission may not run a basic  
11 law enforcement academy class of fewer than 30 students.

12 (6) \$1,500,000 of the general fund--state appropriation for fiscal  
13 year 2011 is provided solely for continuing the enforcement of illegal  
14 drug laws in the rural pilot project enforcement areas as set forth in  
15 chapter 339, Laws of 2006.

16 **Sec. 218.** 2009 c 564 s 218 (uncodified) is amended to read as  
17 follows:

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

19	General Fund--State Appropriation (FY 2010) . . . . .	(( \$24,224,000 ))
20		<u>\$24,975,000</u>
21	General Fund--State Appropriation (FY 2011) . . . . .	(( \$25,237,000 ))
22		<u>\$19,336,000</u>
23	<del>( (General Fund--Federal Appropriation . . . . .</del>	<del>(\$100,000) )</del>
24	General Fund--Federal Appropriation . . . . .	(( \$10,000,000 ))
25		<u>\$10,100,000</u>
26	Asbestos Account--State Appropriation . . . . .	(( \$924,000 ))
27		<u>\$923,000</u>
28	Electrical License Account--State Appropriation . . . . .	(( \$43,162,000 ))
29		<u>\$36,977,000</u>
30	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
31	Worker and Community Right-to-Know Account--	
32	State Appropriation . . . . .	(( \$1,979,000 ))
33		<u>\$1,987,000</u>
34	Public Works Administration Account--State	
35	Appropriation . . . . .	(( \$5,764,000 ))
36		<u>\$6,021,000</u>
37	Manufactured Home Installation Training Account--	

1	State Appropriation . . . . .	(( <del>\$138,000</del> ))
2		<u>\$143,000</u>
3	Accident Account--State Appropriation . . . . .	(( <del>\$248,281,000</del> ))
4		<u>\$250,509,000</u>
5	Accident Account--Federal Appropriation . . . . .	(( <del>\$13,622,000</del> ))
6		<u>\$13,621,000</u>
7	Medical Aid Account--State Appropriation . . . . .	(( <del>\$249,537,000</del> ))
8		<u>\$249,232,000</u>
9	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000
10	Plumbing Certificate Account--State Appropriation . . . . .	(( <del>\$1,693,000</del> ))
11		<u>\$1,704,000</u>
12	Pressure Systems Safety Account--State Appropriation . . . . .	(( <del>\$3,775,000</del> ))
13		<u>\$4,144,000</u>
14	TOTAL APPROPRIATION . . . . .	(( <del>\$631,650,000</del> ))
15		<u>\$622,886,000</u>

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

18 (1) Pursuant to RCW 43.135.055, the department is authorized to  
19 increase fees related to factory assembled structures, contractor  
20 registration, electricians, plumbers, asbestos removal, boilers,  
21 elevators, and manufactured home installers. These increases are  
22 necessary to support expenditures authorized in this section,  
23 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW  
24 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

25 (2) \$424,000 of the accident account--state appropriation and  
26 \$76,000 of the medical aid account--state appropriation are provided  
27 solely for implementation of a community agricultural worker safety  
28 grant at the department of agriculture. The department shall enter  
29 into an interagency agreement with the department of agriculture to  
30 implement the grant.

31 (3) \$4,850,000 of the medical aid account--state appropriation is  
32 provided solely to continue the program of safety and health as  
33 authorized by RCW 49.17.210 to be administered under rules adopted  
34 pursuant to chapter 34.05 RCW, provided that projects funded involve  
35 workplaces insured by the medical aid fund, and that priority is given  
36 to projects fostering accident prevention through cooperation between  
37 employers and employees or their representatives.

1 (4) \$150,000 of the medical aid account--state appropriation is  
2 provided solely for the department to contract with one or more  
3 independent experts to evaluate and recommend improvements to the  
4 rating plan under chapter 51.18 RCW, including analyzing how risks are  
5 pooled, the effect of including worker premium contributions in  
6 adjustment calculations, incentives for accident and illness  
7 prevention, return-to-work practices, and other sound risk-management  
8 strategies that are consistent with recognized insurance principles.

9 (5) The department shall continue to conduct utilization reviews of  
10 physical and occupational therapy cases at the 24th visit. The  
11 department shall continue to report performance measures and targets  
12 for these reviews on the agency web site. The reports are due  
13 September 30th for the prior fiscal year and must include the amount  
14 spent and the estimated savings per fiscal year.

15 (6) The appropriations in this section reflect reductions in the  
16 appropriations for the department of labor and industries'  
17 administrative expenses. It is the intent of the legislature that  
18 these reductions shall be achieved, to the greatest extent possible, by  
19 reducing administrative costs only.

20 (7) \$500,000 of the accident account--state appropriation is  
21 provided solely for the department to contract with one or more  
22 independent experts to oversee and assist the department's  
23 implementation of improvements to the rating plan under chapter 51.18  
24 RCW, in collaboration with the department and with the department's  
25 work group of retrospective rating and workers' compensation  
26 stakeholders. The independent experts will validate the impact of  
27 recommended changes on retrospective rating participants and  
28 nonparticipants, confirm implementation technology changes, and provide  
29 other implementation assistance as determined by the department.

30 (8) \$194,000 of the accident account--state appropriation and  
31 \$192,000 of the medical aid account--state appropriation are provided  
32 solely for implementation of Senate Bill No. 5346 (health care  
33 administrative procedures). (~~(If the bill is not enacted by June 30,~~  
34 ~~2009, the amounts provided in this subsection shall lapse.))~~

35 (9) \$131,000 of the accident account--state appropriation and  
36 \$128,000 of the medical aid account--state appropriation are provided  
37 solely for implementation of Senate Bill No. 5613 (stop work orders).

1 (~~(If the bill is not enacted by June 30, 2009, the amounts provided in~~  
2 ~~this subsection shall lapse.))~~)

3 (10) \$68,000 of the accident account--state appropriation and  
4 \$68,000 of the medical aid account--state appropriation are provided  
5 solely for implementation of Senate Bill No. 5688 (registered domestic  
6 partners). (~~(If the bill is not enacted by June 30, 2009, the amounts~~  
7 ~~provided in this subsection shall lapse.))~~)

8 (11) \$320,000 of the accident account--state appropriation and  
9 \$147,000 of the medical aid account--state appropriation are provided  
10 solely for implementation of Senate Bill No. 5873 (apprenticeship  
11 utilization). (~~(If the bill is not enacted by June 30, 2009, the~~  
12 ~~amounts provided in this subsection shall lapse.~~

13 ~~(15))~~) (12) \$73,000 of the general fund--state appropriation for  
14 fiscal year 2010, \$66,000 of the general fund--state appropriation for  
15 fiscal year 2011, \$606,000 of the accident account--state  
16 appropriation, and \$600,000 of the medical aid account--state  
17 appropriation are provided solely for the implementation of House Bill  
18 No. 1555 (underground economy). (~~(If the bill is not enacted by June~~  
19 ~~30, 2009, the amounts provided in this subsection shall lapse.~~

20 ~~(16))~~) (13) \$574,000 of the accident account--state appropriation  
21 and \$579,000 of the medical account--state appropriation are provided  
22 solely for the implementation of House Bill No. 1402 (industrial  
23 insurance appeals). (~~(If the bill is not enacted by June 30, 2009, the~~  
24 ~~amounts provided in this subsection shall lapse.))~~)

25 (14) Within statutory guidelines, the boiler program shall explore  
26 opportunities to increase program efficiency. Strategies may include  
27 the consolidation of routine multiple inspections to the same site and  
28 trip planning to ensure the least number of miles traveled.

29 (15) \$16,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$50,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for the crime victims compensation  
32 program to pay claims for mental health services for crime victim  
33 compensation program clients who have an established relationship with  
34 a mental health provider and subsequently obtain coverage under the  
35 medicaid program or the medical care services program under chapter  
36 74.09 RCW. Prior to making such payment, the program must have  
37 determined that payment for the specific treatment or provider is not  
38 available under the medicaid or medical care services program. In

1 addition, the program shall make efforts to contact any healthy options  
2 or medical care services health plan in which the client may be  
3 enrolled to help the client obtain authorization to pay the claim on an  
4 out-of-network basis.

5 (16) \$48,000 of the accident account--state appropriation and  
6 \$48,000 of the medical aid account--state appropriation are provided  
7 solely for the implementation of Substitute House Bill No. 2789  
8 (issuance of subpoenas for purposes of agency investigations of  
9 underground economic activity). If the bill is not enacted by June 30,  
10 2010, the amount provided in this subsection shall lapse.

11 (17) \$71,000 of the general fund--state appropriation for fiscal  
12 year 2011 is provided solely for implementation of Senate Bill No. 6349  
13 (farm internship program). If the bill is not enacted by June 30,  
14 2010, the amount provided in this subsection shall lapse.

15 (18) \$127,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$133,000 of the general fund--state appropriation for  
17 fiscal year 2011 are provided solely for the department to provide  
18 benefits in excess of the cap established by sections 1 and 2, chapter  
19 122, Laws of 2010. These benefits shall be paid for claimants who were  
20 determined eligible for and who were receiving crime victims'  
21 compensation benefits because they were determined to be permanently  
22 and totally disabled, as defined by RCW 51.08.160, prior to April 1,  
23 2010. The director shall establish, by May 1, 2010, a process to aid  
24 crime victims' compensation recipients in identifying and applying for  
25 appropriate alternative benefit programs.

26 (19) \$155,000 of the public works administration account--state  
27 appropriation is provided solely for the implementation of Engrossed  
28 House Bill No. 2805 (offsite prefabricated items). If the bill is not  
29 enacted by June 30, 2010, the amount provided in this subsection shall  
30 lapse.

31 **Sec. 219.** 2010 c 3 s 213 (uncodified) is amended to read as  
32 follows:

33 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

34	General Fund--State Appropriation (FY 2010) . . . . .	\$1,882,000
35	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,886,000)</del>
36		<u>\$1,864,000</u>
37	TOTAL APPROPRIATION . . . . .	<del>(\$3,768,000)</del>

1 \$3,746,000

2 **Sec. 220.** 2009 c 564 s 220 (uncodified) is amended to read as  
3 follows:

4 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

5 (1) HEADQUARTERS

6	General Fund--State Appropriation (FY 2010) . . . . .	\$1,913,000
7	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,899,000)</del>
8		<u>\$1,865,000</u>

9	Charitable, Educational, Penal, and Reformatory	
10	Institutions Account--State Appropriation . . . . .	\$10,000
11	TOTAL APPROPRIATION . . . . .	<del>(\$3,822,000)</del>
12		<u>\$3,788,000</u>

13 The appropriations in this subsection are subject to the following  
14 conditions and limitations: In addition to other reductions, the  
15 appropriations in this section reflect reductions targeted specifically  
16 to state government administrative costs. These administrative  
17 reductions shall be achieved, to the greatest extent possible, by  
18 reducing those administrative costs that do not affect direct client  
19 services or direct service delivery or programs.

20 (2) FIELD SERVICES

21	General Fund--State Appropriation (FY 2010) . . . . .	\$4,885,000
22	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$4,943,000)</del>
23		<u>\$4,964,000</u>
24	General Fund--Federal Appropriation . . . . .	<del>(\$1,842,000)</del>
25		<u>\$2,382,000</u>
26	General Fund--Private/Local Appropriation . . . . .	<del>(\$3,491,000)</del>
27		<u>\$4,512,000</u>

28	Veterans Innovations Program Account--State	
29	Appropriation . . . . .	<del>(\$648,000)</del>
30		<u>\$897,000</u>

31	Veteran Estate Management Account--Private/Local	
32	Appropriation . . . . .	<del>(\$1,069,000)</del>
33		<u>\$1,072,000</u>

34	TOTAL APPROPRIATION . . . . .	<del>(\$16,878,000)</del>
35		<u>\$18,712,000</u>

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

3 (a) The department shall collaborate with the department of social  
4 and health services to identify and assist eligible general assistance  
5 unemployable clients to access the federal department of veterans  
6 affairs benefits.

7 (b) \$648,000 of the veterans innovations program account--state  
8 appropriation is provided solely for the department to continue support  
9 for returning combat veterans through the veterans innovation program,  
10 including emergency financial assistance through the defenders' fund  
11 and long-term financial assistance through the competitive grant  
12 program.

13 (c) In addition to other reductions, the appropriations in this  
14 section reflect reductions targeted specifically to state government  
15 administrative costs. These administrative reductions shall be  
16 achieved, to the greatest extent possible, by reducing those  
17 administrative costs that do not affect direct client services or  
18 direct service delivery or programs.

19 (3) INSTITUTIONAL SERVICES

20	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$3,638,000</del> ))
21		<u>\$3,318,000</u>
22	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$2,845,000</del> ))
23		<u>\$2,371,000</u>
24	General Fund--Federal Appropriation . . . . .	(( <del>\$50,791,000</del> ))
25		<u>\$50,353,000</u>
26	General Fund--Private/Local Appropriation . . . . .	(( <del>\$31,734,000</del> ))
27		<u>\$34,189,000</u>
28	TOTAL APPROPRIATION . . . . .	(( <del>\$89,008,000</del> ))
29		<u>\$90,231,000</u>

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

32 (a) In addition to other reductions, the appropriations in this  
33 section reflect reductions targeted specifically to state government  
34 administrative costs. These administrative reductions shall be  
35 achieved, to the greatest extent possible, by reducing those  
36 administrative costs that do not affect direct client services or  
37 direct service delivery or programs.

1       (b) The reductions in this subsection shall be achieved through  
2 savings from contract revisions and shall not impact the availability  
3 of goods and services for residents of the three state veterans homes.

4       **Sec. 221.** 2010 c 3 s 214 (uncodified) is amended to read as  
5 follows:

6 **FOR THE DEPARTMENT OF HEALTH**

7	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$107,413,000</del> ))
8		<u>\$98,414,000</u>
9	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$82,806,000</del> ))
10		<u>\$81,735,000</u>
11	General Fund--Federal Appropriation . . . . .	(( <del>\$480,871,000</del> ))
12		<u>\$564,379,000</u>
13	General Fund--Private/Local Appropriation . . . . .	(( <del>\$138,846,000</del> ))
14		<u>\$162,237,000</u>
15	Hospital Data Collection Account--State Appropriation . .	(( <del>\$326,000</del> ))
16		<u>\$218,000</u>
17	Health Professions Account--State Appropriation . . . .	(( <del>\$76,218,000</del> ))
18		<u>\$82,850,000</u>
19	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$603,000
20	Emergency Medical Services and Trauma Care Systems	
21	Trust Account--State Appropriation . . . . .	(( <del>\$13,531,000</del> ))
22		<u>\$13,206,000</u>
23	Safe Drinking Water Account--State Appropriation . . . .	(( <del>\$2,723,000</del> ))
24		<u>\$2,731,000</u>
25	Drinking Water Assistance Account--Federal	
26	Appropriation . . . . .	(( <del>\$22,817,000</del> ))
27		<u>\$22,862,000</u>
28	Waterworks Operator Certification--State	
29	Appropriation . . . . .	(( <del>\$1,519,000</del> ))
30		<u>\$1,522,000</u>
31	Drinking Water Assistance Administrative Account--	
32	State Appropriation . . . . .	\$326,000
33	State Toxics Control Account--State Appropriation . . .	(( <del>\$3,600,000</del> ))
34		<u>\$4,106,000</u>
35	Medical Test Site Licensure Account--State	
36	Appropriation . . . . .	(( <del>\$2,117,000</del> ))
37		<u>\$2,261,000</u>



1	Youth Tobacco Prevention Account--State Appropriation . . .	\$1,512,000
2	Public Health Supplemental Account--Private/Local	
3	Appropriation . . . . .	(( <del>\$3,525,000</del> ))
4		<u>\$3,804,000</u>
5	<u>Community and Economic Development Fee Account--State</u>	
6	<u>Appropriation . . . . .</u>	<u>\$298,000</u>
7	Accident Account--State Appropriation . . . . .	(( <del>\$295,000</del> ))
8		<u>\$292,000</u>
9	Medical Aid Account--State Appropriation . . . . .	\$48,000
10	Tobacco Prevention and Control Account--	
11	State Appropriation . . . . .	(( <del>\$46,852,000</del> ))
12		<u>\$44,196,000</u>
13	Biotoxin Account--State Appropriation . . . . .	(( <del>\$1,165,000</del> ))
14		<u>\$1,163,000</u>
15	TOTAL APPROPRIATION . . . . .	(( <del>\$987,113,000</del> ))
16		<u>\$1,088,763,000</u>

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

19       (1) The department of health shall not initiate any services that  
20 will require expenditure of state general fund moneys unless expressly  
21 authorized in this act or other law. The department of health and the  
22 state board of health shall not implement any new or amended rules  
23 pertaining to primary and secondary school facilities until the rules  
24 and a final cost estimate have been presented to the legislature, and  
25 the legislature has formally funded implementation of the rules through  
26 the omnibus appropriations act or by statute. The department may seek,  
27 receive, and spend, under RCW 43.79.260 through 43.79.282, federal  
28 moneys not anticipated in this act as long as the federal funding does  
29 not require expenditure of state moneys for the program in excess of  
30 amounts anticipated in this act. If the department receives  
31 unanticipated unrestricted federal moneys, those moneys shall be spent  
32 for services authorized in this act or in any other legislation that  
33 provides appropriation authority, and an equal amount of appropriated  
34 state moneys shall lapse. Upon the lapsing of any moneys under this  
35 subsection, the office of financial management shall notify the  
36 legislative fiscal committees. As used in this subsection,  
37 "unrestricted federal moneys" includes block grants and other funds

1 that federal law does not require to be spent on specifically defined  
2 projects or matched on a formula basis by state funds.

3 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
4 is authorized to establish and raise fees in fiscal year 2011 as  
5 necessary to meet the actual costs of conducting business and the  
6 appropriation levels in this section. This authorization applies to  
7 fees for the review of sewage tank designs, fees related to regulation  
8 and inspection of farmworker housing, and fees associated with the  
9 following professions: Acupuncture, dental, denturist, mental health  
10 counselor, nursing, nursing assistant, optometry, radiologic  
11 technologist, recreational therapy, respiratory therapy, social worker,  
12 cardiovascular invasive specialist, and practitioners authorized under  
13 chapter 18.240 RCW.

14 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is  
15 authorized to establish fees by the amount necessary to fully support  
16 the cost of activities related to the administration of long-term care  
17 worker certification. The department is further authorized to increase  
18 fees by the amount necessary to implement the regulatory requirements  
19 of the following bills: House Bill No. 1414 (health care assistants),  
20 House Bill No. 1740 (dental residency licenses), and House Bill No.  
21 1899 (retired active physician licenses).

22 ~~((+3))~~ (4) \$764,000 of the health professions account--state  
23 appropriation is provided solely for the medical quality assurance  
24 commission to maintain disciplinary staff and associated costs  
25 sufficient to reduce the backlog of disciplinary cases and to continue  
26 to manage the disciplinary caseload of the commission.

27 ~~((+4))~~ (5) \$57,000 of the general fund--state appropriation for  
28 fiscal year 2010 and \$58,000 of the general fund--state appropriation  
29 for fiscal year 2011 are provided solely for the midwifery licensure  
30 and regulatory program to offset a reduction in revenue from fees.  
31 ~~((There shall be no change to the current annual fees for new or~~  
32 ~~renewed licenses for the midwifery program.))~~ The department shall  
33 convene the midwifery advisory committee on a quarterly basis to  
34 address issues related to licensed midwifery. The appropriations in  
35 this section assume that the current application and renewal fee for  
36 midwives shall be increased by fifty dollars and all other fees for  
37 midwives be adjusted accordingly.

1       ~~((+5))~~ (6) Funding for the human papillomavirus vaccine shall not  
2 be included in the department's universal vaccine purchase program in  
3 fiscal year 2010. Remaining funds for the universal vaccine purchase  
4 program shall be used to continue the purchase of all other vaccines  
5 included in the program until May 1, 2010, ~~((or until state funds are~~  
6 ~~exhausted,))~~ at which point state funding for the universal vaccine  
7 purchase program shall be discontinued. ~~((Funds from section 317 of~~  
8 ~~the federal public health services act direct assistance shall not be~~  
9 ~~used in lieu of state funds.~~

10       ~~(+6))~~ (7) Beginning July 1, 2010, the department, in collaboration  
11 with the department of social and health services, shall maximize the  
12 use of existing federal funds, including section 317 of the federal  
13 public health services act direct assistance as well as federal funds  
14 that may become available under the American recovery and reinvestment  
15 act, in order to continue to provide immunizations for low-income,  
16 nonmedicaid eligible children up to three hundred percent of the  
17 federal poverty level in state-sponsored health programs.

18       ~~((+7))~~ (8) The department shall eliminate outreach activities for  
19 the health care directives registry and use the remaining amounts to  
20 maintain the contract for the registry and minimal staffing necessary  
21 to administer the basic entry functions for the registry.

22       ~~((+8))~~ (9) Funding in this section reflects a temporary reduction  
23 of resources for the 2009-11 fiscal biennium for the state board of  
24 health to conduct health impact reviews.

25       ~~((+9))~~ (10) Pursuant to RCW 43.135.055 and 43.70.125, the  
26 department is authorized to adopt rules to establish a fee schedule to  
27 apply to applicants for initial certification surveys of health care  
28 facilities for purposes of receiving federal health care program  
29 reimbursement. The fees shall only apply when the department has  
30 determined that federal funding is not sufficient to compensate the  
31 department for the cost of conducting initial certification surveys.  
32 The fees for initial certification surveys may be established as  
33 follows: Up to \$1,815 for ambulatory surgery centers, up to \$2,015 for  
34 critical access hospitals, up to \$980 for end stage renal disease  
35 facilities, up to \$2,285 for home health agencies, up to \$2,285 for  
36 hospice agencies, up to \$2,285 for hospitals, up to \$520 for  
37 rehabilitation facilities, up to \$690 for rural health clinics, and up  
38 to \$7,000 for transplant hospitals.

1        ~~((+10+))~~ (11) Funding for family planning grants for fiscal year  
2 2011 is reduced in the expectation that federal funding shall become  
3 available to expand coverage of services for individuals through  
4 programs at the department of social and health services. In the event  
5 that such funding is not provided, the legislature intends to continue  
6 funding through a supplemental appropriation at fiscal year 2010  
7 levels. \$4,500,000 of the general fund--state appropriation is  
8 provided solely for the department of health-funded family planning  
9 clinic grants due to federal funding not becoming available.

10        ~~((+11+))~~ (12) \$16,000,000 of the tobacco prevention and control  
11 account--state appropriation is provided solely for local health  
12 jurisdictions to conduct core public health functions as defined in RCW  
13 43.70.514.

14        ~~((+12+))~~ (13) \$100,000 of the health professions account  
15 appropriation is provided solely for implementation of Substitute House  
16 Bill No. 1414 (health care assistants). If the bill is not enacted by  
17 June 30, 2009, the amount provided in this subsection shall lapse.

18        ~~((+13+))~~ (14) \$42,000 of the health professions account--state  
19 appropriation is provided solely to implement Substitute House Bill No.  
20 1740 (dentistry license issuance). If the bill is not enacted by June  
21 30, 2009, the amount provided in this section shall lapse.

22        ~~((+14+))~~ (15) \$23,000 of the health professions account--state  
23 appropriation is provided solely to implement Second Substitute House  
24 Bill No. 1899 (retired active physician licenses). If the bill is not  
25 enacted by June 30, 2009, the amount provided in this section shall  
26 lapse.

27        ~~((+15+))~~ (16) \$12,000 of the general fund--state appropriation for  
28 fiscal year 2010 and \$67,000 of the general fund--private/local  
29 appropriation are provided solely to implement House Bill No. 1510  
30 (birth certificates). If the bill is not enacted by June 30, 2009, the  
31 amount provided in this section shall lapse.

32        ~~((+16+))~~ (17) \$31,000 of the health professions account is provided  
33 for the implementation of Second Substitute Senate Bill No. 5850 (human  
34 trafficking). If the bill is not enacted by June 2009, the amount  
35 provided in this subsection shall lapse.

36        ~~((+17+))~~ (18) \$282,000 of the health professions account is  
37 provided for the implementation of Substitute Senate Bill No. 5752

1 (dentists cost recovery). If the bill is not enacted by June 2009, the  
2 amount provided in this subsection shall lapse.

3 ~~((+18+))~~ (19) \$106,000 of the health professions account is  
4 provided for the implementation of Substitute Senate Bill No. 5601  
5 (speech language assistants). If the bill is not enacted by June 2009,  
6 the amount provided in this subsection shall lapse.

7 (20) Subject to existing resources, the department of health is  
8 encouraged to examine, in the ordinary course of business, current and  
9 prospective programs, treatments, education, and awareness of  
10 cardiovascular disease that are needed for a thriving and healthy  
11 Washington.

12 (21) \$400,500 from the health professions account is appropriated  
13 to fund nursing commission programs related to discipline, impaired  
14 practitioner programs, and expedited credentialing. Funding comes from  
15 a reduction in the \$20 fees that nurses pay for access to University of  
16 Washington library resources.

17 (22) \$390,000 of the health professions account--state  
18 appropriation is provided solely to implement chapter 169, Laws of 2010  
19 (nursing assistants). The amount provided in this subsection is from  
20 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

21 (23) \$10,000 of the health professions account--state appropriation  
22 for fiscal year 2010 and \$40,000 of the health professions  
23 account--state appropriation for fiscal year 2011 are provided solely  
24 for the department to study cost effective options for collecting  
25 demographic data related to the health care professions workforce to be  
26 submitted to the legislature by December 1, 2010.

27 (24) \$66,000 of the health professions account--state appropriation  
28 is provided solely to implement chapter 209, Laws of 2010 (pain  
29 management).

30 (25) \$10,000 of the health professions account--state appropriation  
31 is provided solely to implement chapter 92, Laws of 2010  
32 (cardiovascular invasive specialists).

33 (26) \$23,000 of the general fund--state appropriation is provided  
34 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,  
35 etc.).

36 (27) The department is authorized to coordinate a tobacco cessation  
37 media campaign using all appropriate media with the purpose of  
38 maximizing the use of quit-line services and youth smoking prevention.

1       (28) For all contracts for smoking cessation and awareness services  
2 agreed to after the effective date of this section, at least ten  
3 percent of the value of that contract shall be dedicated to supporting  
4 smoking cessation and prevention programs for underserved and hard to  
5 reach populations, including populations with smoking rates higher than  
6 the state average.

7       (29) It is the intent of the legislature that the reductions in  
8 appropriations to the AIDS/HIV programs shall be achieved, to the  
9 greatest extent possible, by reducing those state government  
10 administrative costs that do not affect direct client services or  
11 direct service delivery or programs. The agency shall, to the greatest  
12 extent possible, reduce spending in those areas that shall have the  
13 least impact on implementing these programs.

14       (30) \$400,000 of the state toxics control account--state  
15 appropriation is provided solely for granting to a willing local public  
16 entity to provide emergency water supplies or water treatment for  
17 households with individuals at high public health risk from nitrate-  
18 contaminated wells in the lower Yakima basin.

19       (31) \$100,000 of the state toxics control account--state  
20 appropriation is provided solely for an interagency contract to the  
21 department of ecology to grant to agencies involved in improving  
22 groundwater quality in the lower Yakima Valley. These agencies will  
23 develop a local plan for improving water quality and reducing nitrate  
24 contamination. The department of ecology will report to the  
25 appropriate committees of the legislature and to the office of  
26 financial management no later than December 1, 2010, summarizing  
27 progress towards developing and implementing this plan.

28       NEW SECTION. Sec. 222. A new section is added to 2009 c 564  
29 (uncodified) to read as follows:

30       **FOR THE DEPARTMENT OF CORRECTIONS.** The appropriations to the  
31 department of corrections in this act shall be expended for the  
32 programs and in the amounts specified herein. However, after May 1,  
33 2010, after approval by the director of financial management and unless  
34 specifically prohibited by this act, the department may transfer  
35 general fund--state appropriations for fiscal year 2010 between  
36 programs. The department shall not transfer funds, and the director of  
37 financial management shall not approve the transfer, unless the

1 transfer is consistent with the objective of conserving, to the maximum  
2 extent possible, the expenditure of state funds and not federal funds.  
3 The director of financial management shall notify the appropriate  
4 fiscal committees of the senate and house of representatives in writing  
5 seven days prior to approving any deviations from appropriation levels.  
6 The written notification shall include a narrative explanation and  
7 justification of the changes, along with expenditures and allotments by  
8 budget unit and appropriation, both before and after any allotment  
9 modifications or transfers.

10 **Sec. 223.** 2010 c 3 s 215 (uncodified) is amended to read as  
11 follows:

12 **FOR THE DEPARTMENT OF CORRECTIONS**

13 (1) ADMINISTRATION AND SUPPORT SERVICES

14 General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$55,622,000</del> ))
	<u>\$55,772,000</u>
16 General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$56,318,000</del> ))
	<u>\$55,417,000</u>
18 TOTAL APPROPRIATION . . . . .	(( <del>\$111,940,000</del> ))
	<u>\$111,189,000</u>

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

22 (a) Within funds appropriated in this section, the department shall  
23 seek contracts for chemical dependency vendors to provide chemical  
24 dependency treatment of offenders in corrections facilities, including  
25 corrections centers and community supervision facilities, which have  
26 demonstrated effectiveness in treatment of offenders and are able to  
27 provide data to show a successful treatment rate.

28 (b) \$35,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$35,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for the support of a statewide  
31 council on mentally ill offenders that includes as its members  
32 representatives of community-based mental health treatment programs,  
33 current or former judicial officers, and directors and commanders of  
34 city and county jails and state prison facilities. The council will  
35 investigate and promote cost-effective approaches to meeting the long-  
36 term needs of adults and juveniles with mental disorders who have a

1 history of offending or who are at-risk of offending, including their  
2 mental health, physiological, housing, employment, and job training  
3 needs.

4 (2) CORRECTIONAL OPERATIONS

5	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$456,657,000</del> ))
6		<u>\$458,503,000</u>
7	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$626,303,000</del> ))
8		<u>\$600,657,000</u>
9	General Fund--Federal Appropriation . . . . .	(( <del>\$185,131,000</del> ))
10		<u>\$186,719,000</u>
11	<del>((General Fund--Private/Local Appropriation . . . . .</del>	<del>\$3,536,000))</del>
12	Washington Auto Theft Prevention Authority Account--	
13	State Appropriation . . . . .	(( <del>\$5,960,000</del> ))
14		<u>\$5,936,000</u>
15	<u>State Efficiency and Restructuring Account--State</u>	
16	<u>Appropriation . . . . .</u>	<u>\$34,522,000</u>
17	TOTAL APPROPRIATION . . . . .	(( <del>\$1,277,587,000</del> ))
18		<u>\$1,286,337,000</u>

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

21 (a) The department may expend funds generated by contractual  
22 agreements entered into for mitigation of severe overcrowding in local  
23 jails. Any funds generated in excess of actual costs shall be  
24 deposited in the state general fund. Expenditures shall not exceed  
25 revenue generated by such agreements and shall be treated as a recovery  
26 of costs.

27 (b) The department shall accomplish personnel reductions with the  
28 least possible impact on correctional custody staff, community custody  
29 staff, and correctional industries. For the purposes of this  
30 subsection, correctional custody staff means employees responsible for  
31 the direct supervision of offenders.

32 (c) During the 2009-11 biennium, when contracts are established or  
33 renewed for offender pay phone and other telephone services provided to  
34 inmates, the department shall select the contractor or contractors  
35 primarily based on the following factors: (i) The lowest rate charged  
36 to both the inmate and the person paying for the telephone call; and  
37 (ii) the lowest commission rates paid to the department, while  
38 providing reasonable compensation to cover the costs of the department



1 to provide the telephone services to inmates and provide sufficient  
2 revenues for the activities funded from the institutional welfare  
3 betterment account.

4 (d) The Harborview medical center and the University of Washington  
5 medical center shall provide inpatient and outpatient hospital services  
6 to offenders confined in department of corrections facilities at a rate  
7 no greater than the average rate that the department has negotiated  
8 with other community hospitals in Washington state.

9 (e) A political subdivision which is applying for funding to  
10 mitigate one-time impacts associated with construction or expansion of  
11 a correctional institution, consistent with WAC 137-12A-030, may apply  
12 for the mitigation funds in the fiscal biennium in which the impacts  
13 occur or in the immediately succeeding fiscal biennium.

14 (f) Within amounts provided in this subsection, the department,  
15 jointly with the department of social and health services, shall  
16 identify the number of offenders released through the extraordinary  
17 medical placement program, the cost savings to the department of  
18 corrections, including estimated medical cost savings, and the costs  
19 for medical services in the community incurred by the department of  
20 social and health services. The department and the department of  
21 social and health services shall jointly report to the office of  
22 financial management and the appropriate fiscal committees of the  
23 legislature by November 30, 2010.

24 (g) \$11,863,000 of the general fund--state appropriation for fiscal  
25 year 2010, \$11,864,000 of the general fund--state appropriation for  
26 fiscal year 2011, and \$2,336,000 of the general fund-private/local  
27 appropriation are provided solely for in-prison evidence-based programs  
28 and for the reception diagnostic center program as part of the offender  
29 re-entry initiative.

30 (h) The department shall appropriately transition offenders from  
31 custody as close as possible to the offender's earned release date  
32 without adversely affecting public safety. The number of offenders  
33 held beyond their earned release date should not exceed the number of  
34 offenders held beyond their earned release date in fiscal year 2008.  
35 By June 1, 2010, the department shall provide a report on its offender  
36 population to the office of financial management and the legislative  
37 fiscal committees. The report shall include (i) an explanation for the  
38 increase in the adult inmate population between the November 2009

1 forecast and the February 2010 forecast; (ii) an explanation for the  
2 increase in the number of offenders held beyond their earned release  
3 date between fiscal year 2008 and calendar year 2009; and (iii) a  
4 description of the department's actions to reduce and maintain the  
5 number of offenders held beyond their earned release date to the  
6 population level from fiscal year 2008, and a timetable for achieving  
7 that goal.

8 (i) The appropriations in this subsection are based on savings  
9 assumed from decreasing the offender population at the McNeil Island  
10 corrections center to 256 minimum security offenders, decreasing the  
11 offender population at the Larch corrections center to 240 offenders,  
12 the closure of the Ahtanum View corrections center, and the closure of  
13 the Pine Lodge corrections center for women.

14 (3) COMMUNITY SUPERVISION

15	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$151,249,000</del> ))
16		<u>\$150,729,000</u>
17	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$141,785,000</del> ))
18		<u>\$139,945,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$293,034,000</del> ))
20		<u>\$290,674,000</u>

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

23 (a) The department shall accomplish personnel reductions with the  
24 least possible impact on correctional custody staff, community custody  
25 staff, and correctional industries. For the purposes of this  
26 subsection, correctional custody staff means employees responsible for  
27 the direct supervision of offenders.

28 (b) \$2,083,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$2,083,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely to implement Senate Bill No. 5525  
31 (state institutions/release). If the bill is not enacted by June 30,  
32 2009, the amounts provided in this subsection shall lapse.

33 (c) The appropriations in this subsection are based upon savings  
34 assumed from the implementation of Engrossed Substitute Senate Bill No.  
35 5288 (supervision of offenders).

36 (d) \$2,791,000 of the general fund--state appropriation for fiscal  
37 year 2010 and \$3,166,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for evidence-based community  
2 programs and for community justice centers as part of the offender re-  
3 entry initiative.

4 (e) \$418,300 of the general fund--state appropriation for fiscal  
5 year 2010 is provided solely for the purposes of settling all claims in  
6 Hilda Solis, Secretary of Labor, United States Department of Labor v.  
7 State of Washington, Department of Corrections, United States District  
8 Court, Western District of Washington, Cause No. C08-cv-05362-RJB. The  
9 expenditure of this amount is contingent on the release of all claims  
10 in the case, and total settlement costs shall not exceed the amount  
11 provided in this subsection. If settlement is not fully executed by  
12 June 30, 2010, the amount provided in this subsection shall lapse.

13 (f) \$984,000 of the general fund--state appropriation for fiscal  
14 year 2011 is provided solely for supplemental services that will be  
15 provided to offenders in lieu of a prison sentence, pursuant to chapter  
16 224, Laws of 2010 (confinement alternatives).

17 (4) CORRECTIONAL INDUSTRIES

18	General Fund--State Appropriation (FY 2010) . . . . .	\$2,574,000
19	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,565,000)</del>
20		<u>\$2,547,000</u>
21	TOTAL APPROPRIATION . . . . .	<del>(\$5,139,000)</del>
22		<u>\$5,121,000</u>

23 The appropriations in this subsection are subject to the following  
24 conditions and limitations: \$132,000 of the general fund--state  
25 appropriation for fiscal year 2010 and \$132,000 of the general fund--  
26 state appropriation for fiscal year 2011 are provided solely for  
27 transfer to the jail industries board. The board shall use the amounts  
28 provided only for administrative expenses, equipment purchases, and  
29 technical assistance associated with advising cities and counties in  
30 developing, promoting, and implementing consistent, safe, and efficient  
31 offender work programs.

32 (5) INTERAGENCY PAYMENTS

33	General Fund--State Appropriation (FY 2010) . . . . .	<del>(\$40,455,000)</del>
34		<u>\$40,728,000</u>
35	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$40,450,000)</del>
36		<u>\$40,084,000</u>
37	TOTAL APPROPRIATION . . . . .	<del>(\$80,905,000)</del>

1 \$80,812,000

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

4 (a) The state prison institutions may use funds appropriated in  
5 this subsection to rent uniforms from correctional industries in  
6 accordance with existing legislative mandates.

7 (b) The state prison medical facilities may use funds appropriated  
8 in this subsection to purchase goods and supplies through hospital or  
9 other group purchasing organizations when it is cost effective to do  
10 so.

11 **Sec. 224.** 2009 c 564 s 224 (uncodified) is amended to read as  
12 follows:

13 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

14	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$2,544,000</del> ))
15		<u>\$2,504,000</u>
16	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$2,550,000</del> ))
17		<u>\$2,390,000</u>
18	General Fund--Federal Appropriation . . . . .	(( <del>\$18,125,000</del> ))
19		<u>\$18,116,000</u>
20	General Fund--Private/Local Appropriation . . . . .	(( <del>\$20,000</del> ))
21		<u>\$30,000</u>
22	TOTAL APPROPRIATION . . . . .	(( <del>\$23,239,000</del> ))
23		<u>\$23,040,000</u>

24 The amounts appropriated in this section are subject to the  
25 following conditions and limitations: Sufficient amounts are  
26 appropriated in this section to support contracts for services that  
27 provide employment support and help with life activities for deaf and  
28 blind individuals in King county.

29 **Sec. 225.** 2010 c 3 s 216 (uncodified) is amended to read as  
30 follows:

31 **FOR THE SENTENCING GUIDELINES COMMISSION**

32	General Fund--State Appropriation (FY 2010) . . . . .	\$962,000
33	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$960,000</del> ))
34		<u>\$948,000</u>
35	TOTAL APPROPRIATION . . . . .	(( <del>\$1,922,000</del> ))
36		<u>\$1,910,000</u>

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

3 (1) Within the amounts appropriated in this section, the sentencing  
4 guidelines commission, in partnership with the courts, shall develop a  
5 plan to implement an evidence-based system of community custody for  
6 adult felons that will include the consistent use of evidence-based  
7 risk and needs assessment tools, programs, supervision modalities, and  
8 monitoring of program integrity. The plan for the evidence-based  
9 system of community custody shall include provisions for identifying  
10 cost-effective rehabilitative programs; identifying offenders for whom  
11 such programs would be cost-effective; monitoring the system for cost-  
12 effectiveness; and reporting annually to the legislature. In  
13 developing the plan, the sentencing guidelines shall consult with: The  
14 Washington state institute for public policy; the legislature; the  
15 department of corrections; local governments; prosecutors; defense  
16 attorneys; victim advocate groups; law enforcement; the Washington  
17 federation of state employees; and other interested entities. The  
18 sentencing guidelines commission shall report its recommendations to  
19 the governor and the legislature by December 1, 2009.

20 (2)(a) Except as provided in subsection (b), during the 2009-11  
21 biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d)  
22 and (h) shall be prepared within the available funds and may be delayed  
23 or suspended at the discretion of the commission.

24 (b) The commission shall submit the analysis described in section  
25 15 of Engrossed Substitute Senate Bill No. 5288 no later than December  
26 1, 2011.

27 (3) Within the amounts appropriated in this section, the sentencing  
28 guidelines commission shall survey the practices of other states  
29 relating to offenders who violate any conditions of their community  
30 custody. In conducting the survey, the sentencing guidelines  
31 commission shall perform a review of the research studies to determine  
32 if a mandatory minimum confinement policy is an evidence-based  
33 practice, investigate the implementation of such a policy in other  
34 states, and estimate the fiscal impacts of implementing such a policy  
35 in Washington state. The sentencing guidelines commission shall report  
36 its findings to the governor and the legislature by December 1, 2010.

1       **Sec. 226.** 2009 c 564 s 226 (uncodified) is amended to read as  
2 follows:

3 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

4	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$7,054,000</del> ))
5		<u>\$2,054,000</u>
6	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$53,000</del> ))
7		<u>\$5,053,000</u>
8	General Fund--Federal Appropriation . . . . .	(( <del>\$320,561,000</del> ))
9		<u>\$324,135,000</u>
10	General Fund--Private/Local Appropriation . . . . .	(( <del>\$33,825,000</del> ))
11		<u>\$33,640,000</u>
12	Unemployment Compensation Administration	
13	Account--Federal Appropriation . . . . .	(( <del>\$332,904,000</del> ))
14		<u>\$362,740,000</u>
15	Administrative Contingency Account--State	
16	Appropriation . . . . .	(( <del>\$293,000</del> ))
17		<u>\$345,000</u>
18	Employment Service Administrative Account--	
19	State Appropriation . . . . .	(( <del>\$37,195,000</del> ))
20		<u>\$37,775,000</u>
21	TOTAL APPROPRIATION . . . . .	(( <del>\$731,885,000</del> ))
22		<u>\$765,742,000</u>

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

25       (1) ((~~\$55,029,000~~)) \$59,829,000 of the unemployment compensation  
26 administration account--federal appropriation is provided from amounts  
27 made available to the state by section 903(d) and (f) of the social  
28 security act (Reed act). This amount is authorized to continue current  
29 unemployment insurance functions and department services to employers  
30 and job seekers.

31       (2) \$32,067,000 of the unemployment compensation administration  
32 account--federal appropriation is provided from amounts made available  
33 to the state by section 903(d) and (f) of the social security act (Reed  
34 act). This amount is authorized to fund the replacement of the  
35 unemployment insurance tax information system (TAXIS) for the  
36 employment security department. This section is subject to section 902  
37 of this act.

1 (3) \$110,000 of the unemployment compensation administration  
2 account--federal appropriation is provided solely for implementation of  
3 Senate Bill No. 5804 (leaving part time work voluntarily). (~~if the~~  
4 ~~bill is not enacted by June 30, 2009, the amounts provided in this~~  
5 ~~subsection shall lapse.~~)

6 (4) \$1,263,000 of the unemployment compensation administration  
7 account--federal appropriation is provided solely for implementation of  
8 Senate Bill No. 5963 (unemployment insurance). (~~if the bill is not~~  
9 ~~enacted by June 30, 2009, the amounts provided in this subsection shall~~  
10 ~~lapse.~~)

11 (5) \$159,000 of the unemployment compensation account--federal  
12 appropriation is provided solely for the implementation of House Bill  
13 No. 1555 (underground economy) from funds made available to the state  
14 by section 903(d) of the social security act (Reed act).

15 (6) (~~(\$293,000)~~) \$295,000 of the administrative contingency--state  
16 appropriation for fiscal year 2010 is provided solely for the  
17 implementation of House Bill No. 2227 (evergreen jobs act). (~~if the~~  
18 ~~bill is not enacted by June 30, 2009, the amounts provided in this~~  
19 ~~subsection shall lapse.~~)

20 (7) \$7,000,000 of the general fund--state appropriation for fiscal  
21 year 2010 is provided solely for the implementation of Senate Bill No.  
22 5809 (WorkForce employment and training). (~~if the bill is not enacted~~  
23 ~~by June 30, 2009, the amounts provided in this subsection shall~~  
24 ~~lapse.~~)

25 (8) \$444,000 of the unemployment compensation administration  
26 account--federal appropriation is provided solely for the  
27 implementation of Substitute Senate Bill No. 6524 (unemployment  
28 insurance penalties and contribution rates) from funds made available  
29 to the state by section 903 (d) or (f) of the social security act (Reed  
30 12 act). If the bill is not enacted by June 30, 2010, the amount  
31 provided in this subsection shall lapse.

32 (9) \$232,000 of the unemployment compensation administration  
33 account--federal appropriation from funds made available to the state  
34 by section 903(c) or (f) of the social security act (Reed act) is  
35 provided solely for the implementation of Substitute House Bill No.  
36 2789 (underground economic activity). If the bill is not enacted by  
37 June 30, 2010, the amount provided in this subsection shall lapse.

1       **Sec. 227.** 2009 c 564 s 221 (uncodified) is amended to read as  
2 follows:

3 **FOR THE HOME CARE QUALITY AUTHORITY**

4 General Fund--State Appropriation (FY 2010) . . . . . \$1,229,000  
5 (~~General Fund--State Appropriation (FY 2011) . . . . . \$1,221,000~~  
6       ~~TOTAL APPROPRIATION . . . . . \$2,450,000~~)

(End of Part)



PART III  
NATURAL RESOURCES

Sec. 301. 2009 c 564 s 301 (uncodified) is amended to read as follows:

**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2010)	\$441,000
General Fund--State Appropriation (FY 2011)	<del>(\$445,000)</del>
	<u>\$440,000</u>
General Fund--Federal Appropriation	\$30,000
General Fund--Private/Local Appropriation	<del>(\$864,000)</del>
	<u>\$845,000</u>
TOTAL APPROPRIATION	<del>(\$1,780,000)</del>
	<u>\$1,756,000</u>

Sec. 302. 2010 c 3 s 301 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2010)	<del>(\$59,991,000)</del>
	<u>\$58,552,000</u>
General Fund--State Appropriation (FY 2011)	<del>(\$58,047,000)</del>
	<u>\$52,725,000</u>
General Fund--Federal Appropriation	<del>(\$82,452,000)</del>
	<u>\$82,079,000</u>
General Fund--Private/Local Appropriation	<del>(\$16,668,000)</del>
	<u>\$16,688,000</u>
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	<del>(\$3,679,000)</del>
	<u>\$3,649,000</u>
Flood Control Assistance Account--State Appropriation	<del>(\$1,965,000)</del>
	<u>\$1,943,000</u>
<u>State Emergency Water Projects Revolving Account--State Appropriation</u>	<u>\$240,000</u>
Waste Reduction/Recycling/Litter Control--State Appropriation	<del>(\$14,554,000)</del>

1		<u>\$12,467,000</u>
2	<u>State Drought Preparedness Account--State</u>	
3	<u>Appropriation . . . . .</u>	<u>\$4,000,000</u>
4	State and Local Improvements Revolving Account	
5	(Water Supply Facilities)--State Appropriation . . . . .	(((\$426,000))
6		<u>\$424,000</u>
7	Freshwater Aquatic Algae Control Account--State	
8	Appropriation . . . . .	(((\$509,000))
9		<u>\$508,000</u>
10	Water Rights Tracking System Account--State	
11	Appropriation . . . . .	\$116,000
12	Site Closure Account--State Appropriation . . . . .	(((\$706,000))
13		<u>\$922,000</u>
14	Wood Stove Education and Enforcement Account--	
15	State Appropriation . . . . .	\$612,000
16	Worker and Community Right-to-Know Account--	
17	State Appropriation . . . . .	(((\$1,670,000))
18		<u>\$1,663,000</u>
19	State Toxics Control Account--State	
20	Appropriation . . . . .	(((\$101,705,000))
21		<u>\$106,642,000</u>
22	State Toxics Control Account--Private/Local	
23	Appropriation . . . . .	(((\$383,000))
24		<u>\$379,000</u>
25	Local Toxics Control Account--State Appropriation . . . . .	(((\$24,730,000))
26		<u>\$24,690,000</u>
27	Water Quality Permit Account--State Appropriation . . . . .	(((\$37,433,000))
28		<u>\$37,018,000</u>
29	Underground Storage Tank Account--State	
30	Appropriation . . . . .	(((\$3,298,000))
31		<u>\$3,270,000</u>
32	Biosolids Permit Account--State Appropriation . . . . .	(((\$1,413,000))
33		<u>\$1,866,000</u>
34	Hazardous Waste Assistance Account--State	
35	Appropriation . . . . .	(((\$5,930,000))
36		<u>\$5,880,000</u>
37	Air Pollution Control Account--State Appropriation . . . . .	(((\$2,030,000))
38		<u>\$2,111,000</u>

1	Oil Spill Prevention Account--State Appropriation . . .	(( <del>\$10,688,000</del> ))
2		<u>\$10,599,000</u>
3	Air Operating Permit Account--State Appropriation . . .	(( <del>\$2,783,000</del> ))
4		<u>\$2,758,000</u>
5	Freshwater Aquatic Weeds Account--State	
6	Appropriation . . . . .	(( <del>\$1,699,000</del> ))
7		<u>\$1,693,000</u>
8	Oil Spill Response Account--State Appropriation . . . .	(( <del>\$7,078,000</del> ))
9		<u>\$7,077,000</u>
10	Metals Mining Account--State Appropriation . . . . .	\$14,000
11	Water Pollution Control Revolving Account--State	
12	Appropriation . . . . .	(( <del>\$465,000</del> ))
13		<u>\$535,000</u>
14	Water Pollution Control Revolving Account--Federal	
15	Appropriation . . . . .	(( <del>\$1,940,000</del> ))
16		<u>\$2,210,000</u>
17	<u>Water Rights Processing Account--State Appropriation . . . . .</u>	<u>\$68,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$442,998,000</del> ))
19		<u>\$443,412,000</u>

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

22       (1) \$170,000 of the oil spill prevention account--state  
23 appropriation is provided solely for a contract with the University of  
24 Washington's sea grant program to continue an educational program  
25 targeted to small spills from commercial fishing vessels, ferries,  
26 cruise ships, ports, and marinas.

27       (2) \$240,000 of the woodstove education and enforcement account--  
28 state appropriation is provided solely for citizen outreach efforts to  
29 improve understanding of burn curtailments, the proper use of wood  
30 heating devices, and public awareness of the adverse health effects of  
31 woodsmoke pollution.

32       (3) \$3,000,000 of the general fund--private/local appropriation is  
33 provided solely for contracted toxic-site cleanup actions at sites  
34 where multiple potentially liable parties agree to provide funding.

35       (4) \$3,600,000 of the local toxics account--state appropriation is  
36 provided solely for the standby emergency rescue tug stationed at Neah  
37 Bay.

1 (5) \$811,000 of the state toxics account--state appropriation is  
2 provided solely for oversight of toxic cleanup at facilities that  
3 treat, store, and dispose of hazardous wastes.

4 (6) \$1,456,000 of the state toxics account--state appropriation is  
5 provided solely for toxic cleanup at sites where willing parties  
6 negotiate prepayment agreements with the department and provide  
7 necessary funding.

8 (7) \$558,000 of the state toxics account--state appropriation and  
9 \$3,000,000 of the local toxics account--state appropriation are  
10 provided solely for grants and technical assistance to Puget Sound-area  
11 local governments engaged in updating shoreline master programs.

12 (8) \$950,000 of the state toxics control account--state  
13 appropriation is provided solely for measuring water and habitat  
14 quality to determine watershed health and assist salmon recovery,  
15 beginning in fiscal year 2011.

16 (9) RCW 70.105.280 authorizes the department to assess reasonable  
17 service charges against those facilities that store, treat, incinerate,  
18 or dispose of dangerous or extremely hazardous waste that involves both  
19 a nonradioactive hazardous component and a radioactive component.  
20 Service charges may not exceed the costs to the department in carrying  
21 out the duties in RCW 70.105.280. The current service charges do not  
22 meet the costs of the department to carry out its duties. Pursuant to  
23 RCW 43.135.055 and 70.105.280, the department is authorized to increase  
24 the service charges no greater than 18 percent for fiscal year 2010 and  
25 no greater than 15 percent for fiscal year 2011. Such service charges  
26 shall include all costs of public participation grants awarded to  
27 qualified entities by the department pursuant to RCW 70.105D.070(5) for  
28 facilities at which such grants are recognized as a component of a  
29 community relations or public participation plan authorized or required  
30 as an element of a consent order, federal facility agreement or agreed  
31 order entered into or issued by the department pursuant to any federal  
32 or state law governing investigation and remediation of releases of  
33 hazardous substances. Public participation grants funded by such  
34 service charges shall be in addition to, and not in place of, any other  
35 grants made pursuant to RCW 70.105D.070(5). Costs for the public  
36 participation grants shall be billed individually to the mixed waste  
37 facility associated with the grant.

1 (10) The department is authorized to increase the following fees in  
2 the 2009-2011 biennium as necessary to meet the actual costs of  
3 conducting business and the appropriation levels in this section:  
4 Environmental lab accreditation, dam safety and inspection, biosolids  
5 permitting, air emissions new source review, and manufacturer  
6 registration and renewal.

7 (11) \$63,000 of the state toxics control account--state  
8 appropriation is provided solely for implementation of Substitute  
9 Senate Bill No. 5797 (solid waste handling permits). If the bill is  
10 not enacted by June 30, 2009, the amount provided in this subsection  
11 shall lapse.

12 (12) \$225,000 of the general fund--state appropriation for fiscal  
13 year 2010 and \$193,000 of the general fund--state appropriation for  
14 fiscal year 2011 are provided solely for implementation of Engrossed  
15 Second Substitute Bill No. 5560 (agency climate leadership). If the  
16 bill is not enacted by June 30, 2009, the amounts provided in this  
17 subsection shall lapse.

18 (13) \$150,000 of the general fund--state appropriation for fiscal  
19 year 2010 and \$150,000 of the general fund--state appropriation for  
20 fiscal year 2011 are provided solely for watershed planning  
21 implementation grants to continue ongoing efforts to develop and  
22 implement water agreements in the Nooksack Basin and the Bertrand  
23 watershed. These amounts are intended to support project  
24 administration; monitoring; negotiations in the Nooksack watershed  
25 between tribes, the department, and affected water users; continued  
26 implementation of a flow augmentation project; plan implementation in  
27 the Fishtrap watershed; and the development of a water bank.

28 (14) \$215,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$235,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely to provide watershed planning  
31 implementation grants for WRIA 32 to implement Substitute House Bill  
32 No. 1580 (pilot local water management program). If the bill is not  
33 enacted by June 30, 2009, the amounts provided in this subsection shall  
34 lapse.

35 (15) \$200,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$200,000 of the general fund--state appropriation for  
37 fiscal year 2011 are provided solely for the purpose of supporting the

1 trust water rights program and processing trust water right transfer  
2 applications that improve instream flow.

3 (16)(a) The department shall convene a stock water working group  
4 that includes: Legislators, four members representing agricultural  
5 interests, three members representing environmental interests, the  
6 attorney general or designee, the director of the department of ecology  
7 or designee, the director of the department of agriculture or designee,  
8 and affected federally recognized tribes shall be invited to send  
9 participants.

10 (b) The group shall review issues surrounding the use of permit-  
11 exempt wells for stock-watering purposes and may develop  
12 recommendations for legislative action.

13 (c) The working group shall meet periodically and report its  
14 activities and recommendations to the governor and the appropriate  
15 legislative committees by December 1, 2009.

16 (17) \$73,000 of the water quality permit account--state  
17 appropriation is provided solely to implement Substitute House Bill No.  
18 1413 (water discharge fees). If the bill is not enacted by June 30,  
19 2009, the amount provided in this subsection shall lapse.

20 (18) The department shall continue to work with the Columbia Snake  
21 River irrigators' association to determine how seasonal water operation  
22 and maintenance conservation can be utilized. In implementing this  
23 proviso, the department shall also consult with the Columbia River  
24 policy advisory group as appropriate.

25 (19) The department shall track any changes in costs, wages, and  
26 benefits that would have resulted if House Bill No. 1716 (public  
27 contract living wages), as introduced in the 2009 regular session of  
28 the legislature, were enacted and made applicable to contracts and  
29 related subcontracts entered into, renewed, or extended during the  
30 2009-11 biennium. The department shall submit a report to the house of  
31 representatives commerce and labor committee and the senate labor,  
32 commerce, and consumer protection committee by December 1, 2011. The  
33 report shall include data on any aggregate changes in wages and  
34 benefits that would have resulted during the 2009-11 biennium.

35 (20) Within amounts appropriated in this section the department  
36 shall develop recommendations by December 1, 2009, for a convenient and  
37 effective mercury-containing light recycling program for residents,  
38 small businesses, and small school districts throughout the state. The

1 department shall consider options including but not limited to, a  
2 producer-funded program, a recycler-supported or recycle fee program,  
3 a consumer fee at the time of purchase, general fund appropriations, or  
4 a currently existing dedicated account. The department shall involve  
5 and consult with stakeholders including persons who represent  
6 retailers, waste haulers, recyclers, mercury-containing light  
7 manufacturers or wholesalers, cities, counties, environmental  
8 organizations and other interested parties. The department shall  
9 report its findings and recommendations for a recycling program for  
10 mercury-containing lights to the appropriate committees of the  
11 legislature by December 1, 2009.

12 ~~(21) ((During the 2009-11 biennium, the department shall implement~~  
13 ~~its cost reimbursement authority for processing water right~~  
14 ~~applications using a competitive bidding process. For each cost~~  
15 ~~reimbursement application, the department shall obtain cost proposals~~  
16 ~~and other necessary information from at least three prequalified costs~~  
17 ~~reimbursement consultants and shall select the lowest responsive~~  
18 ~~bidder.~~

19 ~~(+22))~~ \$140,000 of the freshwater aquatic algae control account--  
20 state appropriation is provided solely for grants to cities, counties,  
21 tribes, special purpose districts, and state agencies for capital and  
22 operational expenses used to manage and study excessive saltwater algae  
23 with an emphasis on the periodic accumulation of sea lettuce on Puget  
24 Sound beaches.

25 ~~((+23))~~ (22) By December 1, 2009, the department in consultation  
26 with local governments shall conduct a remedial action grant financing  
27 alternatives report. The report shall address options for financing the  
28 remedial action grants identified in the department's report, entitled  
29 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing  
30 Plan" and shall include but not be limited to the following: (a)  
31 Capitalizing cleanup costs using debt insurance; (b) capitalizing  
32 cleanup costs using prefunded cost-cap insurance; (c) other contractual  
33 instruments with local governments; and (d) an assessment of overall  
34 economic benefits of the remedial action grants funded using the  
35 instruments identified in this section.

36 (23) \$220,000 of the site closure account--state appropriation is  
37 provided solely for litigation expenses associated with the lawsuit

1 filed by energy solutions, inc., against the Northwest interstate  
2 compact on low-level radioactive waste management and its executive  
3 director.

4 (24) \$68,000 of the water rights processing account--state  
5 appropriation is provided solely for implementation of Engrossed Second  
6 Substitute Senate Bill No. 6267 (water rights processing). If the bill  
7 is not enacted by June 30, 2010, the amount provided in this subsection  
8 shall lapse.

9 (25) \$10,000 of the state toxics control account--state  
10 appropriation is provided solely for implementation of Engrossed  
11 Substitute Senate Bill No. 5543 (mercury-containing lights). If the  
12 bill is not enacted by June 30, 2010, the amount provided in this  
13 subsection shall lapse.

14 (26) \$300,000 of the state toxics control account--state  
15 appropriation is provided solely for piloting and evaluating two  
16 coordinated, multijurisdictional permitting teams for nontransportation  
17 projects.

18 (27)(a) \$4,000,000 of the state drought preparedness account--state  
19 appropriation is provided solely for response to a drought declaration  
20 pursuant to chapter 43.83B RCW. If such a drought declaration occurs,  
21 the department of ecology may provide funding to public bodies as  
22 defined in RCW 43.83B.050 in connection with projects and measures  
23 designed to alleviate drought conditions that may affect public health  
24 and safety, drinking water supplies, agricultural activities, or fish  
25 and wildlife survival.

26 (b) Projects or measures for which funding will be provided must be  
27 connected with a water system, water source, or water body that is  
28 receiving, or has been projected to receive, less than seventy-five  
29 percent of normal water supply, as the result of natural drought  
30 conditions. This reduction in water supply must be such that it is  
31 causing, or will cause, undue hardship for the entities or fish or  
32 wildlife depending on the water supply. The department shall issue  
33 guidelines outlining grant program and matching fund requirements  
34 within ten days of a drought declaration.

35 **Sec. 303.** 2010 c 3 s 302 (uncodified) is amended to read as  
36 follows:



1	<b>FOR THE STATE PARKS AND RECREATION COMMISSION</b>	
2	General Fund--State Appropriation (FY 2010) . . . . .	(((\$23,326,000))
3		<u>\$23,176,000</u>
4	General Fund--State Appropriation (FY 2011) . . . . .	(((\$22,729,000))
5		<u>\$20,311,000</u>
6	General Fund--Federal Appropriation . . . . .	(((\$5,902,000))
7		<u>\$6,892,000</u>
8	General Fund--Private/Local Appropriation . . . . .	\$73,000
9	Winter Recreation Program Account--State	
10	Appropriation . . . . .	(((\$1,558,000))
11		<u>\$1,556,000</u>
12	Off Road Vehicle Account--State Appropriation . . . . .	\$239,000
13	Snowmobile Account--State Appropriation . . . . .	\$4,842,000
14	Aquatic Lands Enhancement Account--State Appropriation . .	(((\$363,000))
15		<u>\$368,000</u>
16	Recreation Resources Account--State Appropriation . . . . .	\$9,802,000
17	NOVA Program Account--State Appropriation . . . . .	\$9,560,000
18	Parks Renewal and Stewardship Account--State	
19	Appropriation . . . . .	(((\$71,778,000))
20		<u>\$72,975,000</u>
21	Parks Renewal and Stewardship Account--	
22	Private/Local Appropriation . . . . .	\$300,000
23	TOTAL APPROPRIATION . . . . .	(((\$150,472,000))
24		<u>\$150,094,000</u>

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

27       (1) \$79,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$79,000 of the general fund--state appropriation for  
29 fiscal year 2011 are provided solely for a grant for the operation of  
30 the Northwest avalanche center.

31       (2) Proceeds received from voluntary donations given by motor  
32 vehicle registration applicants shall be used solely for the operation  
33 and maintenance of state parks.

34       (3) With the passage of Substitute House Bill No. 2339 (state parks  
35 system donation), the legislature finds that it has provided sufficient  
36 funds to ensure that all state parks remain open during the 2009-11  
37 biennium. The commission shall not close state parks (~~unless the bill~~  
38 ~~is not enacted by June 30, 2009, or revenue collections are~~

1 ~~insufficient to fund the ongoing operation of state parks. By January~~  
2 ~~10, 2010, the commission shall provide a report to the legislature on~~  
3 ~~their budget and resources related to operating parks for the remainder~~  
4 ~~of the biennium)).~~

5 (4) The commission shall not close or transfer Tolmie state park.

6 (5) The commission shall work with the department of general  
7 administration to evaluate the commission's existing leases with the  
8 intention of increasing net revenue to state parks. The commission  
9 shall provide to the office of financial management and the legislative  
10 fiscal committees no later than September 30, 2009, a list of leases  
11 the commission proposes be managed by the department of general  
12 administration.

13 **Sec. 304.** 2009 c 564 s 304 (uncodified) is amended to read as  
14 follows:

15 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

16	General Fund--State Appropriation (FY 2010) . . . . .	(((\$1,511,000))
17		<u>\$1,486,000</u>
18	General Fund--State Appropriation (FY 2011) . . . . .	(((\$1,558,000))
19		<u>\$1,480,000</u>
20	General Fund--Federal Appropriation . . . . .	(((\$10,431,000))
21		<u>\$10,322,000</u>
22	General Fund--Private/Local Appropriation . . . . .	\$250,000
23	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$278,000
24	Firearms Range Account--State Appropriation . . . . .	\$39,000
25	Recreation Resources Account--State Appropriation . . . . .	(((\$2,805,000))
26		<u>\$2,710,000</u>
27	NOVA Program Account--State Appropriation . . . . .	(((\$1,062,000))
28		<u>\$1,049,000</u>
29	TOTAL APPROPRIATION . . . . .	(((\$17,934,000))
30		<u>\$17,614,000</u>

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

33 (1) \$204,000 of the general fund--state appropriation for fiscal  
34 year 2010 and \$244,000 of the general fund-- state appropriation for  
35 fiscal year 2011 are provided solely for the implementation of  
36 Substitute House Bill No. 2157 (salmon recovery). If the bill is not

1 enacted by June 30, 2009, the amounts provided in this subsection shall  
2 lapse.

3 (2) The recreation and conservation office, under the direction of  
4 the salmon recovery funding board, shall assess watershed and regional-  
5 scale capacity issues relating to the support and implementation of  
6 salmon recovery. The assessment shall examine priority setting and  
7 incentives to further promote coordination to ensure that effective and  
8 efficient mechanisms for delivery of salmon recovery funding board  
9 funds are being utilized. The salmon recovery funding board shall  
10 distribute its operational funding to the appropriate entities based on  
11 this assessment.

12 (3) The recreation and conservation office shall negotiate an  
13 agreement with the Puget Sound partnership to consolidate or share  
14 certain administrative functions currently performed by each agency  
15 independently. The agencies shall proportionately share the costs of  
16 such shared functions. Examples of shared functions may include, but  
17 are not limited to, support for personnel, information technology,  
18 grant and contract management, invasive species work, legislative  
19 coordination, and policy and administrative support of various boards  
20 and councils.

21 (4) The biodiversity council shall be extended through fiscal year  
22 2011.

23 **Sec. 305.** 2009 c 564 s 305 (uncodified) is amended to read as  
24 follows:

25 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

26	General Fund--State Appropriation (FY 2010) . . . . .	(((\$1,079,000))
27		\$1,108,000
28	General Fund--State Appropriation (FY 2011) . . . . .	(((\$1,074,000))
29		\$1,104,000
30	TOTAL APPROPRIATION . . . . .	(((\$2,153,000))
31		\$2,212,000

32 The appropriations in this section are subject to the following  
33 conditions and limitations: \$46,000 of the general fund--state  
34 appropriation for fiscal year 2010 is provided solely for tenant  
35 improvement costs associated with moving the office to a new location.  
36



1	Recreational Fisheries Enhancement--State	
2	Appropriation . . . . .	(( <del>\$3,640,000</del> ))
3		<u>\$3,472,000</u>
4	Warm Water Game Fish Account--State Appropriation . . . . .	(( <del>\$2,877,000</del> ))
5		<u>\$2,861,000</u>
6	Eastern Washington Pheasant Enhancement Account--	
7	State Appropriation . . . . .	(( <del>\$848,000</del> ))
8		<u>\$851,000</u>
9	Aquatic Invasive Species Enforcement Account--	
10	State Appropriation . . . . .	\$207,000
11	Aquatic Invasive Species Prevention Account--	
12	State Appropriation . . . . .	(( <del>\$844,000</del> ))
13		<u>\$833,000</u>
14	Wildlife Account--State Appropriation . . . . .	(( <del>\$76,178,000</del> ))
15		<u>\$86,878,000</u>
16	<u>Wildlife Account--Federal Appropriation . . . . .</u>	<u>\$101,000</u>
17	<u>Wildlife Account--Private/Local Appropriation . . . . .</u>	<u>\$39,000</u>
18	Game Special Wildlife Account--State Appropriation . . . . .	(( <del>\$2,381,000</del> ))
19		<u>\$2,367,000</u>
20	Game Special Wildlife Account--Federal	
21	Appropriation . . . . .	(( <del>\$8,928,000</del> ))
22		<u>\$3,426,000</u>
23	Game Special Wildlife Account--Private/Local	
24	Appropriation . . . . .	\$487,000
25	Wildlife Rehabilitation Account--State Appropriation . . . . .	(( <del>\$270,000</del> ))
26		<u>\$269,000</u>
27	Regional Fisheries Salmonid Recovery Account--	
28	Federal Appropriation . . . . .	\$5,001,000
29	Oil Spill Prevention Account--State Appropriation . . . . .	(( <del>\$884,000</del> ))
30		<u>\$876,000</u>
31	Oyster Reserve Land Account--State Appropriation . . . . .	(( <del>\$918,000</del> ))
32		<u>\$916,000</u>
33	TOTAL APPROPRIATION . . . . .	(( <del>\$324,032,000</del> ))
34		<u>\$324,346,000</u>

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

- 37 (1) \$294,000 of the aquatic lands enhancement account--state

1 appropriation is provided solely for the implementation of hatchery  
2 reform recommendations defined by the hatchery scientific review group.

3 (2) \$355,000 of the general fund--state appropriation for fiscal  
4 year 2010 and \$422,000 of the general fund--state appropriation for  
5 fiscal year 2011 are provided solely for the department to implement a  
6 pilot project with the Confederated Tribes of the Colville Reservation  
7 to develop expanded recreational fishing opportunities on Lake Rufus  
8 Woods and its northern shoreline and to conduct joint enforcement of  
9 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to  
10 state and tribal intergovernmental agreements developed under the  
11 Columbia River water supply program. For the purposes of the pilot  
12 project:

13 (a) A fishing permit issued to a nontribal member by the Colville  
14 Tribes shall satisfy the license requirement of RCW 77.32.010 on the  
15 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

16 (b) The Colville Tribes have agreed to provide to holders of its  
17 nontribal member fishing permits a means to demonstrate that fish in  
18 their possession were lawfully taken in Lake Rufus Woods;

19 (c) A Colville tribal member identification card shall satisfy the  
20 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

21 (d) The department and the Colville Tribes shall jointly designate  
22 fishing areas on the north shore of Lake Rufus Woods for the purposes  
23 of enhancing access to the recreational fisheries on the lake; and

24 (e) The Colville Tribes have agreed to recognize a fishing license  
25 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal  
26 member fishing permit requirements of Colville tribal law on the  
27 reservation portion of the waters of Lake Rufus Woods and at designated  
28 fishing areas on the north shore of Lake Rufus Woods;

29 (3) Prior to submitting its 2011-2013 biennial operating and  
30 capital budget request related to state fish hatcheries to the office  
31 of financial management, the department shall contract with the  
32 hatchery scientific review group (HSRG) to review this request. This  
33 review shall: (a) Determine if the proposed requests are consistent  
34 with HSRG recommendations; (b) prioritize the components of the  
35 requests based on their contributions to protecting wild salmonid  
36 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
37 whether the proposed requests are being made in the most cost effective

1 manner. The department shall provide a copy of the HSRG review to the  
2 office of financial management with their agency budget proposal.

3 (4) Within existing funds, the department shall continue  
4 implementing its capital program action plan dated September 1, 2007,  
5 including the purchase of the necessary maintenance and support costs  
6 for the capital programs and engineering tools. The department shall  
7 report to the office of financial management and the appropriate  
8 committees of the legislature, its progress in implementing the plan,  
9 including improvements instituted in its capital program, by September  
10 30, (~~(2011)~~) 2010.

11 (5) \$1,232,000 of the state wildlife account--state appropriation  
12 is provided solely to implement Substitute House Bill No. 1778 (fish  
13 and wildlife). If the bill is not enacted by June 30, 2009, the amount  
14 provided in this subsection shall lapse.

15 (6) \$400,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$400,000 of the general fund--state appropriation for  
17 fiscal year 2011 are provided solely for a state match to support the  
18 Puget Sound nearshore partnership between the department and the U.S.  
19 army corps of engineers.

20 (7) (~~(\$100,000)~~) \$50,000 of the general fund--state appropriation  
21 for fiscal year 2010 and (~~(\$100,000)~~) \$50,000 of the general fund--  
22 state appropriation for fiscal year 2011 are provided solely for  
23 removal of derelict gear in Washington waters.

24 (8) The department of fish and wildlife shall dispose of all  
25 (~~(fixed-wing)~~) Cessna aircraft it currently owns. The proceeds from  
26 the aircraft shall be deposited into the state wildlife account.  
27 Disposal of the aircraft must occur no later than June 30, 2010. The  
28 department shall coordinate with the department of natural resources on  
29 the installation of fire surveillance equipment into its Partenavia  
30 aircraft. The department shall make its Partenavia aircraft available  
31 to the department of natural resources on a cost-reimbursement basis  
32 for its use in coordinating fire suppression efforts. The two agencies  
33 shall develop an interagency agreement that defines how they will share  
34 access to the plane.

35 (9) \$50,000 of the general fund--state appropriation for fiscal  
36 year 2010 is provided solely for an electron project fish passage study  
37 consistent with the recommendations and protocols contained in the 2008  
38 electron project downstream fish passage final report.

1 (10) \$60,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$60,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for implementation of Engrossed  
4 Second Substitute Bill No. 5560 (agency climate leadership). If the  
5 bill is not enacted by June 30, 2009, the amounts provided in this  
6 subsection shall lapse.

7 (11) If sufficient new revenues are not identified to continue  
8 hatchery operations, within the constraints of legally binding tribal  
9 agreements, the department shall dispose of, by removal, sale, lease,  
10 reversion, or transfer of ownership, the following hatcheries:  
11 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.  
12 Disposal of the hatcheries must occur by June 30, 2011, and any  
13 proceeds received from disposal shall be deposited in the state  
14 wildlife account. Within available funds, the department shall provide  
15 quarterly reports on the progress of disposal to the office of  
16 financial management and the appropriate fiscal committees of the  
17 legislature. The first report shall be submitted no later than  
18 September 30, 2009.

19 (12) \$100,000 of the eastern Washington pheasant enhancement  
20 account--state appropriation is provided solely for the department to  
21 support efforts to enhance permanent and temporary pheasant habitat on  
22 public and private lands in Grant, Franklin, and Adams counties. The  
23 department may support efforts by entities including conservation  
24 districts, nonprofit organizations, and landowners, and must require  
25 such entities to provide significant nonstate matching resources, which  
26 may be in the form of funds, material, or labor.

27 (13) Within the amounts appropriated in this section, the  
28 department of fish and wildlife shall develop a method for allocating  
29 its administrative and overhead costs proportionate to program fund  
30 use. As part of its 2011-2013 biennial operating budget, the  
31 department shall submit a decision package that rebalances expenditure  
32 authority for all agency funds based upon proportionate contributions.

33 (14) Within the amounts appropriated in this section, the  
34 department shall identify additional opportunities for partnerships in  
35 order to keep fish hatcheries operational. Such partnerships shall aim  
36 to maintain fish production and salmon recovery with less reliance on  
37 state operating funds.



1       (15) Within the amounts appropriated in this section, the  
2 department shall work with stakeholders to develop a long-term funding  
3 model that sustains the department's work of conserving species and  
4 habitat, providing sustainable recreational and commercial  
5 opportunities and using sound business practices. The funding model  
6 analysis shall assess the appropriate uses of each fund source and  
7 whether the department's current and projected revenue levels are  
8 adequate to sustain its current programs. The department shall report  
9 its recommended funding model including supporting analysis and  
10 stakeholder participation summary to the office of financial management  
11 and the appropriate committees of the legislature by October 1, 2010.

12       (16) By October 1, 2010, the department shall enter into an  
13 interagency agreement with the department of natural resources for land  
14 management services for the department's wildlife conservation and  
15 recreation lands. Land management services may include but are not  
16 limited to records management, real estate services such as surveying,  
17 and land acquisition and disposal services. The interagency agreement  
18 shall describe business processes, service delivery expectations, cost,  
19 and timing. In the agreement, the department shall define its roles  
20 and responsibilities. A draft agreement shall be submitted to the  
21 office of financial management and the appropriate fiscal committees of  
22 the legislature by July 1, 2010.

23       (17) Prior to opening game management unit 490 to public hunting,  
24 the department shall complete an environmental impact statement that  
25 includes an assessment of how public hunting activities will impact the  
26 ongoing protection of the public water supply.

27       (18) The department must work with appropriate stakeholders to  
28 facilitate the disposition of salmon to best utilize the resource,  
29 increase revenues to regional fisheries enhancement groups, and enhance  
30 the provision of nutrients to food banks. By November 1, 2010, the  
31 department must provide a report to the appropriate committees of the  
32 legislature summarizing these discussions, outcomes, and  
33 recommendations. After November 1, 2010, the department shall not  
34 solicit or award a surplus salmon disposal contract without first  
35 giving due consideration to implementing the recommendations developed  
36 during the stakeholder process.

37       (19) \$50,000 of the general fund--state appropriation for fiscal

1 year 2011 is provided solely for increased fish production at Voight  
2 Creek hatchery.

3 **Sec. 308.** 2009 c 564 s 308 (uncodified) is amended to read as  
4 follows:

5 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

6	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$40,275,000</del> ))
7		<u>\$48,822,000</u>
8	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$40,857,000</del> ))
9		<u>\$37,513,000</u>
10	General Fund--Federal Appropriation . . . . .	(( <del>\$26,731,000</del> ))
11		<u>\$28,784,000</u>
12	General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,371,000</del> ))
13		<u>\$2,369,000</u>
14	Forest Development Account--State Appropriation . . . . .	(( <del>\$41,765,000</del> ))
15		<u>\$41,640,000</u>
16	Off Road Vehicle Account--State Appropriation . . . . .	(( <del>\$4,236,000</del> ))
17		<u>\$4,406,000</u>
18	Surveys and Maps Account--State Appropriation . . . . .	(( <del>\$2,543,000</del> ))
19		<u>\$2,332,000</u>
20	Aquatic Lands Enhancement Account--State	
21	Appropriation . . . . .	(( <del>\$7,217,000</del> ))
22		<u>\$8,315,000</u>
23	Resources Management Cost Account--State	
24	Appropriation . . . . .	(( <del>\$78,951,000</del> ))
25		<u>\$78,704,000</u>
26	Surface Mining Reclamation Account--State	
27	Appropriation . . . . .	(( <del>\$3,490,000</del> ))
28		<u>\$3,494,000</u>
29	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
30	Forest and Fish Support Account--State Appropriation . . . . .	\$8,000,000
31	Aquatic Land Dredged Material Disposal Site	
32	Account--State Appropriation . . . . .	(( <del>\$1,336,000</del> ))
33		<u>\$1,333,000</u>
34	Natural Resources Conservation Areas Stewardship	
35	Account--State Appropriation . . . . .	(( <del>\$34,000</del> ))
36		<u>\$184,000</u>
37	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$80,000</del> ))

1		<u>\$720,000</u>
2	Air Pollution Control Account--State Appropriation . . . . .	(( <del>\$569,000</del> ))
3		<u>\$568,000</u>
4	NOVA Program Account--State Appropriation . . . . .	(( <del>\$982,000</del> ))
5		<u>\$974,000</u>
6	Derelict Vessel Removal Account--State	
7	Appropriation . . . . .	(( <del>\$1,754,000</del> ))
8		<u>\$1,749,000</u>
9	Agricultural College Trust Management Account--	
10	State Appropriation . . . . .	(( <del>\$2,643,000</del> ))
11		<u>\$1,941,000</u>
12	TOTAL APPROPRIATION . . . . .	(( <del>\$267,834,000</del> ))
13		<u>\$276,848,000</u>

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

16       (1) \$1,355,000 of the general fund--state appropriation for fiscal  
17 year 2010 and ((~~\$1,299,000~~)) \$349,000 of the general fund--state  
18 appropriation for fiscal year 2011 are provided solely for deposit into  
19 the agricultural college trust management account and are provided  
20 solely to manage approximately 70,700 acres of Washington State  
21 University's agricultural college trust lands.

22       (2) ((~~\$11,128,000~~)) \$22,670,000 of the general fund--state  
23 appropriation for fiscal year 2010, \$11,128,000 of the general fund--  
24 state appropriation for fiscal year 2011, and \$5,000,000 of the  
25 disaster response account--state appropriation are provided solely for  
26 emergency fire suppression. None of the general fund and disaster  
27 response account amounts provided in this subsection may be used to  
28 fund agency indirect and administrative expenses. Agency indirect and  
29 administrative costs shall be allocated among the agency's remaining  
30 accounts and appropriations. The department of natural resources shall  
31 submit a quarterly report to the office of financial management and the  
32 legislative fiscal committees detailing information on current and  
33 planned expenditures from the disaster response account. This work  
34 shall be done in coordination with the military department.

35       (3) \$5,000,000 of the forest and fish support account--state  
36 appropriation is provided solely for adaptive management, monitoring,  
37 and participation grants to tribes. If federal funding for this

1 purpose is reinstated, the amount provided in this subsection shall  
2 lapse.

3 (4) \$600,000 of the derelict vessel removal account--state  
4 appropriation is provided solely for removal of derelict and abandoned  
5 vessels that have the potential to contaminate Puget Sound.

6 (5) \$666,000 of the general fund--federal appropriation is provided  
7 solely to implement House Bill No. 2165 (forest biomass energy  
8 project). If the bill is not enacted by June 30, 2009, the amount  
9 provided in this subsection shall lapse.

10 (6) \$5,000 of the general fund--state appropriation for fiscal year  
11 2010 and \$5,000 of the general fund--state appropriation for fiscal  
12 year 2011 are provided solely to implement Substitute House Bill No.  
13 1038 (specialized forest products). If the bill is not enacted by June  
14 30, 2009, the amounts provided in this subsection shall lapse.

15 (7) \$440,000 of the state general fund--state appropriation for  
16 fiscal year 2010 and \$440,000 of the state general fund--state  
17 appropriation for fiscal year 2011 are provided solely for forest work  
18 crews that support correctional camps and are contingent upon  
19 continuing operations of Naselle youth camp at the level provided in  
20 fiscal year 2008. The department shall consider using up to \$2,000,000  
21 of the general fund--federal appropriation to support and utilize  
22 correctional camp crews to implement natural resource projects approved  
23 by the federal government for federal stimulus funding.

24 (8) The department of natural resources shall dispose of the King  
25 Air aircraft it currently owns. Before disposal and within existing  
26 funds, the department shall transfer specialized equipment for fire  
27 surveillance to the department of fish and wildlife's Partenavia  
28 aircraft. Disposal of the aircraft must occur no later than June 30,  
29 2010, and the proceeds from the sale of the aircraft shall be deposited  
30 into the ((~~natural resources equipment revolving fund~~)) forest and fish  
31 support account. ((~~At the expiration of current leases~~)) No later than  
32 June 30, 2011, the department shall lease facilities in eastern  
33 Washington sufficient to house the necessary aircraft, mechanics, and  
34 pilots used for forest fire prevention and suppression.

35 (9) \$30,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$30,000 of the general fund--state appropriation for  
37 fiscal year 2011 are provided solely for implementation of Engrossed

1 Second Substitute Bill No. 5560 (agency climate leadership). If the  
2 bill is not enacted by June 30, 2009, the amounts provided in this  
3 subsection shall lapse.

4 (10) \$1,030,000 of the aquatic lands enhancement account--state  
5 appropriation for fiscal year 2011 is provided solely for continuing  
6 scientific studies already underway as part of the adaptive management  
7 process. Funds may not be used to initiate new studies unless the  
8 department secures new federal funding for the adaptive management  
9 process.

10 (11) Within available funds, the department of natural resources  
11 shall review the statutory method for determining aquatic lands lease  
12 rates for private marinas, public marinas not owned and operated by  
13 port districts, yacht clubs, and other entities leasing state land for  
14 boat moorage. The review shall consider alternative methods for  
15 determining rents for these entities for a fair distribution of rent,  
16 consistent with the department management mandates for state aquatic  
17 lands.

18 (12) \$40,000 of the general fund--state appropriation for fiscal  
19 year 2011 and \$100,000 of the aquatic lands enhancement account--state  
20 appropriation are provided solely to install up to twenty mooring buoys  
21 in Eagle Harbor and to remove abandoned boats, floats, and other  
22 trespassing structures.

23 (13) By October 1, 2010, the department shall enter into an  
24 interagency agreement with the department of fish and wildlife for  
25 providing land management services on the department of fish and  
26 wildlife's wildlife conservation and recreation lands. Land management  
27 services may include but are not limited to records management, real  
28 estate services such as surveying, and land acquisition and disposal  
29 services. The interagency agreement shall describe business processes,  
30 service delivery expectations, cost, and timing. A draft agreement  
31 shall be submitted to the office of financial management and the  
32 appropriate fiscal committees of the legislature by July 1, 2010.

33 (14) \$41,000 of the forest development account--state  
34 appropriation, \$44,000 of the resources management cost account--state  
35 appropriation, and \$2,000 of the agricultural college trust management  
36 account--state appropriation are provided solely for the implementation  
37 of Second Substitute House Bill No. 2481 (DNR forest biomass

1 agreements). If the bill is not enacted by June 30, 2010, the amount  
2 provided in this subsection shall lapse.

3 (15) The department may not include shellfish growers in its  
4 aquatic habitat conservation plan if those growers have been issued a  
5 federal nationwide or individual permit by the United States army corps  
6 of engineers, in consultation with the United States fish and wildlife  
7 service and the national marine fisheries service, which concludes that  
8 shellfish cultivation activities on department-managed aquatic lands  
9 will not pose jeopardy to threatened or endangered species under the  
10 federal endangered species act.

11 **Sec. 309.** 2010 c 3 s 305 (uncodified) is amended to read as  
12 follows:

13 **FOR THE DEPARTMENT OF AGRICULTURE**

14	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$12,329,000</del> ))
15		<u>\$12,320,000</u>
16	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$11,271,000</del> ))
17		<u>\$16,219,000</u>
18	General Fund--Federal Appropriation . . . . .	(( <del>\$11,565,000</del> ))
19		<u>\$20,947,000</u>
20	General Fund--Private/Local Appropriation . . . . .	(( <del>\$194,000</del> ))
21		<u>\$193,000</u>
22	Aquatic Lands Enhancement Account--State	
23	Appropriation . . . . .	(( <del>\$2,559,000</del> ))
24		<u>\$2,551,000</u>
25	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$4,298,000</del> ))
26		<u>\$4,724,000</u>
27	Water Quality Permit Account--State Appropriation . . . . .	\$61,000
28	TOTAL APPROPRIATION . . . . .	(( <del>\$42,277,000</del> ))
29		<u>\$57,015,000</u>

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

32 (1) \$350,000 of the aquatic lands enhancement account appropriation  
33 is provided solely for funding to the Pacific county noxious weed  
34 control board to eradicate remaining spartina in Willapa Bay.

35 (2) \$19,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$6,000 of the general fund--state appropriation for  
37 fiscal year 2011 are provided solely to implement Substitute Senate

1 Bill No. 5797 (solid waste handling permits). If the bill is not  
2 enacted by June 30, 2009, the amounts provided in this subsection shall  
3 lapse.

4 (3) The department is authorized to establish or increase the  
5 following fees in the 2009-11 biennium as necessary to meet the actual  
6 costs of conducting business: Christmas tree grower licensing, nursery  
7 dealer licensing, plant pest inspection and testing, and commission  
8 merchant licensing.

9 (4) \$5,420,000 of the general fund--state appropriation for fiscal  
10 year 2011 and \$2,782,000 of the general fund--federal appropriation are  
11 provided solely for implementation of Substitute Senate Bill No. 6341  
12 (food assistance/department of agriculture). Within amounts  
13 appropriated in this subsection, \$65,000 of the general fund--state  
14 appropriation for fiscal year 2011 is provided solely for a contract  
15 with a food distribution program for communities in the southwestern  
16 portion of the state and for workers impacted by timber and salmon  
17 fishing closures and reductions. The department may not charge  
18 administrative overhead or expenses to this contract. If the bill is  
19 not enacted by June 30, 2010, the amounts provided in this subsection  
20 shall lapse.

21 (5) The department shall, if public or private funds are available,  
22 partner with eligible public and private entities with experience in  
23 food collection and distribution to review funding sources for eight  
24 full-time volunteers in the AmeriCorps VISTA program to conduct  
25 outreach to local growers, agricultural donors, and community  
26 volunteers. Public and private partners shall also be utilized to  
27 coordinate gleaning unharvested tree fruits and fresh produce for  
28 distribution to individuals throughout Washington state.

29 (6) When reducing laboratory activities and functions, the  
30 department shall not impact any research or analysis pertaining to  
31 bees.

32 **Sec. 310.** 2009 c 564 s 310 (uncodified) is amended to read as  
33 follows:

34 **FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM**

35 Pollution Liability Insurance Program Trust

36 Account--State Appropriation . . . . . ((\$638,000))

37 \$636,000

1           **Sec. 311.**    2010 c 3 s 306 (uncodified) is amended to read as  
2 follows:

3 **FOR THE PUGET SOUND PARTNERSHIP**

4	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$3,172,000</del> ))
5		<u>\$3,143,000</u>
6	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$3,143,000</del> ))
7		<u>\$2,864,000</u>
8	General Fund--Federal Appropriation . . . . .	(( <del>\$3,623,000</del> ))
9		<u>\$7,214,000</u>
10	Aquatic Lands Enhancement Account--State Appropriation . .	(( <del>\$500,000</del> ))
11		<u>\$493,000</u>
12	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$896,000</del> ))
13		<u>\$794,000</u>
14	TOTAL APPROPRIATION . . . . .	(( <del>\$11,334,000</del> ))
15		<u>\$14,508,000</u>

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

18           (1) \$305,000 of the general fund--state appropriation for fiscal  
19 year 2010 is provided solely for measuring water and habitat quality to  
20 determine watershed health and assist salmon recovery.

21           (2) ((~~\$896,000~~)) \$794,000 of the state toxics control account--  
22 state appropriation is provided solely for activities that contribute  
23 to Puget Sound protection and recovery, including provision of  
24 independent advice and assessment of the state's oil spill prevention,  
25 preparedness, and response programs, including review of existing  
26 activities and recommendations for any necessary improvements. The  
27 partnership may carry out this function through an existing committee,  
28 such as the ecosystem coordination board or the leadership council, or  
29 may appoint a special advisory council. Because this is a unique  
30 statewide program, the partnership may invite participation from  
31 outside the Puget Sound region.

32           (3) Within the amounts appropriated in this section, the Puget  
33 Sound partnership shall facilitate an ongoing monitoring consortium to  
34 integrate monitoring efforts for storm water, water quality, watershed  
35 health, and other indicators to enhance monitoring efforts in Puget  
36 Sound.

37           (4) The Puget Sound partnership shall work with Washington State



1 University and the environmental protection agency to secure funding  
2 for the beach watchers program.

3 (5) (~~(\$877,000)~~) \$839,000 of the general fund--state appropriation  
4 for fiscal year 2010 and (~~(\$877,000)~~) \$764,000 of the general fund--  
5 state appropriation for fiscal year 2011 are provided solely to support  
6 public education and volunteer programs. The partnership is directed  
7 to distribute the majority of funding as grants to local organizations,  
8 local governments, and education, communication, and outreach network  
9 partners. The partnership shall track progress for this activity  
10 through the accountability system of the Puget Sound partnership.

11 (6) The Puget Sound partnership shall negotiate an agreement with  
12 the recreation and conservation office to consolidate or share certain  
13 administrative functions currently performed by each agency  
14 independently. The agencies shall proportionately share the costs of  
15 such shared functions. Examples of shared functions may include, but  
16 are not limited to, support for personnel, information technology,  
17 grant and contract management, invasive species work, legislative  
18 coordination, and policy and administrative support of various boards  
19 and councils.

(End of part)

**PART IV**  
**TRANSPORTATION**

**Sec. 401.** 2010 c 3 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund--State Appropriation (FY 2010) . . . . .	\$1,436,000
General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,535,000)</del>
	<u>\$1,524,000</u>
Architects' License Account--State Appropriation . . . . .	<del>(\$767,000)</del>
	<u>\$923,000</u>
Professional Engineers' Account--State	
Appropriation . . . . .	<del>(\$3,586,000)</del>
	<u>\$3,568,000</u>
Real Estate Commission Account--State Appropriation . . . . .	<del>(\$10,047,000)</del>
	<u>\$9,987,000</u>
Master License Account--State Appropriation . . . . .	\$15,718,000
Uniform Commercial Code Account--State Appropriation . . . . .	<del>(\$3,100,000)</del>
	<u>\$3,090,000</u>
Real Estate Education Account--State Appropriation . . . . .	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation . . . . .	<del>(\$1,692,000)</del>
	<u>\$1,683,000</u>
Business and Professions Account--State	
Appropriation . . . . .	<del>(\$15,270,000)</del>
	<u>\$15,188,000</u>
Real Estate Research Account--State Appropriation . . . . .	<del>(\$320,000)</del>
	<u>\$471,000</u>
Geologists' Account--State Appropriation . . . . .	\$53,000
Derelict Vessel Removal Account--State Appropriation . . . . .	\$31,000
TOTAL APPROPRIATION . . . . .	<del>(\$53,831,000)</del>
	<u>\$53,948,000</u>

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

(1) Pursuant to RCW 43.135.055, the department is authorized to increase fees for cosmetologists, funeral directors, cemeteries, court

1 reporters and appraisers. These increases are necessary to support the  
2 expenditures authorized in this section, consistent with RCW 43.24.086.

3 (2) \$1,352,000 of the business and professions account--state  
4 appropriation is provided solely to implement Substitute Senate Bill  
5 No. 5391 (tattoo and body piercing). If the bill is not enacted by  
6 June 30, 2009, the amount provided in this subsection shall lapse.

7 (3) \$358,000 of the business and professions account--state  
8 appropriation is provided solely to implement Senate Bill No. 6126  
9 (professional athletics). If the bill is not enacted by June 30, 2009,  
10 the amount provided in this subsection shall lapse.

11 (4) \$151,000 of the real estate research account appropriation is  
12 provided solely to implement chapter 156, Laws of 2010 (real estate  
13 broker licensure fees).

14 (5) \$158,000 of the architects' license account--state  
15 appropriation is provided solely to implement chapter 129, Laws of 2010  
16 (architect licensing).

17 (6) \$60,000 of the master license account--state appropriation is  
18 provided solely to implement chapter 174, Laws of 2010 (vaccine  
19 association). The amount provided in this subsection shall be from fee  
20 revenue authorized in chapter 174, Laws of 2010.

21 **Sec. 402.** 2010 c 3 s 402 (uncodified) is amended to read as  
22 follows:

23 **FOR THE STATE PATROL**

24	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$40,668,000</del> ))
25		<u>\$38,977,000</u>
26	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$39,566,000</del> ))
27		<u>\$36,059,000</u>
28	General Fund--Federal Appropriation . . . . .	(( <del>\$11,401,000</del> ))
29		<u>\$15,793,000</u>
30	General Fund--Private/Local Appropriation . . . . .	(( <del>\$3,568,000</del> ))
31		<u>\$4,986,000</u>
32	Death Investigations Account--State Appropriation . . .	(( <del>\$6,022,000</del> ))
33		<u>\$5,580,000</u>
34	Enhanced 911 Account--State Appropriation . . . . .	(( <del>\$589,000</del> ))
35		<u>\$603,000</u>
36	County Criminal Justice Assistance Account--State	
37	Appropriation . . . . .	(( <del>\$3,122,000</del> ))

1		<u>\$3,146,000</u>
2	Municipal Criminal Justice Assistance Account--State	
3	Appropriation . . . . .	(( <del>\$1,245,000</del> ))
4		<u>\$1,255,000</u>
5	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
6	Disaster Response Account--State Appropriation . . . . .	\$8,002,000
7	Fire Service Training Account--State Appropriation . . . . .	(( <del>\$8,717,000</del> ))
8		<u>\$8,821,000</u>
9	Aquatic Invasive Species Enforcement Account--State	
10	Appropriation . . . . .	\$54,000
11	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$504,000</del> ))
12		<u>\$509,000</u>
13	Fingerprint Identification Account--State	
14	Appropriation . . . . .	(( <del>\$7,371,000</del> ))
15		<u>\$10,454,000</u>
16	TOTAL APPROPRIATION . . . . .	(( <del>\$130,960,000</del> ))
17		<u>\$134,370,000</u>

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

20       (1) \$200,000 of the fire service training account--state  
21 appropriation is provided solely for two FTEs in the office of the  
22 state director of fire protection to exclusively review K-12  
23 construction documents for fire and life safety in accordance with the  
24 state building code. It is the intent of this appropriation to provide  
25 these services only to those districts that are located in counties  
26 without qualified review capabilities.

27       (2) \$8,000,000 of the disaster response account--state  
28 appropriation is provided solely for Washington state fire service  
29 resource mobilization costs incurred in response to an emergency or  
30 disaster authorized under RCW 43.43.960 and 43.43.964. The state  
31 patrol shall submit a report quarterly to the office of financial  
32 management and the legislative fiscal committees detailing information  
33 on current and planned expenditures from this account. This work shall  
34 be done in coordination with the military department.

35       (3) The 2010 legislature will review the use of king air planes by  
36 the executive branch and the adequacy of funding in this budget  
37 regarding maintaining and operating the planes to successfully  
38 accomplish their mission.

1 (4) The appropriations in this section reflect reductions in the  
2 appropriations for the agency's administrative expenses. It is the  
3 intent of the legislature that these reductions shall be achieved, to  
4 the greatest extent possible, by reducing those administrative costs  
5 that do not affect direct client services or direct service delivery or  
6 programs.

7 (5) \$400,000 of the fire service training account--state  
8 appropriation is provided solely for the firefighter apprenticeship  
9 training program.

10 (6) \$48,000 of the fingerprint identification account--state  
11 appropriation is provided solely to implement Substitute House Bill No.  
12 1621 (consumer loan companies). If the bill is not enacted by June 30,  
13 2009, the amounts provided in this subsection shall lapse.

14 (7) In accordance with RCW 43.43.942, 46.52.085, and 43.135.055,  
15 the state patrol is authorized to increase the following fees in fiscal  
16 year 2011 as necessary to meet the actual costs of conducting business  
17 and the appropriation levels in this section: Collision records  
18 requests; fire training academy courses; and fire training academy dorm  
19 accommodations.

20 (8) \$24,000 of the fingerprint identification account--state  
21 appropriation is provided solely for implementation of chapter 47, Laws  
22 of 2010 (criminal background checks).

(End of part)

**PART V**  
**EDUCATION**

**Sec. 501.** 2009 c 564 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$34,798,000</del> ))
	<u>\$35,415,000</u>
General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$32,969,000</del> ))
	<u>\$33,610,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$86,571,000</del> ))
	<u>\$87,081,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$154,338,000</del> ))
	<u>\$156,106,000</u>

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

(1) A maximum of ((~~\$22,532,000~~)) \$23,096,000 of the general fund--state appropriation for fiscal year 2010 and ((~~\$21,023,000~~)) \$21,926,000 of the general fund--state appropriation for fiscal year 2011 is for state agency operations.

(a) ((~~\$11,792,000~~)) \$11,226,000 of the general fund--state appropriation for fiscal year 2010 and ((~~\$11,325,000~~)) \$10,367,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with WAC 392-121-182 (alternative learning experience requirements) which requires documentation of alternative learning experience student headcount and full-time equivalent (FTE) enrollment claimed for basic education funding, shall provide, ((~~via the~~)) monthly ((~~report of school district enrollment~~)), accurate monthly headcount and FTE

1 enrollments for students in ((internet)) alternative learning  
2 experience (ALE) programs as well as information about resident and  
3 serving districts.

4 (iii) Within amounts provided in this subsection (1)(a), the state  
5 superintendent of public instruction shall share best practices with  
6 school districts regarding strategies for increasing efficiencies and  
7 economies of scale in school district noninstructional operations  
8 through shared service arrangements and school district cooperatives,  
9 as well as other practices.

10 (b) \$250,000 of the general fund--state appropriation for fiscal  
11 year 2011 is provided solely for a statewide school district  
12 reorganization commission.

13 (i) The commission shall develop and recommend a comprehensive plan  
14 for the reorganization of Washington school districts for review and  
15 potential adoption by the legislature.

16 (ii) The commission shall be composed of the following members: A  
17 representative of the state board of education selected by the members  
18 of the board; two representatives of school administrators selected by  
19 the Washington association of school administrators, with one  
20 representative each from eastern and western Washington; two  
21 representatives of school board directors selected by the Washington  
22 state school directors' association, with one representative each from  
23 eastern and western Washington; one representative of certificated  
24 instructional school employees selected by the Washington education  
25 association; an individual with experience as a demographer or as a  
26 participant on the redistricting commission under chapter 44.05 RCW  
27 selected by the governor.

28 (iii) The commission shall develop objective criteria, ranked in  
29 priority order, for the reorganization of Washington school districts  
30 to include consideration of but not be limited to criteria in RCW  
31 28A.315.015 and 28A.315.205. Based on the adopted objective criteria,  
32 the commission shall develop a comprehensive plan for the  
33 reorganization and reduction of Washington school districts. The plan  
34 may also result in a reorganization of the number and boundaries of  
35 educational service districts.

36 (iv) The commission shall submit a final comprehensive school  
37 district reorganization plan to the superintendent of public  
38 instruction, the governor, and the legislature by December 1, 2012, to

1 include the following: A list of the recommended school districts and  
2 educational service districts and their respective boundaries;  
3 recommended procedures and timelines for phased-in implementation of  
4 the reorganization plan; procedures and timelines for determination,  
5 adjustment, and transfer of assets and liabilities among school  
6 districts, including bonded indebtedness; procedures and timelines for  
7 determination and election of school district and educational service  
8 district boards of directors; and any other relevant elements the  
9 commission deems essential for legislative and gubernatorial  
10 consideration.

11 (c) \$25,000 of the general fund--state appropriation for fiscal  
12 year 2011 is provided to the office of the superintendent of public  
13 instruction solely to convene a science, technology, engineering, and  
14 mathematics (STEM) working group to develop a comprehensive plan with  
15 a shared vision, goals, and measurable objectives to improve policies  
16 and practices to ensure that a pathway is established for elementary  
17 schools, middle schools, high schools, postsecondary degree programs,  
18 and careers in the areas of STEM, including improving practices for  
19 recruiting, preparing, hiring, retraining, and supporting teachers and  
20 instructors while creating pathways to boost student success, close the  
21 achievement gap, and prepare every student to be college and career  
22 ready. The working group shall be composed of the director of STEM at  
23 the office of the superintendent of public instruction who shall be the  
24 chair of the working group, and at least one representative from the  
25 state board of education, professional educator standards board, state  
26 board of community and technical colleges, higher education  
27 coordinating board, workforce training and education coordinating  
28 board, the achievement gap oversight and accountability committee, and  
29 others with appropriate expertise. The working group shall develop a  
30 comprehensive plan and a report with recommendations, including a  
31 timeline for specific actions to be taken, which is due to the governor  
32 and the appropriate committees of the legislature by December 1, 2010.

33 (d) ((\$927,000)) \$920,000 of the general fund--state appropriation  
34 for fiscal year 2010 and \$941,000 of the general fund--state  
35 appropriation for fiscal year 2011 are provided solely for research and  
36 development activities associated with the development of options for  
37 new school finance systems, including technical staff, reprogramming,  
38 and analysis of alternative student funding formulae. Within this



1 amount is \$150,000 for the state board of education for further  
2 development of accountability systems, and \$150,000 for the  
3 professional educator standards board for continued development of  
4 teacher certification and evaluation systems.

5 ~~((b))~~ (e) \$965,000 of the general fund--state appropriation for  
6 fiscal year 2010 and ~~((965,000))~~ \$946,000 of the general fund--state  
7 appropriation for fiscal year 2011 are provided solely for the  
8 operation and expenses of the state board of education, including basic  
9 education assistance activities.

10 ~~((e))~~ (f) \$5,366,000 of the general fund--state appropriation for  
11 fiscal year 2010 and ~~((5,264,000))~~ \$3,312,000 of the general fund--  
12 state appropriation for fiscal year 2011 are provided solely to the  
13 professional educator standards board for the following:

14 (i) \$1,070,000 in fiscal year 2010 and ~~((1,070,000))~~ \$1,058,000 in  
15 fiscal year 2011 are for the operation and expenses of the Washington  
16 professional educator standards board ~~((, including administering the  
17 alternative routes to certification program, pipeline for paraeducators  
18 conditional scholarship loan program, and the retooling to teach math  
19 conditional loan program))~~;

20 (ii) ~~((3,431,000))~~ \$4,106,000 of the general fund--state  
21 appropriation for fiscal year 2010 and ~~((3,431,000))~~ \$2,066,000 of the  
22 general fund--state appropriation for fiscal year 2011 are for  
23 conditional scholarship loans and mentor stipends provided through the  
24 alternative routes to certification program administered by the  
25 professional educator standards board, including the pipeline for  
26 paraeducators program and the retooling to teach conditional loan  
27 programs. Funding within this subsection (1)(f)(ii) is also provided  
28 for the recruiting Washington teachers program. ~~((Of these amounts:~~

29 ~~(A) \$500,000 each year is for conditional scholarships to  
30 candidates seeking an endorsement in special education, math, science,  
31 or bilingual education;~~

32 ~~(B) \$2,372,000 for fiscal year 2010 and \$2,372,000 for fiscal year  
33 2011 are for the expansion of conditional scholarship loans and mentor  
34 stipends for individuals enrolled in alternative route state  
35 partnership programs and seeking endorsements in math, science, special  
36 education or bilingual education;~~

37 ~~(C) Any remaining amounts in this subsection (c) shall be used to  
38 continue existing alternative routes to certification programs; and~~

1 ~~(D) Candidates seeking math and science endorsements under (A) and~~  
2 ~~(B) of this subsection shall receive priority for funding;~~

3 ~~(iii) \$231,000 of the general fund--state appropriation for fiscal~~  
4 ~~year 2010 and \$231,000 of the general fund--state appropriation for~~  
5 ~~fiscal year 2011 are for the recruiting Washington teachers program;~~

6 ~~(iv) \$200,000 of the general fund--state appropriation for fiscal~~  
7 ~~year 2010 and \$200,000 of the general fund--state appropriation for~~  
8 ~~fiscal year 2011 provided in this subsection are for \$4,000 conditional~~  
9 ~~loan stipends for paraeducators participating in the pipeline for~~  
10 ~~paraeducators program;~~

11 ~~(v) \$244,000 of the general fund--state appropriation for fiscal~~  
12 ~~year 2010 and \$244,000 of the general fund--state appropriation for~~  
13 ~~fiscal year 2011 are for conditional stipends for certificated teachers~~  
14 ~~pursuing a mathematics or science endorsement under the retooling to~~  
15 ~~teach mathematics or science program. The conditional stipends shall~~  
16 ~~be for endorsement exam fees as well as stipends for teachers who must~~  
17 ~~also complete coursework; and~~

18 ~~(vi)) (iii) \$102,000 of the general fund--state appropriation for~~  
19 ~~fiscal year 2010 is provided for the implementation of Second~~  
20 ~~Substitute Senate Bill No. 5973 (student achievement gap). ((The~~  
21 ~~professional educator standards board (PESB) will convene a workgroup~~  
22 ~~to identify a list of model standards for cultural competency and make~~  
23 ~~recommendations to the education committees of the legislature on the~~  
24 ~~strengths and weaknesses of those standards. Funding is also included~~  
25 ~~here in the amount of \$10,000 for the PESB to develop an interagency~~  
26 ~~agreement with the center for the improvement of student learning to~~  
27 ~~participate.~~

28 ~~(d) \$1,099,000)) \$100,000 of the general fund--state appropriation~~  
29 ~~for fiscal year 2011 is provided solely for the ongoing work of the~~  
30 ~~achievement gap oversight and accountability committee and~~  
31 ~~implementation of the committee's recommendations.~~

32 ~~(iv) During the 2009-2011 fiscal biennium, the professional~~  
33 ~~educator standards board is exempt from the provisions of chapter 7,~~  
34 ~~Laws of 2010 1st sp. sess. (eliminating boards and commissions).~~

35 ~~(g) \$1,349,000 of the general fund--state appropriation for fiscal~~  
36 ~~year 2010 and \$144,000 of the general fund--state appropriation for~~  
37 ~~fiscal year 2011 are provided solely for replacement of the~~

1 apportionment system, which includes the processes that collect school  
2 district budget and expenditure information, staffing characteristics,  
3 and the student enrollments that drive the funding process.

4 ~~((e) \$1,227,000))~~ (h) \$1,140,000 of the general fund--state  
5 appropriation for fiscal year 2010 and \$1,227,000 of the general fund--  
6 state appropriation for fiscal year 2011 are provided solely for the  
7 creation of a statewide data base of longitudinal student information.  
8 This amount is conditioned on the department satisfying the  
9 requirements in section 902 of this act.

10 ~~((f))~~ (i) \$75,000 of the general fund--state appropriation for  
11 fiscal year 2010 ~~((and \$75,000 of the general fund--state appropriation~~  
12 ~~for fiscal year 2011 are))~~ is provided solely to promote the financial  
13 literacy of students. The effort will be coordinated through the  
14 financial education public-private partnership. It is expected that  
15 nonappropriated funds available to the public-private partnership will  
16 be sufficient to continue financial literacy activities.

17 ~~((g))~~ (j) To the maximum extent possible, in adopting new agency  
18 rules or making any changes to existing rules or policies related to  
19 the fiscal provisions in the administration of part V of this act, the  
20 office of the superintendent of public instruction shall attempt to  
21 request approval through the normal legislative budget process.

22 ~~((h))~~ (k) \$44,000 of the general fund--state appropriation for  
23 fiscal year 2010 and \$45,000 of the general fund--state appropriation  
24 for fiscal year 2011 are provided solely for the implementation of  
25 Substitute Senate Bill No. 5248 (enacting the interstate compact on  
26 educational opportunity for military children).

27 ~~((i))~~ (l) \$700,000 of the general fund--state appropriation for  
28 fiscal year 2010 and \$700,000 of the general fund--state appropriation  
29 for fiscal year 2011 are provided solely for the implementation of  
30 Substitute Senate Bill No. 5410 (online learning).

31 ~~((j))~~ (m) \$25,000 of the general fund--state appropriation for  
32 fiscal year 2010 and \$25,000 of the general fund--state appropriation  
33 for fiscal year 2011 are provided solely for project citizen, a program  
34 sponsored by the national conference of state legislatures and the  
35 center for civic education to promote participation in government by  
36 middle school students.

37 (n) \$2,518,000 of the general fund--state appropriation for fiscal

1 year 2011 is provided solely for the implementation of Substitute House  
2 Bill No. 2776 (K-12 education funding). If the bill is not enacted by  
3 June 30, 2010, the amount provided in this subsection shall lapse.

4 (o) \$133,000 of the general fund--state appropriation for fiscal  
5 year 2011 is provided solely for the implementation of Engrossed Second  
6 Substitute House Bill No. 3026 (state and federal civil rights laws).  
7 If the bill is not enacted by June 30, 2010, the amount provided in  
8 this subsection shall lapse.

9 (p) Beginning in the 2010-11 school year, the superintendent of  
10 public instruction shall require all districts receiving general  
11 apportionment funding for alternative learning experience (ALE)  
12 programs as defined in WAC 392-121-182 to provide separate financial  
13 accounting of expenditures for the ALE programs offered in district or  
14 with a provider, including but not limited to private companies and  
15 multidistrict cooperatives.

16 (q) \$55,000 of the general fund--state appropriation for fiscal  
17 year 2011 is provided to the office of the superintendent of public  
18 instruction solely to convene a technical working group to establish  
19 standards, guidelines, and definitions for what constitutes a basic  
20 education program for highly capable students and the appropriate  
21 funding structure for such a program, and to submit recommendations to  
22 the legislature for consideration. The working group may convene  
23 advisory subgroups on specific topics as necessary to assure  
24 participation and input from a broad array of diverse stakeholders.  
25 The working group must consult with and seek input from nationally  
26 recognized experts; researchers and academics on the unique  
27 educational, emotional, and social needs of highly capable students and  
28 how to identify such students; representatives of national  
29 organizations and associations for educators of or advocates for highly  
30 capable students; school district representatives who are educators,  
31 counselors, and classified school employees involved with highly  
32 capable programs; parents of students who have been identified as  
33 highly capable; representatives from the federally recognized tribes;  
34 and representatives of cultural, linguistic, and racial minority groups  
35 and the community of persons with disabilities. The working group  
36 shall make recommendations to the quality education council and to  
37 appropriate committees of the legislature by December 1, 2010. The  
38 recommendations shall take into consideration that access to the

1 program for highly capable students is not an individual entitlement  
2 for any particular student. The recommendations shall seek to minimize  
3 underrepresentation of any particular demographic or socioeconomic  
4 group by better identification, not lower standards or quotas, and  
5 shall include the following:

6 (i) Standardized state-level identification procedures, standards,  
7 criteria, and benchmarks, including a definition or definitions of a  
8 highly capable student. Students who are both highly capable and are  
9 students of color, are poor, or have a disability must be addressed;

10 (ii) Appropriate programs and services that have been shown by  
11 research and practice to be effective with highly capable students but  
12 maintain options and flexibility for school districts, where possible;

13 (iii) Program administration, management, and reporting  
14 requirements for school districts;

15 (iv) Appropriate educator qualifications, certification  
16 requirements, and professional development and support for educators  
17 and other staff who are involved in programs for highly capable  
18 students;

19 (v) Self-evaluation models to be used by school districts to  
20 determine the effectiveness of the program and services provided by the  
21 school district for highly capable programs;

22 (vi) An appropriate state-level funding structure; and

23 (vii) Other topics deemed to be relevant by the working group.

24 (r) \$1,000,000 of the general fund--state appropriation for fiscal  
25 year 2011 is provided solely for contracting with a college scholarship  
26 organization with expertise in conducting outreach to students  
27 concerning eligibility for the Washington college bound scholarship  
28 consistent with chapter 405, Laws of 2007.

29 (s) \$24,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$140,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for implementation of Substitute  
32 Senate Bill No. 6759 (requiring a plan for a voluntary program of early  
33 learning as a part of basic education). If the bill is not enacted by  
34 June 30, 2010, the amounts provided in this subsection (1)(r) shall  
35 lapse.

36 (t) \$950,000 of the general fund--state appropriation for fiscal  
37 year 2010 is provided solely for office of the attorney general costs  
38 related to *McCleary v. State of Washington*.

1 (2) (~~(\$12,836,000)~~) \$12,320,000 of the general fund--state  
2 appropriation for fiscal year 2010, (~~(\$12,407,000)~~) \$11,685,000 of the  
3 general fund--state appropriation for fiscal year 2011, and \$55,890,000  
4 of the general fund--federal appropriation are for statewide programs.

5 (a) HEALTH AND SAFETY

6 (i) \$2,541,000 of the general fund--state appropriation for fiscal  
7 year 2010 and \$2,541,000 of the general fund--state appropriation for  
8 fiscal year 2011 are provided solely for a corps of nurses located at  
9 educational service districts, as determined by the superintendent of  
10 public instruction, to be dispatched to the most needy schools to  
11 provide direct care to students, health education, and training for  
12 school staff.

13 (ii) \$100,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$100,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely for a school safety training  
16 program provided by the criminal justice training commission. The  
17 commission, in collaboration with the school safety center advisory  
18 committee, shall provide the school safety training for all school  
19 administrators and school safety personnel, including school safety  
20 personnel hired after the effective date of this section.

21 (iii) \$9,670,000 of the general fund--federal appropriation is  
22 provided for safe and drug free schools and communities grants for drug  
23 and violence prevention activities and strategies.

24 (iv) \$96,000 of the general fund--state appropriation for fiscal  
25 year 2010 and \$96,000 of the general fund--state appropriation for  
26 fiscal year 2011 are provided solely for the school safety center in  
27 the office of the superintendent of public instruction subject to the  
28 following conditions and limitations:

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

1 (B) The school safety center advisory committee shall develop a  
2 training program, using the best practices in school safety, for all  
3 school safety personnel.

4 (v) \$70,000 of the general fund--state appropriation for fiscal  
5 year 2010 (~~((and \$70,000 of the general fund--state appropriation for~~  
6 ~~fiscal year 2011 are))~~) is provided solely for the youth suicide  
7 prevention program.

8 (vi) \$50,000 of the general fund--state appropriation for fiscal  
9 year 2010 and \$50,000 of the general fund--state appropriation for  
10 fiscal year 2011 are provided solely for a nonviolence and leadership  
11 training program provided by the institute for community leadership.

12 (b) TECHNOLOGY

13 (i) (~~(\$1,939,000)~~) \$1,842,000 of the general fund--state  
14 appropriation for fiscal year 2010 and (~~(\$1,939,000)~~) \$1,745,000 of the  
15 general fund--state appropriation for fiscal year 2011 are provided  
16 solely for K-20 telecommunications network technical support in the K-  
17 12 sector to prevent system failures and avoid interruptions in school  
18 utilization of the data processing and video-conferencing capabilities  
19 of the network. These funds may be used to purchase engineering and  
20 advanced technical support for the network.

21 (ii) \$1,475,000 of the general fund--state appropriation for fiscal  
22 year 2010, \$1,045,000 of the general fund--state appropriation for  
23 fiscal year 2011, and \$435,000 of the general fund--federal  
24 appropriation are provided solely for implementing a comprehensive data  
25 system to include financial, student, and educator data. The office of  
26 the superintendent of public instruction will convene a data governance  
27 group to create a comprehensive needs-requirement document, conduct a  
28 gap analysis, and define operating rules and a governance structure for  
29 K-12 data collections. (~~(A preliminary report shall be submitted to~~  
30 ~~the fiscal committees and the education policy committees of the house~~  
31 ~~of representatives and senate by November 2009.~~

32 (~~iii) \$1,656,000 of the general fund--federal appropriation for~~  
33 ~~fiscal year 2010 and \$2,483,000 of the general fund--federal~~  
34 ~~appropriation for fiscal year 2011 of the American recovery and~~  
35 ~~reinvestment act (ARRA) 2009 funds for education technology are~~  
36 ~~provided solely for distribution to school districts, by formula, as~~  
37 ~~provided in the ARRA and related federal guidelines. \$4,139,000 of the~~  
38 ~~general fund--federal appropriation of the American recovery and~~

1 ~~reinvestment act (ARRA) 2009 funds for education technology shall be~~  
2 ~~awarded to local education agencies through a competitive grant~~  
3 ~~process.))~~

4 (c) GRANTS AND ALLOCATIONS

5 (i) \$1,329,000 of the general fund--state appropriation for fiscal  
6 year 2010 and \$1,329,000 of the general fund--state appropriation for  
7 fiscal year 2011 are provided solely for the special services pilot  
8 project to include up to seven participating districts. The office of  
9 the superintendent of public instruction shall allocate these funds to  
10 the district or districts participating in the pilot program according  
11 to the provisions of RCW 28A.630.016.

12 (ii) \$750,000 of the general fund--state appropriation for fiscal  
13 year 2010 and \$750,000 of the general fund--state appropriation for  
14 fiscal year 2011 are provided solely for the Washington state achievers  
15 scholarship program. The funds shall be used to support community  
16 involvement officers that recruit, train, and match community volunteer  
17 mentors with students selected as achievers scholars.

18 (iii) \$25,000 of the general fund--state appropriation for fiscal  
19 year 2010 (~~and \$25,000 of the general fund--state appropriation for~~  
20 ~~fiscal year 2011 are~~) is provided solely for developing and  
21 disseminating curriculum and other materials documenting women's role  
22 in World War II.

23 (iv) \$175,000 of the general fund--state appropriation for fiscal  
24 year 2010 and \$175,000 of the general fund--state appropriation for  
25 fiscal year 2011 are provided solely for incentive grants for districts  
26 and pilot projects to develop preapprenticeship programs. Incentive  
27 grant awards up to \$10,000 each shall be used to support the program's  
28 design, school/business/labor agreement negotiations, and recruiting  
29 high school students for preapprenticeship programs in the building  
30 trades and crafts.

31 (v) (~~(\$3,219,000)~~) \$2,898,000 of the general fund--state  
32 appropriation for fiscal year 2010 and (~~(\$3,220,000)~~) \$3,120,000 of the  
33 general fund--state appropriation for fiscal year 2011 are provided  
34 solely for the dissemination of the navigation 101 curriculum to all  
35 districts. The funding shall support electronic student planning tools  
36 and software for analyzing the impact of navigation 101 on student  
37 performance, as well as grants to a maximum of one hundred school  
38 districts each year, based on progress and need for the implementation



1 of the navigation 101 program. The implementation grants shall be  
2 awarded to a cross-section of school districts reflecting a balance of  
3 geographic and demographic characteristics. Within the amounts  
4 provided, the office of the superintendent of public instruction will  
5 create a navigation 101 accountability model to analyze the impact of  
6 the program.

7 (vi) (~~(\$675,000)~~) \$627,000 of the general fund--state appropriation  
8 for fiscal year 2010 and (~~(\$675,000)~~) \$337,000 of the general fund--  
9 state appropriation for fiscal year 2011 are provided solely for  
10 implementation of a statewide program for comprehensive dropout  
11 prevention, intervention, and retrieval.

12 (vii) (~~(\$50,000)~~) \$40,000 of the general fund--state appropriation  
13 for fiscal year 2010 (~~and \$50,000 of the general fund--state~~  
14 ~~appropriation for fiscal year 2011 are~~) is provided solely for program  
15 initiatives to address the educational needs of Latino students and  
16 families. Using the full amounts of the appropriations under this  
17 subsection (2)(c)(vii), the office of the superintendent of public  
18 instruction shall contract with the Seattle community coalition of  
19 compaña quetzal to provide for three initiatives: (A) Early childhood  
20 education; (B) parent leadership training; and (C) high school success  
21 and college preparation programs.

22 (viii) (~~(\$75,000)~~) \$60,000 of the general fund--state appropriation  
23 for fiscal year 2010 and \$75,000 of the general fund--state  
24 appropriation for fiscal year 2011 are provided solely for a pilot  
25 project to encourage bilingual high school students to pursue public  
26 school teaching as a profession. Using the full amounts of the  
27 appropriation under this subsection, the office of the superintendent  
28 of public instruction shall contract with the Latino/a educational  
29 achievement project (LEAP) to work with school districts to identify  
30 and mentor not fewer than fifty bilingual students in their junior year  
31 of high school, encouraging them to become bilingual instructors in  
32 schools with high English language learner populations. Students shall  
33 be mentored by bilingual teachers and complete a curriculum developed  
34 and approved by the participating districts.

35 (ix) \$145,000 of the general fund--state appropriation for fiscal  
36 year 2010 and (~~(\$145,000)~~) \$75,000 of the general fund--state  
37 appropriation for fiscal year 2011 are provided solely to the office of  
38 the superintendent of public instruction to enhance the reading skills

1 of students with dyslexia by implementing the findings of the dyslexia  
2 pilot program. Funds shall be used to provide information and training  
3 to classroom teachers and reading specialists, for development of a  
4 dyslexia handbook, and to take other statewide actions to improve the  
5 reading skills of students with dyslexia. The training program shall  
6 be delivered regionally through the educational service districts.

7 (x) \$97,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$97,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely to support vocational student  
10 leadership organizations.

11 (xi) (~~(\$25,000 of the general--state appropriation for fiscal year~~  
12 ~~2010 and \$25,000 of the general fund--state appropriation for fiscal~~  
13 ~~year 2011 are provided solely for the communities in school program in~~  
14 ~~Pierce county.)) \$150,000 of the general fund--state appropriation for  
15 fiscal year 2011 is provided solely for drop-out prevention programs at  
16 the office of the superintendent of public instruction including the  
17 jobs for America's graduates (JAG) program.~~

18 **Sec. 502.** 2009 c 564 s 502 (uncodified) is amended to read as  
19 follows:

20	FOR	THE	SUPERINTENDENT	OF	PUBLIC	INSTRUCTION--FOR	GENERAL
21	APPORTIONMENT						
22	General Fund--State Appropriation (FY 2010)	. . . .	((	\$5,083,217,000))			
23						\$5,126,153,000	
24	General Fund--State Appropriation (FY 2011)	. . . .	((	\$5,103,543,000))			
25						\$5,159,625,000	
26	TOTAL APPROPRIATION	. . . . .	((	\$10,186,760,000))			
27						\$10,285,778,000	

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

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

33 (2) Allocations for certificated staff salaries for the 2009-10 and  
34 2010-11 school years shall be determined using formula-generated staff  
35 units calculated pursuant to this subsection. Staff allocations for  
36 small school enrollments in (e) through (g) of this subsection shall be  
37 reduced for vocational full-time equivalent enrollments. Staff

1 allocations for small school enrollments in grades K-6 shall be the  
2 greater of that generated under (a) of this subsection, or under (d)  
3 and (e) of this subsection. Certificated staffing allocations shall be  
4 as follows:

5 (a) On the basis of each 1,000 average annual full-time equivalent  
6 enrollments, excluding full-time equivalent enrollment otherwise  
7 recognized for certificated staff unit allocations under (d) through  
8 (g) of this subsection:

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

11 (ii)(A)(I) ~~((Fifty-three and two-tenths certificated instructional~~  
12 ~~staff units per thousand full-time equivalent students in grades K-4~~  
13 ~~for districts that enroll fewer than 25 percent of their total full-~~  
14 ~~time equivalent student enrollment in grades K-4 in digital or online~~  
15 ~~learning programs defined in WAC 392-121-182.~~

16 ~~(B) All other districts shall be allocated a minimum of forty-nine~~  
17 ~~certificated instructional staff units per 1,000 full-time equivalent~~  
18 ~~(FTE) students in grades K through four, and shall be allocated~~  
19 ~~additional certificated instructional staff units to equal the~~  
20 ~~documented staffing level in grades K through four, up to a maximum of~~  
21 ~~fifty-three and two-tenths certificated instructional staff units per~~  
22 ~~1,000 FTE students.~~

23 ~~(C) Certificated instructional staff allocations in this subsection~~  
24 ~~(2)(a)(ii) exceeding the statutory minimums established in RCW~~  
25 ~~28A.150.260 shall not be considered part of basic education.)) For~~  
26 ~~districts that enroll fewer than 25 percent of their total full-time~~  
27 ~~equivalent student enrollment in grades K through three in digital or~~  
28 ~~online learning programs as defined in WAC 392-121-182, fifty-three and~~  
29 ~~two-tenths certificated instructional staff units per thousand full-~~  
30 ~~time equivalent students in grades K through three.~~

31 (II) For all other districts, a minimum of forty-nine certificated  
32 instructional staff units per 1,000 full-time equivalent (FTE) students  
33 in grades K through three, with additional certificated instructional  
34 staff units to equal the documented staffing level in grades K through  
35 three, up to a maximum of fifty-three and two-tenths certificated  
36 instructional staff units per 1,000 FTE students.

37 (B)(I) For districts that enroll fewer than 25 percent of their  
38 total full-time equivalent student enrollment in grade four in digital

1 or online learning programs defined in WAC 392-121-182: For the 2009-  
2 10 school year, fifty-three and two-tenths certificated instructional  
3 staff units per thousand full-time equivalent students in grade four,  
4 and for the 2010-11 school year, forty-seven and forty-three one-  
5 hundredths certificated instructional staff units per thousand full-  
6 time equivalent students in grade four.

7 (II) For all other districts:

8 For the 2009-10 school year, a minimum of forty-six certificated  
9 instructional staff units per 1,000 full-time equivalent (FTE) students  
10 in grade four, and additional certificated instructional staff units to  
11 equal the documented staffing level in grade four, up to a maximum of  
12 fifty-three and two-tenths certificated instructional staff units per  
13 1,000 FTE students.

14 For the 2010-11 school year, a minimum of forty-six certificated  
15 instructional staff units per 1,000 full-time equivalent (FTE) students  
16 in grade four, and additional certificated instructional staff units to  
17 equal the documented staffing level in grade four, up to a maximum of  
18 forty-seven and forty-three one-hundredths certificated instructional  
19 staff units per 1,000 FTE students;

20 (iii) Forty-six certificated instructional staff units per thousand  
21 full-time equivalent students in grades 5-12;

22 (iv) Certificated staff allocations in this subsection (2)(a)  
23 exceeding the statutory minimums established in RCW 28A.150.260 shall  
24 not be considered part of basic education;

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

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

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

37 (B) Middle school vocational STEM programs approved by the

1 superintendent of public instruction, a maximum of 0.92 certificated  
2 instructional staff units and 0.8 certificated administrative staff  
3 units for each 19.5 full-time equivalent vocational students; and

4 (C) Skills center programs meeting the standards for skills center  
5 funding established in January 1999 by the superintendent of public  
6 instruction with a waiver allowed for skills centers in current  
7 operation that are not meeting this standard until the 2010-11 school  
8 year, 0.92 certificated instructional staff units and 0.08 certificated  
9 administrative units for each 16.67 full-time equivalent vocational  
10 students;

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

16 (iii) Indirect cost charges by a school district to vocational-  
17 secondary programs and vocational middle-school shall not exceed 15  
18 percent of the combined basic education and vocational enhancement  
19 allocations of state funds;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 (3) Allocations for classified salaries for the 2009-10 and 2010-11  
4 school years shall be calculated using formula-generated classified  
5 staff units determined as follows:

6 (a) For enrollments generating certificated staff unit allocations  
7 under subsection (2)(e) through (h) of this section, one classified  
8 staff unit for each 2.94 certificated staff units allocated under such  
9 subsections;

10 (b) For all other enrollment in grades K-12, including vocational  
11 full-time equivalent enrollments, one classified staff unit for each  
12 58.75 average annual full-time equivalent students; and

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

17 (4) Fringe benefit allocations shall be calculated at a rate of  
18 14.43 percent in the 2009-10 school year and 14.43 percent in the 2010-  
19 11 school year for certificated salary allocations provided under  
20 subsection (2) of this section, and a rate of (~~16.58~~) 16.59 percent  
21 in the 2009-10 school year and (~~16.58~~) 16.59 percent in the 2010-11  
22 school year for classified salary allocations provided under subsection  
23 (3) of this section.

24 (5) Insurance benefit allocations shall be calculated at the  
25 maintenance rate specified in section 504(2) of this act, based on the  
26 number of benefit units determined as follows:

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

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

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

1 \$10,179 per certificated staff unit in the 2009-10 school year and a  
2 maximum of (~~(\$10,445)~~) \$10,424 per certificated staff unit in the 2010-  
3 11 school year.

4 (b) For nonemployee-related costs associated with each vocational  
5 certificated staff unit allocated under subsection (2)(c)(i)(A) of this  
6 section, there shall be provided a maximum of \$24,999 per certificated  
7 staff unit in the 2009-10 school year and a maximum of (~~(\$25,449)~~)  
8 \$25,399 per certificated staff unit in the 2010-11 school year.

9 (c) For nonemployee-related costs associated with each vocational  
10 certificated staff unit allocated under subsection (2)(c)(i)(B) of this  
11 section, there shall be provided a maximum of \$19,395 per certificated  
12 staff unit in the 2009-10 school year and a maximum of (~~(\$19,744)~~)  
13 \$19,705 per certificated staff unit in the 2010-11 school year.

14 (7) Allocations for substitute costs for classroom teachers shall  
15 be distributed at a maintenance rate of \$607.44 for the 2009-10 and  
16 2010-11 school years per allocated classroom teachers exclusive of  
17 salary increase amounts provided in section 504 of this act. Solely  
18 for the purposes of this subsection, allocated classroom teachers shall  
19 be equal to the number of certificated instructional staff units  
20 allocated under subsection (2) of this section, multiplied by the ratio  
21 between the number of actual basic education certificated teachers and  
22 the number of actual basic education certificated instructional staff  
23 reported statewide for the prior school year.

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

33 (9) Funding in this section is sufficient to provide additional  
34 service year credits to educational staff associates pursuant to  
35 chapter 403, Laws of 2007.

36 (10)(a) The superintendent may distribute a maximum of  
37 (~~(\$7,288,000)~~) \$7,286,000 outside the basic education formula during  
38 fiscal years 2010 and 2011 as follows:



1 (i) For fire protection for school districts located in a fire  
2 protection district as now or hereafter established pursuant to chapter  
3 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010  
4 and a maximum of (~~(\$577,000)~~) \$576,000 may be expended in fiscal year  
5 2011;

6 (ii) For summer vocational programs at skills centers, a maximum of  
7 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of  
8 \$2,385,000 for the 2011 fiscal year. 20 percent of each fiscal year  
9 amount may carry over from one year to the next;

10 (iii) A maximum of (~~(\$404,000)~~) \$403,000 may be expended for school  
11 district emergencies; and

12 (iv) A maximum of \$485,000 each fiscal year may be expended for  
13 programs providing skills training for secondary students who are  
14 enrolled in extended day school-to-work programs, as approved by the  
15 superintendent of public instruction. The funds shall be allocated at  
16 a rate not to exceed \$500 per full-time equivalent student enrolled in  
17 those programs.

18 (b) Funding in this section is sufficient to fund a maximum of 1.6  
19 FTE enrollment for skills center students pursuant to chapter 463, Laws  
20 of 2007.

21 (11) For purposes of RCW 84.52.0531, the increase per full-time  
22 equivalent student is 4.0 percent from the 2008-09 school year to the  
23 2009-10 school year and 4.0 percent from the 2009-10 school year to the  
24 2010-11 school year.

25 (12) If two or more school districts consolidate and each district  
26 was receiving additional basic education formula staff units pursuant  
27 to subsection (2)(b) through (g) of this section, the following shall  
28 apply:

29 (a) For three school years following consolidation, the number of  
30 basic education formula staff units shall not be less than the number  
31 of basic education formula staff units received by the districts in the  
32 school year prior to the consolidation; and

33 (b) For the fourth through eighth school years following  
34 consolidation, the difference between the basic education formula staff  
35 units received by the districts for the school year prior to  
36 consolidation and the basic education formula staff units after  
37 consolidation pursuant to subsection (2)(a) through (h) of this section  
38 shall be reduced in increments of twenty percent per year.

1       (13) General apportionment payments to the Steilacoom historical  
2 school district shall reflect changes to operation of the Harriet  
3 Taylor elementary school consistent with the timing of reductions in  
4 correctional facility capacity and staffing.

5       **Sec. 503.** 2009 c 564 s 503 (uncodified) is amended to read as  
6 follows:

7       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION**  
8 **EMPLOYEE COMPENSATION.** (1) The following calculations determine the  
9 salaries used in the general fund allocations for certificated  
10 instructional, certificated administrative, and classified staff units  
11 under section 502 of this act:

12       (a) Salary allocations for certificated instructional staff units  
13 shall be determined for each district by multiplying the district's  
14 certificated instructional total base salary shown on LEAP Document 2  
15 by the district's average staff mix factor for certificated  
16 instructional staff in that school year, computed using LEAP Document  
17 1; and

18       (b) Salary allocations for certificated administrative staff units  
19 and classified staff units for each district shall be based on the  
20 district's certificated administrative and classified salary allocation  
21 amounts shown on LEAP Document 2.

22       (2) For the purposes of this section:

23       (a) "LEAP Document 1" means the staff mix factors for certificated  
24 instructional staff according to education and years of experience, as  
25 developed by the legislative evaluation and accountability program  
26 committee on April 22, 2009, at 08:22 hours; and

27       (b) "LEAP Document 2" means the school year salary allocations for  
28 certificated administrative staff and classified staff and derived and  
29 total base salaries for certificated instructional staff as developed  
30 by the legislative evaluation and accountability program committee on  
31 April 22, 2009, at 08:22 hours.

32       (3) Incremental fringe benefit factors shall be applied to salary  
33 adjustments at a rate of 14.43 percent for school year 2009-10 and  
34 14.43 percent for school year 2010-11 for certificated staff and for  
35 classified staff (~~((16.58))~~) 16.59 percent for school year 2009-10 and  
36 (~~((16.58))~~) 16.59 percent for the 2010-11 school year.

1 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary  
 2 allocation schedules for certificated instructional staff are  
 3 established for basic education salary allocations:

									MA+90 or
7	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	PHD
8	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115
9	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589
10	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
11	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
12	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
13	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
14	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
15	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
16	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
17		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
18			43,877	45,498	48,794	51,195	48,995	52,291	54,692
19				47,032	50,399	52,849	50,528	53,897	56,345
20				48,517	52,048	54,571	52,122	55,545	58,068
21					53,737	56,335	53,773	57,234	59,831
22					55,434	58,165	55,471	59,042	61,663
23					56,877	59,679	56,913	60,577	63,266
24					58,014	60,871	58,051	61,788	64,531

									MA+90 or
28	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	PHD
29	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115
30	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589
31	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
32	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
33	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030

1	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
2	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
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5		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
6			43,877	45,498	48,794	51,195	48,995	52,291	54,692
7				47,032	50,399	52,849	50,528	53,897	56,345
8				48,517	52,048	54,571	52,122	55,545	58,068
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10					55,434	58,165	55,471	59,042	61,663
11					56,877	59,679	56,913	60,577	63,266
12					58,014	60,871	58,051	61,788	64,531))

13  
14  
15

MA+90 OR

	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	<u>Ph.D.</u>
16	<u>34,048</u>	<u>34,968</u>	<u>35,920</u>	<u>36,875</u>	<u>39,939</u>	<u>41,913</u>	<u>40,820</u>	<u>43,885</u>	<u>45,860</u>
17	<u>34,506</u>	<u>35,439</u>	<u>36,403</u>	<u>37,400</u>	<u>40,496</u>	<u>42,459</u>	<u>41,274</u>	<u>44,370</u>	<u>46,332</u>
18	<u>34,943</u>	<u>35,884</u>	<u>36,859</u>	<u>37,933</u>	<u>41,020</u>	<u>43,004</u>	<u>41,731</u>	<u>44,818</u>	<u>46,802</u>
19	<u>35,393</u>	<u>36,343</u>	<u>37,329</u>	<u>38,437</u>	<u>41,518</u>	<u>43,549</u>	<u>42,164</u>	<u>45,243</u>	<u>47,276</u>
20	<u>35,834</u>	<u>36,826</u>	<u>37,818</u>	<u>38,964</u>	<u>42,064</u>	<u>44,110</u>	<u>42,618</u>	<u>45,718</u>	<u>47,765</u>
21	<u>36,290</u>	<u>37,287</u>	<u>38,288</u>	<u>39,498</u>	<u>42,586</u>	<u>44,673</u>	<u>43,080</u>	<u>46,169</u>	<u>48,256</u>
22	<u>36,759</u>	<u>37,734</u>	<u>38,769</u>	<u>40,039</u>	<u>43,113</u>	<u>45,211</u>	<u>43,552</u>	<u>46,626</u>	<u>48,723</u>
23	<u>37,582</u>	<u>38,572</u>	<u>39,621</u>	<u>40,960</u>	<u>44,079</u>	<u>46,235</u>	<u>44,438</u>	<u>47,556</u>	<u>49,713</u>
24	<u>38,787</u>	<u>39,831</u>	<u>40,905</u>	<u>42,355</u>	<u>45,516</u>	<u>47,751</u>	<u>45,832</u>	<u>48,994</u>	<u>51,228</u>
25		<u>41,135</u>	<u>42,262</u>	<u>43,765</u>	<u>46,999</u>	<u>49,310</u>	<u>47,241</u>	<u>50,477</u>	<u>52,788</u>
26			<u>43,635</u>	<u>45,247</u>	<u>48,524</u>	<u>50,913</u>	<u>48,724</u>	<u>52,003</u>	<u>54,390</u>
27				<u>46,772</u>	<u>50,121</u>	<u>52,557</u>	<u>50,249</u>	<u>53,599</u>	<u>56,034</u>
28				<u>48,249</u>	<u>51,761</u>	<u>54,269</u>	<u>51,835</u>	<u>55,238</u>	<u>57,748</u>
29					<u>53,440</u>	<u>56,024</u>	<u>53,476</u>	<u>56,918</u>	<u>59,501</u>
30					<u>55,128</u>	<u>57,844</u>	<u>55,165</u>	<u>58,716</u>	<u>61,322</u>
31					<u>56,563</u>	<u>59,349</u>	<u>56,599</u>	<u>60,242</u>	<u>62,917</u>
32					<u>57,693</u>	<u>60,535</u>	<u>57,731</u>	<u>61,447</u>	<u>64,174</u>

1 (b) As used in this subsection, the column headings "BA+(N)" refer  
2 to the number of credits earned since receiving the baccalaureate  
3 degree.

4 (c) For credits earned after the baccalaureate degree but before  
5 the masters degree, any credits in excess of forty-five credits may be  
6 counted after the masters degree. Thus, as used in this subsection,  
7 the column headings "MA+(N)" refer to the total of:

8 (i) Credits earned since receiving the masters degree; and

9 (ii) Any credits in excess of forty-five credits that were earned  
10 after the baccalaureate degree but before the masters degree.

11 (5) For the purposes of this section:

12 (a) "BA" means a baccalaureate degree.

13 (b) "MA" means a masters degree.

14 (c) "PHD" means a doctorate degree.

15 (d) "Years of service" shall be calculated under the same rules  
16 adopted by the superintendent of public instruction.

17 (e) "Credits" means college quarter hour credits and equivalent in-  
18 service credits computed in accordance with RCW 28A.415.020 and  
19 28A.415.023.

20 (6) No more than ninety college quarter-hour credits received by  
21 any employee after the baccalaureate degree may be used to determine  
22 compensation allocations under the state salary allocation schedule and  
23 LEAP documents referenced in this act, or any replacement schedules and  
24 documents, unless:

25 (a) The employee has a masters degree; or

26 (b) The credits were used in generating state salary allocations  
27 before January 1, 1992.

28 (7) The certificated instructional staff base salary specified for  
29 each district in LEAP Document 2 and the salary schedules in subsection  
30 (4)(a) of this section include one learning improvement day for the  
31 2009-10 school year and zero learning improvement days for the 2010-11  
32 school year. A school district is eligible for the learning  
33 improvement day funds only if the learning improvement day has been  
34 added to the 180-day contract year. If fewer days are added, the  
35 additional learning improvement allocation shall be adjusted  
36 accordingly. The additional day shall be limited to specific  
37 activities identified in the state required school improvement plan  
38 related to improving student learning that are consistent with

1 education reform implementation, and shall not be considered part of  
 2 basic education. The principal in each school shall assure that the  
 3 days are used to provide the necessary school-wide, all staff  
 4 professional development that is tied directly to the school  
 5 improvement plan. The school principal and the district superintendent  
 6 shall maintain documentation as to their approval of these activities.  
 7 The length of a learning improvement day shall not be less than the  
 8 length of a full day under the base contract. The superintendent of  
 9 public instruction shall ensure that school districts adhere to the  
 10 intent and purposes of this subsection.

11 (8) The salary allocation schedules established in this section are  
 12 for allocation purposes only except as provided in RCW 28A.400.200(2).

13 **Sec. 504.** 2009 c 564 s 504 (uncodified) is amended to read as  
 14 follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**  
 16 **COMPENSATION ADJUSTMENTS**

17	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$4,215,000</del> ))
18		<u>(\$4,414,000)</u>
19	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$14,172,000</del> ))
20		<u>(\$1,806,000)</u>
21	General Fund--Federal Appropriation . . . . .	(( <del>\$6,000</del> ))
22		<u>(\$1,000)</u>
23	TOTAL APPROPRIATION . . . . .	(( <del>\$9,963,000</del> ))
24		<u>(\$6,221,000)</u>

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

27 (1)(a) Additional salary adjustments as necessary to fund the base  
 28 salaries for certificated instructional staff as listed for each  
 29 district in LEAP Document 2, defined in section 503(2)(b) of this act.  
 30 Allocations for these salary adjustments shall be provided to all  
 31 districts that are not grandfathered to receive salary allocations  
 32 above the statewide salary allocation schedule, and to certain  
 33 grandfathered districts to the extent necessary to ensure that salary  
 34 allocations for districts that are currently grandfathered do not fall  
 35 below the statewide salary allocation schedule.

36 (b) Additional salary adjustments to certain districts as necessary  
 37 to fund the per full-time-equivalent salary allocations for

1 certificated administrative staff as listed for each district in LEAP  
 2 Document 2, defined in section 503(2)(b) of this act. These  
 3 adjustments shall ensure a minimum salary allocation for certificated  
 4 administrative staff of \$57,986 in the 2009-10 school year and \$57,986  
 5 in the 2010-11 school year.

6 (c) Additional salary adjustments to certain districts as necessary  
 7 to fund the per full-time-equivalent salary allocations for classified  
 8 staff as listed for each district in LEAP Document 2, defined in  
 9 section 503(2)(b) of this act. These salary adjustments ensure a  
 10 minimum salary allocation for classified staff of \$31,865 in the 2009-  
 11 10 school year and \$31,865 in the 2010-11 school year.

12 (d) The appropriations in this subsection (1) include associated  
 13 incremental fringe benefit allocations at rates 13.79 percent for the  
 14 2009-10 school year and 13.79 percent for the 2010-11 school year for  
 15 certificated staff and ((13.08)) 13.09 percent for the 2009-10 school  
 16 year and ((13.08)) 13.09 percent for the 2010-11 school year for  
 17 classified staff.

18 (e) The appropriations in this section include the increased or  
 19 decreased portion of salaries and incremental fringe benefits for all  
 20 relevant state-funded school programs in part V of this act. Changes  
 21 for general apportionment (basic education) are based on the salary  
 22 allocation schedules and methodology in sections 502 and 503 of this  
 23 act. Changes for special education result from changes in each  
 24 district's basic education allocation per student. Changes for  
 25 educational service districts and institutional education programs are  
 26 determined by the superintendent of public instruction using the  
 27 methodology for general apportionment salaries and benefits in sections  
 28 502 and 503 of this act. The appropriations in this section provide  
 29 incremental fringe benefit alterations based on formula adjustments as  
 30 follows:

	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0	\$0
Highly Capable (per formula student)	(\$1.49)	((((\$1.49)))
		<u>(\$2.98)</u>

1	Transitional Bilingual Education (per eligible bilingual student)	(\$3.93)	<del>(\$3.93)</del>
2			<u>(\$7.86)</u>
3	Learning Assistance (per formula student)	(\$1.18)	<del>(\$1.18)</del>
4			<u>(\$2.36)</u>

5 (f) The appropriations in this section include no salary  
6 adjustments for substitute teachers.

7 (2) (~~\$44,188,000~~) \$44,213,000 is provided for adjustments to  
8 insurance benefit allocations. The maintenance rate for insurance  
9 benefit allocations is \$732.00 per month for the 2009-10 and 2010-11  
10 school years. The appropriations in this section provide for a rate  
11 increase to \$745.00 per month for the 2009-10 school year and \$768.00  
12 per month for the 2010-11 school year. The adjustments to health  
13 insurance benefits are at the following rates:

14			
15			School Year
16		2009-10	2010-11
17	Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
18	Highly Capable (per formula student)	<del>(\$0.82)</del>	\$2.22
19		<u>\$0.79</u>	
20	Transitional Bilingual Education (per eligible bilingual student)	<del>(\$2.10)</del>	\$5.83
21		<u>\$2.11</u>	
22	Learning Assistance (per formula student)	\$0.54	\$1.49

23 (3) The rates specified in this section are subject to revision  
24 each year by the legislature.

25 **Sec. 505.** 2009 c 564 s 505 (uncodified) is amended to read as  
26 follows:

27	<b>FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION</b>	
28	General Fund--State Appropriation (FY 2010) . . . . .	<del>(\$307,357,000)</del>
29		<u>\$317,116,000</u>
30	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$307,070,000)</del>
31		<u>\$296,747,000</u>
32	TOTAL APPROPRIATION . . . . .	<del>(\$614,427,000)</del>
33		<u>\$613,863,000</u>



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

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

6 (2) A maximum of \$878,000 of this fiscal year 2010 appropriation  
7 and a maximum of (~~(\$894,000)~~) \$892,000 of the fiscal year 2011  
8 appropriation may be expended for regional transportation coordinators  
9 and related activities. The transportation coordinators shall ensure  
10 that data submitted by school districts for state transportation  
11 funding shall, to the greatest extent practical, reflect the actual  
12 transportation activity of each district.

13 (3) Allocations for transportation of students shall be based on  
14 reimbursement rates of \$48.15 per weighted mile in the 2009-10 school  
15 year and (~~(\$48.40)~~) \$48.37 per weighted mile in the 2010-11 school year  
16 exclusive of salary and benefit adjustments provided in section 504 of  
17 this act. Allocations for transportation of students transported more  
18 than one radius mile shall be based on weighted miles as determined by  
19 superintendent of public instruction multiplied by the per mile  
20 reimbursement rates for the school year pursuant to the formulas  
21 adopted by the superintendent of public instruction. Allocations for  
22 transportation of students living within one radius mile shall be based  
23 on the number of enrolled students in grades kindergarten through five  
24 living within one radius mile of their assigned school multiplied by  
25 the per mile reimbursement rate for the school year multiplied by 1.29.

26 (4) The office of the superintendent of public instruction shall  
27 provide reimbursement funding to a school district only after the  
28 superintendent of public instruction determines that the school bus was  
29 purchased from the list established pursuant to RCW 28A.160.195(2) or  
30 a comparable competitive bid process based on the lowest price quote  
31 based on similar bus categories to those used to establish the list  
32 pursuant to RCW 28A.160.195.

33 (5) The superintendent of public instruction shall base  
34 depreciation payments for school district buses on the pre-sales tax  
35 five-year average of lowest bids in the appropriate category of bus.  
36 In the final year on the depreciation schedule, the depreciation  
37 payment shall be based on the lowest bid in the appropriate bus  
38 category for that school year.

1 (6) Funding levels in this section reflect reductions from the  
2 implementation of Substitute House Bill No. 1292 (authorizing waivers  
3 from the one hundred eighty-day school year requirement in order to  
4 allow four-day school weeks).

5 **Sec. 506.** 2009 c 564 s 506 (uncodified) is amended to read as  
6 follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**  
8 **PROGRAMS**

9	General Fund--State Appropriation (FY 2010) . . . . .	\$3,159,000
10	General Fund--State Appropriation (FY 2011) . . . . .	\$3,159,000
11	General Fund--Federal Appropriation . . . . .	(( <del>\$281,988,000</del> ))
12		<u>\$391,988,000</u>
13	TOTAL APPROPRIATION . . . . .	(( <del>\$288,306,000</del> ))
14		<u>\$398,306,000</u>

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

17 (1) \$3,000,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$3,000,000 of the general fund--state appropriation for  
19 fiscal year 2011 are provided for state matching money for federal  
20 child nutrition programs.

21 (2) \$100,000 of the general fund--state appropriation for fiscal  
22 year 2010 and \$100,000 of the 2011 fiscal year appropriation are  
23 provided for summer food programs for children in low-income areas.

24 (3) \$59,000 of the general fund--state appropriation for fiscal  
25 year 2010 and \$59,000 of the general fund--state appropriation for  
26 fiscal year 2011 are provided solely to reimburse school districts for  
27 school breakfasts served to students enrolled in the free or reduced  
28 price meal program pursuant to chapter 287, Laws of 2005 (requiring  
29 school breakfast programs in certain schools).

30 ~~((4) \$1,588,000 of the general fund--federal appropriation of~~  
31 ~~American recovery and reinvestment act of 2009 (ARRA) funds is provided~~  
32 ~~solely for equipment assistance to school food authorities (SFAs)~~  
33 ~~participating in the national school lunch program (NSLP). Local SFAs~~  
34 ~~may apply to the office of the superintendent of public instruction to~~  
35 ~~receive grants in accordance with provisions of the ARRA. As~~  
36 ~~stipulated in the ARRA, priority will be given to SFAs for equipment~~

1 ~~for schools in which at least 50 percent of the students are eligible~~  
2 ~~for free or reduced priced meals.))~~

3 **Sec. 507.** 2009 c 564 s 507 (uncodified) is amended to read as  
4 follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
6 **PROGRAMS**

7	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$640,959,000</del> ))
8		<u>\$632,136,000</u>
9	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$652,388,000</del> ))
10		<u>\$650,856,000</u>
11	General Fund--Federal Appropriation . . . . .	(( <del>\$656,052,000</del> ))
12		<u>\$664,601,000</u>
13	Education Legacy Trust Account--State	
14	Appropriation . . . . .	\$756,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$1,950,155,000</del> ))
16		<u>\$1,948,349,000</u>

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

19 (1) Funding for special education programs is provided on an excess  
20 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
21 that special education students as a class receive their full share of  
22 the general apportionment allocation accruing through sections 502 and  
23 504 of this act. To the extent a school district cannot provide an  
24 appropriate education for special education students under chapter  
25 28A.155 RCW through the general apportionment allocation, it shall  
26 provide services through the special education excess cost allocation  
27 funded in this section.

28 (2)(a) The superintendent of public instruction shall ensure that:

29 (i) Special education students are basic education students first;

30 (ii) As a class, special education students are entitled to the  
31 full basic education allocation; and

32 (iii) Special education students are basic education students for  
33 the entire school day.

34 (b) The superintendent of public instruction shall continue to  
35 implement the full cost method of excess cost accounting, as designed  
36 by the committee and recommended by the superintendent, pursuant to  
37 section 501(1)(k), chapter 372, Laws of 2006.

1 (3) Each fiscal year appropriation includes such funds as are  
2 necessary to complete the school year ending in the fiscal year and for  
3 prior fiscal year adjustments.

4 (4) The superintendent of public instruction shall distribute state  
5 funds to school districts based on two categories: (a) The first  
6 category includes (i) children birth through age two who are eligible  
7 for the optional program for special education eligible developmentally  
8 delayed infants and toddlers, and (ii) students eligible for the  
9 mandatory special education program and who are age three or four, or  
10 five and not yet enrolled in kindergarten; and (b) the second category  
11 includes students who are eligible for the mandatory special education  
12 program and who are age five and enrolled in kindergarten and students  
13 age six through 21.

14 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent  
15 shall make allocations to each district based on the sum of:

16 (i) A district's annual average headcount enrollment of students  
17 ages birth through four and those five year olds not yet enrolled in  
18 kindergarten, as defined in subsection (4) of this section, multiplied  
19 by the district's average basic education allocation per full-time  
20 equivalent student, multiplied by 1.15; and

21 (ii) A district's annual average full-time equivalent basic  
22 education enrollment multiplied by the funded enrollment percent  
23 determined pursuant to subsection (6)(b) of this section, multiplied by  
24 the district's average basic education allocation per full-time  
25 equivalent student multiplied by 0.9309.

26 (b) For purposes of this subsection, "average basic education  
27 allocation per full-time equivalent student" for a district shall be  
28 based on the staffing ratios required by RCW 28A.150.260 and shall not  
29 include enhancements, secondary vocational education, or small schools  
30 in the 2009-10 school year. In the 2010-11 school year, the per  
31 student allocation under this subsection (5)(b) shall include the same  
32 factors as in the 2009-10 school year, but shall also include the  
33 classified staff enhancements included in section 502(3)(b).

34 (6) The definitions in this subsection apply throughout this  
35 section.

36 (a) "Annual average full-time equivalent basic education  
37 enrollment" means the resident enrollment including students enrolled  
38 through choice (RCW 28A.225.225) and students from nonhigh districts

1 (RCW 28A.225.210) and excluding students residing in another district  
2 enrolled as part of an interdistrict cooperative program (RCW  
3 28A.225.250).

4 (b) "Enrollment percent" means the district's resident special  
5 education annual average enrollment, excluding the birth through age  
6 four enrollment and those five year olds not yet enrolled in  
7 kindergarten, as a percent of the district's annual average full-time  
8 equivalent basic education enrollment.

9 Each district's general fund--state funded special education  
10 enrollment shall be the lesser of the district's actual enrollment  
11 percent or 12.7 percent.

12 (7) At the request of any interdistrict cooperative of at least 15  
13 districts in which all excess cost services for special education  
14 students of the districts are provided by the cooperative, the maximum  
15 enrollment percent shall be calculated in accordance with subsection  
16 (6)(b) of this section, and shall be calculated in the aggregate rather  
17 than individual district units. For purposes of this subsection, the  
18 average basic education allocation per full-time equivalent student  
19 shall be calculated in the aggregate rather than individual district  
20 units.

21 (8) To the extent necessary, (~~(\$73,668,000)~~) \$44,269,000 of the  
22 general fund--state appropriation and \$29,574,000 of the general fund--  
23 federal appropriation are provided for safety net awards for districts  
24 with demonstrated needs for special education funding beyond the  
25 amounts provided in subsection (5) of this section. If the federal  
26 safety net awards based on the federal eligibility threshold exceed the  
27 federal appropriation in this subsection (8) in any fiscal year, the  
28 superintendent shall expend all available federal discretionary funds  
29 necessary to meet this need. Safety net funds shall be awarded by the  
30 state safety net oversight committee subject to the following  
31 conditions and limitations:

32 (a) The committee shall consider unmet needs for districts that can  
33 convincingly demonstrate that all legitimate expenditures for special  
34 education exceed all available revenues from state funding formulas.  
35 In the determination of need, the committee shall also consider  
36 additional available revenues from federal sources. Differences in  
37 program costs attributable to district philosophy, service delivery  
38 choice, or accounting practices are not a legitimate basis for safety

1 net awards. In the determination of need, the committee shall require  
2 that districts demonstrate that they are maximizing their eligibility  
3 for all state and federal revenues related to services for special  
4 education-eligible students. Awards associated with (b) and (c) of  
5 this subsection shall not exceed the total of a district's specific  
6 determination of need.

7 (b) The committee shall then consider the extraordinary high cost  
8 needs of one or more individual special education students.  
9 Differences in costs attributable to district philosophy, service  
10 delivery choice, or accounting practices are not a legitimate basis for  
11 safety net awards.

12 (c) Using criteria developed by the committee, the committee shall  
13 then consider extraordinary costs associated with communities that draw  
14 a larger number of families with children in need of special education  
15 services. The safety net awards to school districts shall be adjusted  
16 to reflect amounts awarded under (b) of this subsection.

17 (d) The maximum allowable indirect cost for calculating safety net  
18 eligibility may not exceed the federal restricted indirect cost rate  
19 for the district plus one percent.

20 (e) Safety net awards must be adjusted for any audit findings or  
21 exceptions related to special education funding.

22 (f) Safety net awards shall be adjusted based on the percent of  
23 potential medicaid eligible students billed as calculated by the  
24 superintendent in accordance with chapter 318, Laws of 1999. The state  
25 safety net oversight committee shall ensure that safety net  
26 documentation and awards are based on current medicaid revenue amounts.

27 (g) The office of the superintendent of public instruction, at the  
28 conclusion of each school year, shall recover safety net funds that  
29 were distributed prospectively but for which districts were not  
30 subsequently eligible.

31 (9) The superintendent of public instruction may adopt such rules  
32 and procedures as are necessary to administer the special education  
33 funding and safety net award process. Prior to revising any standards,  
34 procedures, or rules, the superintendent shall consult with the office  
35 of financial management and the fiscal committees of the legislature.

36 (10) The safety net oversight committee appointed by the  
37 superintendent of public instruction shall consist of:

1 (a) One staff from the office of superintendent of public  
2 instruction;

3 (b) Staff of the office of the state auditor who shall be nonvoting  
4 members of the committee; and

5 (c) One or more representatives from school districts or  
6 educational service districts knowledgeable of special education  
7 programs and funding.

8 (11) The office of the superintendent of public instruction shall  
9 review and streamline the application process to access safety net  
10 funds, provide technical assistance to school districts, and annually  
11 survey school districts regarding improvement to the process.

12 (12) A maximum of \$678,000 may be expended from the general fund--  
13 state appropriations to fund 5.43 full-time equivalent teachers and 2.1  
14 full-time equivalent aides at children's orthopedic hospital and  
15 medical center. This amount is in lieu of money provided through the  
16 home and hospital allocation and the special education program.

17 (13) The superintendent shall maintain the percentage of federal  
18 flow-through to school districts at 85 percent. In addition to other  
19 purposes, school districts may use increased federal funds for high-  
20 cost students, for purchasing regional special education services from  
21 educational service districts, and for staff development activities  
22 particularly relating to inclusion issues.

23 (14) A school district may carry over from one year to the next  
24 year up to 10 percent of the general fund--state funds allocated under  
25 this program; however, carryover funds shall be expended in the special  
26 education program.

27 (15) \$262,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$251,000 of the general fund--state appropriation for  
29 fiscal year 2011 are provided solely for two additional full-time  
30 equivalent staff to support the work of the safety net committee and to  
31 provide training and support to districts applying for safety net  
32 awards.

33 ~~(16) ((\$221,357,000 of the general fund--federal appropriation of  
34 American recovery and reinvestment act of 2009 funds is provided solely  
35 for the individuals with disabilities education act (IDEA), Part B, for  
36 distribution to school districts. The funds' use is to be consistent  
37 with the current IDEA, Part B statutory and regulatory requirements.~~

1       ~~(17)~~) \$50,000 of the general fund--state appropriation for fiscal  
2 year 2010, \$50,000 of the general fund--state appropriation for fiscal  
3 2011, and \$100,000 of the general fund--federal appropriation shall be  
4 expended to support a special education ombudsman program within the  
5 office of superintendent of public instruction.

6       **Sec. 508.** 2009 c 564 s 508 (uncodified) is amended to read as  
7 follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**  
9 **DISTRICTS**

10	General Fund--State Appropriation (FY 2010) . . . . .	\$8,394,000
11	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$8,395,000)</del>
12		<u>\$8,319,000</u>
13	TOTAL APPROPRIATION . . . . .	<del>(\$16,789,000)</del>
14		<u>\$16,713,000</u>

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

17       (1) The educational service districts shall continue to furnish  
18 financial services required by the superintendent of public instruction  
19 and RCW 28A.310.190 (3) and (4).

20       (2) \$3,355,000 of the general fund--state appropriation for fiscal  
21 year 2010 and \$3,355,000 of the general fund--state appropriation for  
22 fiscal year 2011 are provided solely for regional professional  
23 development related to mathematics and science curriculum and  
24 instructional strategies. Funding shall be distributed among the  
25 educational service districts in the same proportion as distributions  
26 in the 2007-2009 biennium. Each educational service district shall use  
27 this funding solely for salary and benefits for a certificated  
28 instructional staff with expertise in the appropriate subject matter  
29 and in professional development delivery, and for travel, materials,  
30 and other expenditures related to providing regional professional  
31 development support. The office of superintendent of public  
32 instruction shall also allocate to each educational service district  
33 additional amounts provided in section 504 of this act for compensation  
34 increases associated with the salary amounts and staffing provided in  
35 this subsection (2).

36       (3) The educational service districts, at the request of the state  
37 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may



1 receive and screen applications for school accreditation, conduct  
2 school accreditation site visits pursuant to state board of education  
3 rules, and submit to the state board of education post-site visit  
4 recommendations for school accreditation. The educational service  
5 districts may assess a cooperative service fee to recover actual plus  
6 reasonable indirect costs for the purposes of this subsection.

7 **Sec. 509.** 2009 c 564 s 509 (uncodified) is amended to read as  
8 follows:

9 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**  
10 **ASSISTANCE**

11	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$42,921,000</del> ))
12		<u>\$93,141,000</u>
13	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$209,997,000</del> ))
14		<u>\$286,911,000</u>
15	General Fund--Federal Appropriation . . . . .	(( <del>\$176,284,000</del> ))
16		<u>\$157,043,000</u>
17	TOTAL APPROPRIATION . . . . .	(( <del>\$429,202,000</del> ))
18		<u>\$537,095,000</u>

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

21 (~~\$176,284,000~~) (1) \$157,043,000 of the general fund--federal  
22 appropriation for fiscal year 2010 is provided solely for American  
23 recovery and reinvestment act of 2009 (ARRA) fiscal stabilization funds  
24 to restore state reductions for local effort assistance payments.

25 (2) \$21,808,000 of the general fund--state appropriation for fiscal  
26 year 2011 is provided solely for implementation of Substitute House  
27 Bill No. 2893 (school levies). If the bill is not enacted by June 30,  
28 2010, the amount provided in this subsection shall lapse.

29 **Sec. 510.** 2009 c 564 s 510 (uncodified) is amended to read as  
30 follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**  
32 **EDUCATION PROGRAMS**

33	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$18,943,000</del> ))
34		<u>\$18,059,000</u>
35	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$17,992,000</del> ))
36		<u>\$19,006,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$36,935,000~~))  
2 \$37,065,000

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

5 (1) Each general fund--state fiscal year appropriation includes  
6 such funds as are necessary to complete the school year ending in the  
7 fiscal year and for prior fiscal year adjustments.

8 (2) State funding provided under this section is based on salaries  
9 and other expenditures for a 220-day school year. The superintendent  
10 of public instruction shall monitor school district expenditure plans  
11 for institutional education programs to ensure that districts plan for  
12 a full-time summer program.

13 (3) State funding for each institutional education program shall be  
14 based on the institution's annual average full-time equivalent student  
15 enrollment. Staffing ratios for each category of institution shall  
16 remain the same as those funded in the 1995-97 biennium.

17 (4) The funded staffing ratios for education programs for juveniles  
18 age 18 or less in department of corrections facilities shall be the  
19 same as those provided in the 1997-99 biennium.

20 (5) ((~~\$329,000~~)) \$228,000 of the general fund--state appropriation  
21 for fiscal year 2010 and ((~~\$329,000~~)) \$228,000 of the general fund--  
22 state appropriation for fiscal year 2011 are provided solely to  
23 maintain at least one certificated instructional staff and related  
24 support services at an institution whenever the K-12 enrollment is not  
25 sufficient to support one full-time equivalent certificated  
26 instructional staff to furnish the educational program. The following  
27 types of institutions are included: Residential programs under the  
28 department of social and health services for developmentally disabled  
29 juveniles, programs for juveniles under the department of corrections,  
30 and programs for juveniles under the juvenile rehabilitation  
31 administration.

32 (6) Ten percent of the funds allocated for each institution may be  
33 carried over from one year to the next.

34 **Sec. 511.** 2009 c 564 s 511 (uncodified) is amended to read as  
35 follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**

1	<b>CAPABLE STUDENTS</b>	
2	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$9,430,000</del> ))
3		<u>\$9,189,000</u>
4	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$9,437,000</del> ))
5		<u>\$9,188,000</u>
6	TOTAL APPROPRIATION . . . . .	(( <del>\$18,867,000</del> ))
7		<u>\$18,377,000</u>

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

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

13 (2) Allocations for school district programs for highly capable  
14 students shall be distributed at a maximum rate of \$401.08 per funded  
15 student for the 2009-10 school year and \$401.08 per funded student for  
16 the 2010-11 school year, exclusive of salary and benefit adjustments  
17 pursuant to section 504 of this act. The number of funded students  
18 shall be a maximum of 2.314 percent of each district's full-time  
19 equivalent basic education enrollment.

20 (3) \$90,000 of the fiscal year 2010 appropriation and \$90,000 of  
21 the fiscal year 2011 appropriation are provided for the Washington  
22 destination imagination network and future problem-solving programs.

23 (4) \$170,000 of the fiscal year 2010 appropriation and \$170,000 of  
24 the fiscal year 2011 appropriation are provided for the centrum program  
25 at Fort Worden state park.

26 **Sec. 512.** 2009 c 564 s 512 (uncodified) is amended to read as  
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS**  
29 **PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND**  
30 **THE NO CHILD LEFT BEHIND ACT**

31	General Fund--Federal Appropriation . . . . .	(( <del>\$43,450,000</del> ))
32		<u>\$43,886,000</u>

33 **Sec. 513.** 2010 c 3 s 501 (uncodified) is amended to read as  
34 follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**



1 end-of-course assessment measuring student achievement of the state  
2 science standards in biology to be implemented statewide in the 2011-12  
3 school year. By December 1, 2010, the superintendent of public  
4 instruction shall recommend whether additional end-of-course  
5 assessments in science should be developed and in which content areas.  
6 Any recommendation for additional assessments must include an  
7 implementation timeline and the projected cost to develop and  
8 administer the assessments.

9 (4) \$1,014,000 of the education legacy trust account appropriation  
10 is provided solely for allocations to districts for salaries and  
11 benefits for the equivalent of two additional professional development  
12 days for fourth and fifth grade teachers during the 2008-2009 school  
13 year. The allocations shall be made based on the calculations of  
14 certificated instructional staff units for fourth and fifth grade  
15 provided in section 502 of this act and on the calculations of  
16 compensation provided in sections 503 and 504 of this act. Districts  
17 may use the funding to support additional days for professional  
18 development as well as job-embedded forms of professional development.

19 ((+4)) (5) \$3,241,000 of the education legacy trust fund  
20 appropriation is provided solely for allocations to districts for  
21 salaries and benefits for the equivalent of three additional  
22 professional development days for middle and high school math and  
23 science teachers during the 2008-2009 school year, as well as  
24 specialized training for one math and science teacher in each middle  
25 school and high school during the 2008-2009 school year. Districts may  
26 use the funding to support additional days for professional development  
27 as well as job-embedded forms of professional development.

28 ((+5) ~~\$3,850,000~~) (6) \$3,773,000 of the education legacy trust  
29 account--state appropriation is provided solely for a math and science  
30 instructional coaches program pursuant to chapter 396, Laws of 2007.  
31 Funding shall be used to provide grants to schools and districts to  
32 provide salaries, benefits, and professional development activities for  
33 up to twenty-five instructional coaches in middle and high school math  
34 and twenty-five instructional coaches in middle and high school science  
35 in each year of the biennium; and up to \$300,000 may be used by the  
36 office of the superintendent of public instruction to administer and  
37 coordinate the program.

1           (~~(6) \$1,781,000~~) (7) \$1,740,000 of the general fund--state  
2 appropriation for fiscal year 2010 and (~~(\$1,943,000)~~) \$1,775,000 of the  
3 general fund--state appropriation for fiscal year 2011 are provided  
4 solely to allow approved middle and junior high school career and  
5 technical education programs to receive enhanced vocational funding.  
6 The office of the superintendent of public instruction shall provide  
7 allocations to districts for middle and junior high school students in  
8 accordance with the funding formulas provided in section 502 of this  
9 act. If Second Substitute Senate Bill No. 5676 is enacted the  
10 allocations are formula-driven, otherwise the office of the  
11 superintendent shall consider the funding provided in this subsection  
12 as a fixed amount, and shall adjust funding to stay within the amounts  
13 provided in this subsection.

14           (~~(7)~~) (8) \$139,000 of the general fund--state appropriation for  
15 fiscal year 2010 and \$139,000 of the general fund--state appropriation  
16 for fiscal year 2011 are provided solely for (a) staff at the office of  
17 the superintendent of public instruction to coordinate and promote  
18 efforts to develop integrated math, science, technology, and  
19 engineering programs in schools and districts across the state; and (b)  
20 grants of \$2,500 to provide twenty middle and high school teachers each  
21 year professional development training for implementing integrated  
22 math, science, technology, and engineering program in their schools.

23           (~~(8) \$1,579,000~~) (9) \$1,473,000 of the general fund--state  
24 appropriation for fiscal year 2010 and (~~(\$1,579,000)~~) \$395,000 of the  
25 general fund--state appropriation for fiscal year 2011 are provided  
26 solely for the Washington state leadership and assistance for science  
27 education reform (LASER) regional partnership activities coordinated at  
28 the Pacific science center, including instructional material purchases,  
29 teacher and principal professional development, and school and  
30 community engagement events. Funding shall be distributed to the  
31 various LASER activities in a manner proportional to LASER program  
32 spending during the 2007-2009 biennium.

33           (~~(9) \$81,010,000~~) (10) \$88,981,000 of the education legacy trust  
34 account--state appropriation is provided solely for grants for  
35 voluntary full-day kindergarten at the highest poverty schools, as  
36 provided in chapter 400, Laws of 2007. The office of the  
37 superintendent of public instruction shall provide allocations to  
38 districts for recipient schools in accordance with the funding formulas

1 provided in section 502 of this act. Each kindergarten student who  
2 enrolls for the voluntary full-day program in a recipient school shall  
3 count as one-half of one full-time equivalent student for the purpose  
4 of making allocations under this subsection. Although the allocations  
5 are formula-driven, the office of the superintendent shall consider the  
6 funding provided in this subsection as a fixed amount, and shall limit  
7 the number of recipient schools so as to stay within the amounts  
8 appropriated each fiscal year in this subsection. The funding provided  
9 in this subsection is estimated to provide full-day kindergarten  
10 programs for 20 percent of kindergarten enrollment. Funding priority  
11 shall be given to schools with the highest poverty levels, as measured  
12 by prior year free and reduced priced lunch eligibility rates in each  
13 school. Additionally, as a condition of funding, school districts must  
14 agree to provide the full-day program to the children of parents who  
15 request it in each eligible school. For the purposes of calculating a  
16 school district levy base, funding provided in this subsection shall be  
17 considered a state block grant program under RCW 84.52.0531.

18 (a) Of the amounts provided in this subsection, a maximum of  
19 \$272,000 may be used for administrative support of the full-day  
20 kindergarten program within the office of the superintendent of public  
21 instruction.

22 (b) Student enrollment pursuant to this program shall not be  
23 included in the determination of a school district's overall K-12 FTE  
24 for the allocation of student achievement programs and other funding  
25 formulas unless specifically stated.

26 ~~((+10+))~~ (11) \$700,000 of the general fund--state appropriation for  
27 fiscal year 2010 and \$900,000 of the general fund--state appropriation  
28 for fiscal year 2011 are provided solely for the development of a  
29 leadership academy for school principals and administrators. The  
30 superintendent of public instruction shall contract with an independent  
31 organization to design, field test, and implement a state-of-the-art  
32 education leadership academy that will be accessible throughout the  
33 state. Initial development of the content of the academy activities  
34 shall be supported by private funds. Semiannually the independent  
35 organization shall report on amounts committed by foundations and  
36 others to support the development and implementation of this program.  
37 Leadership academy partners, with varying roles, shall include the  
38 state level organizations for school administrators and principals, the

1 superintendent of public instruction, the professional educator  
2 standards board, and others as the independent organization shall  
3 identify.

4 ~~((11))~~ (12) \$105,754,000 of the general fund--federal  
5 appropriation is provided for preparing, training, and recruiting high  
6 quality teachers and principals under Title II of the no child left  
7 behind act.

8 ~~((12) \$1,546,000))~~ (13) \$1,960,000 of the general fund--state  
9 appropriation for fiscal year 2010 and ~~((3,046,000))~~ \$1,523,000 of the  
10 general fund--state appropriation for fiscal year 2011 are provided  
11 solely to the office of the superintendent of public instruction for  
12 focused assistance. The office of the superintendent of public  
13 instruction shall conduct educational audits of low-performing schools  
14 and enter into performance agreements between school districts and the  
15 office to implement the recommendations of the audit and the community.  
16 Funding in this subsection ~~((may))~~ shall be used for focused assistance  
17 programs for individual schools ~~((as well as))~~ or school districts.  
18 The office of the superintendent of public instruction shall report to  
19 the fiscal committees of the legislature by September 1, 2011,  
20 providing an accounting of the uses of focused assistance funds during  
21 the 2009-11 fiscal biennium, including a list of schools served and the  
22 types of services provided.

23 ~~((13) \$30,702,000 of the general fund--federal appropriation is~~  
24 ~~provided for the reading first program under Title I of the no child~~  
25 ~~left behind act.))~~

26 (14) \$1,667,000 of the general fund--state appropriation for fiscal  
27 year 2010 and \$1,667,000 of the general fund--state appropriation for  
28 fiscal year 2011 are provided solely to eliminate the lunch co-pay for  
29 students in grades kindergarten through third grade that are eligible  
30 for reduced price lunch.

31 (15) \$5,285,000 of the general fund--state appropriation for fiscal  
32 year 2010 and \$5,285,000 of the general fund--state appropriation for  
33 fiscal year 2011 are provided solely for: (a) The meals for kids  
34 program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the  
35 breakfast co-pay for students eligible for reduced price lunch; and (c)  
36 for additional assistance for school districts initiating a summer food  
37 service program.



1           (16)   (~~(\$1,056,000)~~)   \$1,003,000   of the general fund--state  
2 appropriation for fiscal year 2010 and \$1,056,000 of the general fund--  
3 state appropriation for fiscal year 2011 are provided solely for the  
4 Washington reading corps. The superintendent shall allocate reading  
5 corps members to low-performing schools and school districts that are  
6 implementing comprehensive, proven, research-based reading programs.  
7 Two or more schools may combine their Washington reading corps  
8 programs. Grants provided under this section may be used by school  
9 districts for expenditures from September 2009 through August 31, 2011.

10           (17)   (~~(\$3,594,000)~~)   \$3,269,000   of the general fund--state  
11 appropriation for fiscal year 2010 and \$3,594,000 of the general fund--  
12 state appropriation for fiscal year 2011 are provided solely for grants  
13 to school districts to provide a continuum of care for children and  
14 families to help children become ready to learn. Grant proposals from  
15 school districts shall contain local plans designed collaboratively  
16 with community service providers. If a continuum of care program  
17 exists in the area in which the school district is located, the local  
18 plan shall provide for coordination with existing programs to the  
19 greatest extent possible. Grant funds shall be allocated pursuant to  
20 RCW 70.190.040.

21           (18)   (~~(\$1,959,000)~~)   \$1,861,000   of the general fund--state  
22 appropriation for fiscal year 2010 and \$1,959,000 of the general fund--  
23 state appropriation for fiscal year 2011 are provided solely for  
24 improving technology infrastructure, monitoring and reporting on school  
25 district technology development, promoting standards for school  
26 district technology, promoting statewide coordination and planning for  
27 technology development, and providing regional educational technology  
28 support centers, including state support activities, under chapter  
29 28A.650 RCW.

30           (19) \$225,000 of the general fund--state appropriation for fiscal  
31 year 2010 and \$225,000 of the general fund--state appropriation for  
32 fiscal year 2011 are provided solely for the operation of the center  
33 for the improvement of student learning pursuant to RCW 28A.300.130.

34           (20)   (~~(\$250,000)~~)   \$246,000   of the education legacy trust account--  
35 state appropriation is provided solely for costs associated with the  
36 office of the superintendent of public instruction's statewide director  
37 of technology position.

1 (21)(a) (~~(\$28,270,000)~~) \$28,715,000 of the general fund--state  
2 appropriation for fiscal year 2010 and (~~(\$36,513,000)~~) \$36,168,000 of  
3 the general fund--state appropriation for fiscal year 2011 are provided  
4 solely for the following bonuses for teachers who hold valid, unexpired  
5 certification from the national board for professional teaching  
6 standards and who are teaching in a Washington public school, subject  
7 to the following conditions and limitations:

8 (i) For national board certified teachers, a bonus of \$5,000 per  
9 teacher beginning in the 2007-08 school year and adjusted for inflation  
10 in each school year thereafter in which Initiative 732 cost of living  
11 adjustments are provided(~~(. National board certified teachers who  
12 become public school principals shall continue to receive this bonus  
13 for as long as they are principals and maintain the national board  
14 certification))~~);

15 (ii) An additional \$5,000 annual bonus shall be paid to national  
16 board certified teachers who teach in either: (A) High schools where  
17 at least 50 percent of student headcount enrollment is eligible for  
18 federal free or reduced price lunch, (B) middle schools where at least  
19 60 percent of student headcount enrollment is eligible for federal free  
20 or reduced price lunch, or (C) elementary schools where at least 70  
21 percent of student headcount enrollment is eligible for federal free or  
22 reduced price lunch;

23 (iii) The superintendent of public instruction shall adopt rules to  
24 ensure that national board certified teachers meet the qualifications  
25 for bonuses under (a)(ii) of this subsection for less than one full  
26 school year receive bonuses in a pro-rated manner; and

27 (iv) During the 2009-10 and 2010-11 school years, and within the  
28 available state and federal appropriations, certificated instructional  
29 staff who have met the eligibility requirements and have applied for  
30 certification from the national board for professional teaching  
31 standards may receive a conditional two thousand dollars or the amount  
32 set by the office of the superintendent of public instruction to  
33 contribute toward the current assessment fee, not including the initial  
34 up-front candidacy payment. The fee shall be an advance on the first  
35 annual bonus under RCW 28A.405.415. The assessment fee for national  
36 certification is provided in addition to compensation received under a  
37 district's salary schedule adopted in accordance with RCW 28A.405.200  
38 and shall not be included in calculations of a district's average

1 salary and associated salary limitation under RCW 28A.400.200.  
2 Recipients who fail to receive certification after three years are  
3 required to repay the assessment fee, not including the initial up-  
4 front candidacy payment, as set by the national board for professional  
5 teaching standards and administered by the office of the superintendent  
6 of public instruction. The office of the superintendent of public  
7 instruction shall adopt rules to define the terms for initial grant of  
8 the assessment fee and repayment, including applicable fees.

9 (b) Included in the amounts provided in this subsection are amounts  
10 for mandatory fringe benefits.

11 (22) (~~(\$2,750,000)~~) \$2,475,000 of the general fund--state  
12 appropriation for fiscal year 2010 and (~~(\$2,750,000)~~) \$912,000 of the  
13 general fund--state appropriation for fiscal year 2011 are provided  
14 solely for secondary career and technical education grants pursuant to  
15 chapter 170, Laws of 2008. This funding may additionally be used to  
16 support FIRST Robotics programs. In fiscal year 2011, if equally  
17 matched by private donations, \$300,000 of the appropriation shall be  
18 used to support FIRST Robotics programs, including FIRST Robotics  
19 professional development.

20 (23) \$150,000 of the general fund--state appropriation for fiscal  
21 year 2011 is provided solely for the implementation of House Bill No.  
22 2621 (K-12 school resource programs). If the bill is not enacted by  
23 June 30, 2010, the amount provided in this subsection shall lapse.

24 (24) \$300,000 of the general fund--state appropriation for fiscal  
25 year 2010 (~~and \$300,000 of the general fund--state appropriation for~~  
26 ~~fiscal year 2011 are)) is provided solely for the local farms-healthy  
27 kids program as described in chapter 215, Laws of 2008. The program is  
28 suspended in the 2011 fiscal year, and not eliminated.~~

29 (~~(+24)~~) (25) \$2,348,000 of the general fund--state appropriation  
30 for fiscal year 2010 and (~~(\$2,348,000)~~) \$2,000,000 of the general  
31 fund--state appropriation for fiscal year 2011 are (~~appropriated~~)  
32 provided solely for a beginning educator support program. School  
33 districts and/or regional consortia may apply for grant funding  
34 beginning in the 2009-10 school year. The superintendent shall  
35 implement this program in 5 to 15 school districts and/or regional  
36 consortia. The program provided by a district and/or regional  
37 consortia shall include: A paid orientation; assignment of a qualified  
38 mentor; development of a professional growth plan for each beginning

1 teacher aligned with professional certification; release time for  
2 mentors and new teachers to work together, and teacher observation time  
3 with accomplished peers. \$250,000 may be used to provide state-wide  
4 professional development opportunities for mentors and beginning  
5 educators. The superintendent of public instruction shall adopt rules  
6 to establish and operate a research-based beginning educator support  
7 program no later than August 31, 2009. OSPI must evaluate the  
8 program's progress and may contract for this work. A report to the  
9 legislature about the beginning educator support program is due  
10 November 1, 2010.

11 ~~((25) \$4,400,000))~~ (26) \$4,290,000 of the education legacy trust  
12 account--state appropriation is provided solely for the development and  
13 implementation of diagnostic assessments, consistent with the  
14 recommendations of the Washington assessment of student learning work  
15 group.

16 ~~((26) \$70,000 of the general fund--state appropriation for fiscal  
17 year 2010 is provided solely))~~ (27) Funding within this section is  
18 provided for implementation of Engrossed Substitute Senate Bill No.  
19 5414 (statewide assessments and curricula).

20 ~~((27))~~ (28) \$530,000 of the general fund--state appropriation for  
21 fiscal year 2010 and \$530,000 of the general fund--state appropriation  
22 for fiscal year 2011 are provided solely for the leadership internship  
23 program for superintendents, principals, and program administrators.

24 (29) Funding for the community learning center program, established  
25 in RCW 28A.215.060, and providing grant funding for the 21st century  
26 after-school program, is suspended and not eliminated.

27 (30) \$2,357,000 of the general fund--state appropriation for fiscal  
28 year 2011 is provided solely for implementation of Engrossed Second  
29 Substitute Senate Bill No. 6696 (education reform). Of the amount  
30 provided, \$142,000 is provided to the professional educators' standards  
31 board and \$120,000 is provided to the system of the educational service  
32 districts, to fulfill their respective duties under the bill.

33 **Sec. 514.** 2009 c 564 s 514 (uncodified) is amended to read as  
34 follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
36 **BILINGUAL PROGRAMS**

37 General Fund--State Appropriation (FY 2010) . . . . . ~~(( \$77,994,000 ))~~

1		<u>\$76,419,000</u>
2	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$80,937,000</del> ))
3		<u>\$77,672,000</u>
4	General Fund--Federal Appropriation . . . . .	(( <del>\$45,263,000</del> ))
5		<u>\$65,263,000</u>
6	TOTAL APPROPRIATION . . . . .	(( <del>\$204,194,000</del> ))
7		<u>\$219,354,000</u>

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

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

13 (2) The superintendent shall distribute a maximum of \$901.46 per  
14 eligible bilingual student in the 2009-10 school year and \$901.46 in  
15 the 2010-11 school year, exclusive of salary and benefit adjustments  
16 provided in section 504 of this act.

17 (3) The superintendent may withhold up to 1.5 percent of the school  
18 year allocations to school districts in subsection (2) of this section,  
19 and adjust the per eligible pupil rates in subsection (2) of this  
20 section accordingly, solely for the central provision of assessments as  
21 provided in RCW 28A.180.090 (1) and (2).

22 (4) \$70,000 of the amounts appropriated in this section are  
23 provided solely to track current and former transitional bilingual  
24 program students.

25 (5) The general fund--federal appropriation in this section is  
26 provided for migrant education under Title I Part C and English  
27 language acquisition, and language enhancement grants under Title III  
28 of the elementary and secondary education act.

29 **Sec. 515.** 2009 c 564 s 515 (uncodified) is amended to read as  
30 follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
32 **ASSISTANCE PROGRAM**

33	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$101,067,000</del> ))
34		<u>\$103,865,000</u>
35	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$102,237,000</del> ))
36		<u>\$110,312,000</u>
37	General Fund--Federal Appropriation . . . . .	(( <del>\$543,925,000</del> ))

1		<u>\$553,925,000</u>
2	Education Legacy Trust Account--State	
3	Appropriation . . . . .	\$47,980,000
4	TOTAL APPROPRIATION . . . . .	(( <del>\$795,209,000</del> ))
5		<u>\$816,082,000</u>

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

8       (1) The general fund--state appropriations in this section are  
9 subject to the following conditions and limitations:

10       (a) The appropriations include such funds as are necessary to  
11 complete the school year ending in the fiscal year and for prior fiscal  
12 year adjustments.

13       (b) Funding for school district learning assistance programs shall  
14 be allocated at maximum rates of \$281.71 per funded student for the  
15 2009-10 school year and ((~~\$282.63~~)) \$283.00 per funded student for the  
16 2010-11 school year exclusive of salary and benefit adjustments  
17 provided under section 504 of this act.

18       (c) A school district's funded students for the learning assistance  
19 program shall be the sum of the following as appropriate:

20       (i) The district's full-time equivalent enrollment in grades K-12  
21 for the prior school year multiplied by the district's percentage of  
22 October headcount enrollment in grades K-12 eligible for free or  
23 reduced price lunch in the prior school year; and

24       (ii) If, in the prior school year, the district's percentage of  
25 October headcount enrollment in grades K-12 eligible for free or  
26 reduced price lunch exceeded forty percent, subtract forty percent from  
27 the district's percentage and multiply the result by the district's K-  
28 12 annual average full-time equivalent enrollment for the prior school  
29 year.

30       (d) In addition to the amounts allocated in (b) and (c) of this  
31 subsection, an additional amount shall be allocated to school districts  
32 with high concentrations of poverty and English language learner  
33 students, subject to the following rules and conditions:

34       (i) To qualify for additional funding under this subsection, a  
35 district's October headcount enrollment in grades kindergarten through  
36 grade twelve must have at least twenty percent enrolled in the  
37 transitional bilingual instruction program based on an average of the  
38 program headcount taken in October and May of the prior school year;

1 and must also have at least forty percent eligible for free or reduced  
2 price lunch based on October headcount enrollment in grades  
3 kindergarten through twelve in the prior school year.

4 (ii) Districts meeting the specifications in (d)(i) of this  
5 subsection shall receive additional funded students for the learning  
6 assistance program at the rates specified in subsection (1)(b) of this  
7 section. The number of additional funded student units shall be  
8 calculated by subtracting twenty percent from the district's percent  
9 transitional bilingual instruction program enrollment as defined in  
10 (d)(i) of this subsection, and the resulting percent shall be  
11 multiplied by the district's kindergarten through twelve annual average  
12 full-time equivalent enrollment for the prior school year.

13 (2) Allocations made pursuant to subsection (1) of this section  
14 shall be adjusted to reflect ineligible applications identified through  
15 the annual income verification process required by the national school  
16 lunch program, as recommended in the report of the state auditor on the  
17 learning assistance program dated February, 2010.

18 (3) The general fund--federal appropriation in this section is  
19 provided for Title I Part A allocations of the no child left behind act  
20 of 2001.

21 ((+3)) (4) A school district may carry over from one year to the  
22 next up to 10 percent of the general fund--state or education legacy  
23 trust funds allocated under this program; however, carryover funds  
24 shall be expended for the learning assistance program.

25 ((+4)) (5) School districts are encouraged to coordinate the use  
26 of these funds with other federal, state, and local sources to serve  
27 students who are below grade level and to make efficient use of  
28 resources in meeting the needs of students with the greatest academic  
29 deficits.

30 ((+5)) (6) Within amounts appropriated in this section, funding is  
31 provided for the implementation of extended learning programs required  
32 in chapter 328, Laws of 2008.

33 ~~((+6) \$51,970,000 of the general fund--federal appropriation for~~  
34 ~~fiscal year 2010 and \$77,955,000 of the general fund--federal~~  
35 ~~appropriation for fiscal year 2011 of American recovery and~~  
36 ~~reinvestment act of 2009 (ARRA) Title I, Part A funds are in addition~~  
37 ~~to regular Title I, Part A allocations solely for allocation to~~  
38 ~~eligible school districts in accordance with the guidelines of ARRA.~~

1 ~~(7) \$48,981,000 of the general fund federal appropriation from the~~  
2 ~~American recovery and reinvestment act of 2009 (ARRA) is for school~~  
3 ~~improvement. This consists of 4 percent, or \$5,413,000 of the Title I,~~  
4 ~~Part A recovery funds which must be set aside for school improvement as~~  
5 ~~well as \$43,568,000 in additional school improvement funds.)~~

6 **Sec. 516.** 2009 c 564 s 516 (uncodified) is amended to read as  
7 follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**  
9 **PROGRAMS**

10	<u>General Fund--State Appropriation (FY 2010)</u>	<u>\$19,000</u>
11	General Fund--State Appropriation (FY 2011)	(( <del>\$104,101,000</del> ))
12		<u>\$25,730,000</u>
13	General Fund--Federal Appropriation	\$200,295,000
14	TOTAL APPROPRIATION	(( <del>\$304,396,000</del> ))
15		<u>\$226,044,000</u>

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

18 (1) Funding for school district student achievement programs shall  
19 be allocated at a maximum rate of \$131.16 per FTE student for the 2009-  
20 10 school year and ((~~\$99.32~~)) \$0 per FTE student for the 2010-11 school  
21 year. For the purposes of this section, FTE student refers to the  
22 annual average full-time equivalent enrollment of the school district  
23 in grades kindergarten through twelve for the prior school year, as  
24 reported to the office of the superintendent of public instruction by  
25 August 31st of the previous school year.

26 (2) The appropriation is allocated for the following uses as  
27 specified in RCW 28A.505.210:

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

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

33 (c) To provide extended learning opportunities to improve student  
34 academic achievement in grades K-12, including, but not limited to,  
35 extended school year, extended school day, before-and-after-school  
36 programs, special tutoring programs, weekend school programs, summer  
37 school, and all-day kindergarten;



1 (d) To provide additional professional development for educators  
2 including additional paid time for curriculum and lesson redesign and  
3 alignment, training to ensure that instruction is aligned with state  
4 standards and student needs, reimbursement for higher education costs  
5 related to enhancing teaching skills and knowledge, and mentoring  
6 programs to match teachers with skilled, master teachers. The funding  
7 shall not be used for salary increases or additional compensation for  
8 existing teaching duties, but may be used for extended year and  
9 extended day teaching contracts;

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

12 (f) To provide improvements or additions to school building  
13 facilities which are directly related to the class size reductions and  
14 extended learning opportunities under (a) through (c) of this  
15 subsection (2).

16 (3) The superintendent of public instruction shall distribute the  
17 school year allocation according to the monthly apportionment schedule  
18 defined in RCW 28A.510.250.

19 (4) \$200,295,000 of the general fund--federal appropriation for  
20 fiscal year 2010 is provided solely for American recovery and  
21 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore  
22 state reductions for the student achievement program.

23 **Sec. 517.** 2009 c 564 s 518 (uncodified) is amended to read as  
24 follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION.** (1) Appropriations  
26 made in this act to the office of the superintendent of public  
27 instruction shall initially be allotted as required by this act.  
28 Subsequent allotment modifications shall not include transfers of  
29 moneys between sections of this act, except as expressly provided in  
30 subsection (2) of this section.

31 (2) The appropriations to the office of the superintendent of  
32 public instruction in this act shall be expended for the programs and  
33 amounts specified in this act. However, after May 1, 2010, unless  
34 specifically prohibited by this act and after approval by the director  
35 of financial management, the superintendent of public instruction may  
36 transfer state general fund appropriations for fiscal year 2010 among  
37 the following programs to meet the apportionment schedule for a

1 specified formula in another of these programs: General apportionment;  
2 employee compensation adjustments; pupil transportation; special  
3 education programs; institutional education programs; transitional  
4 bilingual programs; and student achievement and learning assistance  
5 programs.

6 (3) The director of financial management shall notify the  
7 appropriate legislative fiscal committees in writing prior to approving  
8 any allotment modifications or transfers under this section.

(End of part)

**PART VI**  
**HIGHER EDUCATION**

1  
2  
3       **Sec. 601.** 2009 c 564 s 601 (uncodified) is amended to read as  
4 follows:

5       The appropriations in sections 605 through 611 of this act are  
6 subject to the following conditions and limitations:

7       (1) "Institutions" means the institutions of higher education  
8 receiving appropriations under sections 605 through 611 of this act.

9       (2) The legislature, the office of financial management, and other  
10 state agencies need consistent and accurate personnel data from  
11 institutions of higher education for policy planning purposes.  
12 Institutions of higher education shall report personnel data to the  
13 department of personnel for inclusion in the department's data  
14 warehouse. Uniform reporting procedures shall be established by the  
15 department of personnel for use by the reporting institutions,  
16 including provisions for common job classifications and common  
17 definitions of full-time equivalent staff. Annual contract amounts,  
18 number of contract months, and funding sources shall be consistently  
19 reported for employees under contract.

20       (3) In addition to waivers granted under the authority of RCW  
21 28B.15.910, the governing boards and the state board may waive all or  
22 a portion of operating fees for any student. State general fund  
23 appropriations shall not be provided to replace tuition and fee revenue  
24 foregone as a result of waivers granted under this subsection.

25       (4) The colleges of education for institutions with appropriations  
26 in sections 606 through 611 shall develop a plan, by October 30, 2009,  
27 to increase the number of math and science teacher endorsements and  
28 certificates granted by the institution. The plan shall address the  
29 college's math and science teacher endorsement and certification  
30 completion goal for each of the next six years, beginning with the  
31 2010-2011 academic year, and shall be reported to the governor, the  
32 relevant policy committees of the legislature, the higher education  
33 coordinating board (HECB) and the professional educator standards board  
34 (PESB). Plan components may address: Student advising practices,  
35 increased outreach and recruitment efforts to under-represented  
36 populations, linkages with university mathematics and science

1 departments, and implementation of redesigned, innovative endorsement  
2 and certification programs. To accomplish this work, enrollments may  
3 need to be shifted from low-need endorsement and certificate areas to  
4 math and science. A report shall be made each October 30th to the HECB  
5 and PESB regarding the degree to which plan goals have been met and  
6 activities undertaken to support those outcomes.

7 (5) In accordance with RCW 28B.10.920 through 28B.10.922, the state  
8 performance agreement committee and each public four-year institution  
9 of higher education shall develop performance agreements for the period  
10 September 1, 2009, through June 30, 2015. The agreements shall reflect  
11 the level of state, tuition, and other resources appropriated or  
12 authorized for each institution in this act and in the omnibus 2009-11  
13 omnibus capital budget act, as well as reasonably anticipated changes  
14 in such resources for the two subsequent biennia as required to  
15 accomplish the higher education master plan as adopted by the  
16 legislature. The agreements shall build upon each institution's actual  
17 performance relative to the 2011 targets previously negotiated between  
18 the institution, the higher education coordinating board, and the  
19 office of financial management, and shall include measurable  
20 performance targets, benchmarks, and goals in areas including but not  
21 limited to:

- 22 (a) Student enrollment levels, by campus;
- 23 (b) Baccalaureate and advanced degree production;
- 24 (c) Baccalaureate and advanced degree production in high employer-  
25 demand fields;
- 26 (d) Undergraduate retention and graduation rates;
- 27 (e) Time-to-degree for students entering as freshmen, and as upper-  
28 division transfers;
- 29 (f) Efficiency to degree; and
- 30 (g) Capital investment as required to (i) maintain existing  
31 capacity, and (ii) meet enrollment targets in accordance with the  
32 master plan as adopted by the legislature.

33 Each institution shall report progress toward its performance targets  
34 during the preceding academic year to the state performance agreement  
35 committee prior to November 1, 2010. The higher education coordinating  
36 board shall consolidate and summarize the institutional reports, and  
37 provide them to the relevant policy and fiscal committees of the  
38 legislature by December 1, 2010.

1 (6) To facilitate transparency and compliance with the American  
2 recovery and reinvestment act, the institutions of higher education  
3 receiving state and federal appropriations under sections 605 through  
4 611 of this act shall allot anticipated state, federal, and tuition  
5 expenditures by budget program and fiscal year. The office of  
6 financial management shall notify the legislative ways and means  
7 committees of the proposed allotments at least ten days prior to their  
8 approval.

9 (7) To the extent permitted by the applicable personnel system  
10 rules, and to the extent collectively bargained with represented  
11 employees, institutions of higher education are encouraged to achieve  
12 the reductions in full-time-equivalent employment and payroll levels  
13 necessary to operate within this budget through strategies that will  
14 minimize impacts on employees, their families, their communities, and  
15 short- and longer-term accomplishment of institutional mission.  
16 Institutions are encouraged to utilize strategies such as reduced work-  
17 hours per day or week, voluntary leave without pay, and temporary  
18 furloughs that enable employees to maintain permanent employment  
19 status. Institutions are further encouraged to implement such  
20 strategies in ways that will enable employees to maintain full  
21 insurance benefits, full retirement service credit, and a living wage.

22 (8)(a) For institutions receiving appropriations in section 605 of  
23 this act the only allowable salary increases provided are those with  
24 normally occurring promotions and increases related to faculty and  
25 staff retention, to the extent permitted by Engrossed Substitute Senate  
26 Bill No. 5460, ~~((and))~~ House Bill No. 2328, and Substitute Senate Bill  
27 No. 6382. In fiscal year 2010 and fiscal year 2011, the state board  
28 for community and technical colleges may use salary and benefit savings  
29 from faculty turnover to provide salary increments and associated  
30 benefits for faculty who qualify through professional development and  
31 training.

32 (b) For employees under the jurisdiction of chapter 41.56 RCW,  
33 salary increases will be in accordance with the applicable collective  
34 bargaining agreement. However, an increase shall not be provided to  
35 any classified employee whose salary is above the approved salary range  
36 maximum for the class to which the employee's position is allocated.

37 (c) For each institution of higher education receiving  
38 appropriations under sections 606 through 611 of this act:

1 (i) The only allowable salary increases are those associated with  
2 normally occurring promotions and increases related to faculty and  
3 staff retention, to the extent permitted by Engrossed Substitute Senate  
4 Bill No. 5460 (~~(and)~~), House Bill No. 2328, and Substitute Senate Bill  
5 No. 6382; and

6 (ii) Institutions may provide salary increases from other sources  
7 to instructional and research faculty, exempt professional staff,  
8 teaching and research assistants, as classified by the office of  
9 financial management, and all other nonclassified staff, but not  
10 including employees under RCW 28B.16.015, to the extent permitted by  
11 Engrossed Substitute Senate Bill No. 5460 (~~(and)~~), House Bill No. 2328,  
12 and Substitute Senate Bill No. 6382. Any salary increase granted under  
13 the authority of this subsection (8)(c)(ii) shall not be included in an  
14 institution's salary base for future state funding. It is the intent  
15 of the legislature that state general fund support for an institution  
16 shall not increase during the current or any future biennium as a  
17 result of any salary increases authorized under this subsection  
18 (8)(c)(ii).

19 **Sec. 602.** 2009 c 564 s 602 (uncodified) is amended to read as  
20 follows:

21 (1) Within the funds appropriated in this act, each institution of  
22 higher education is expected to enroll and educate at least the  
23 following numbers of full-time equivalent state-supported students per  
24 academic year:

	2009-10	2010-11
	Annual Average	Annual Average
28 University of Washington	36,546	37,162
29 Washington State University	22,250	22,250
30 Central Washington University	<del>((8,477))</del> 8,469	<del>((8,734))</del> 8,808
31 Eastern Washington University	<del>((8,469))</del> 8,477	<del>((8,808))</del> 8,734
32 The Evergreen State College	4,213	4,213
33 Western Washington University	11,373	11,762
34 State Board for Community & 35 Technical Colleges		

1	Adult Students	139,237	((439,237)) <u>143,046</u>
2	Running Start Students	11,558	11,558

3 (2) In achieving or exceeding these enrollment targets, each  
4 institution shall seek to:

5 (a) Maintain and to the extent possible increase enrollment  
6 opportunities at branch campuses;

7 (b) Maintain and to the extent possible increase enrollment  
8 opportunities at university centers and other partnership programs that  
9 enable students to earn baccalaureate degrees on community college  
10 campuses; and

11 (c) Eliminate and consolidate programs of study for which there is  
12 limited student or employer demand, or that are not areas of core  
13 academic strength for the institution, particularly when such programs  
14 duplicate offerings by other in-state institutions.

15 (3) By September 1, 2009, each institution shall report to the  
16 higher education committees and the relevant fiscal committees of the  
17 legislature on its plans for achieving the objectives in this section.

18 (4) For purposes of monitoring and reporting statewide enrollment,  
19 the University of Washington and Washington State University shall  
20 notify the office of financial management of the number of full-time  
21 student equivalent enrollments budgeted for each of their campuses.

22 **Sec. 603.** 2009 c 564 s 605 (uncodified) is amended to read as  
23 follows:

24 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

25	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$620,071,000</del> ))
26		<u>\$631,804,000</u>
27	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$642,509,000</del> ))
28		<u>\$629,745,000</u>
29	General Fund--Federal Appropriation . . . . .	\$17,171,000
30	Education Legacy Trust Account--State	
31	Appropriation . . . . .	(( <del>\$95,125,000</del> ))
32		<u>\$95,035,000</u>
33	<u>Opportunity Express Account--State Appropriation . . . . .</u>	<u>\$18,556,000</u>
34	TOTAL APPROPRIATION . . . . .	(( <del>\$1,374,876,000</del> ))
35		<u>\$1,392,311,000</u>

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

3 (1) \$28,761,000 of the general fund--state appropriation for fiscal  
4 year 2010 (~~and~~), \$28,761,000 of the general fund--state appropriation  
5 for fiscal year 2011, and \$17,556,000 of the opportunity express  
6 account--state appropriation are provided solely as special funds for  
7 training and related support services, including financial aid, as  
8 specified in RCW 28C.04.390. Funding is provided to support at least  
9 6,200 full-time equivalent students in fiscal year 2010 and at least  
10 (~~6,200~~) 9,984 full-time equivalent students in fiscal year 2011.

11 (2) \$2,725,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$2,725,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely for administration and customized  
14 training contracts through the job skills program. The state board  
15 shall make an annual report by January 1st of each year to the governor  
16 and to the appropriate policy and fiscal committees of the legislature  
17 regarding implementation of this section, listing the scope of grant  
18 awards, the distribution of funds by educational sector and region of  
19 the state, and the results of the partnerships supported by these  
20 funds.

21 (3) Of the amounts appropriated in this section, \$3,500,000 is  
22 provided solely for the student achievement initiative.

23 (4) When implementing the appropriations in this section, the state  
24 board and the trustees of the individual community and technical  
25 colleges shall minimize impact on academic programs, maximize  
26 reductions in administration, and shall at least maintain, and endeavor  
27 to increase, enrollment opportunities and degree and certificate  
28 production in high employer-demand fields of study at their academic  
29 year 2008-09 levels.

30 (5) Within the board's 2009-11 biennial budget allocation to  
31 Bellevue College, and pursuant to RCW 28B.50.810, the college may  
32 implement, on a tuition and fee basis, an additional applied  
33 baccalaureate degree in interior design. This program is intended to  
34 provide students with additional opportunities to earn baccalaureate  
35 degrees and to respond to emerging job and economic growth  
36 opportunities. The program reviews and approval decisions required by  
37 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that  
38 the degree may be offered during the 2009-10 academic year.



1 (6) In accordance with the recommendations of the higher education  
2 coordinating board's 2008 *Kitsap region higher education center study*,  
3 the state board shall facilitate development of university centers by  
4 allocating thirty 2-year and 4-year partnership full-time enrollment  
5 equivalencies to Olympic College and ten 2-year and 4-year partnership  
6 full-time enrollment equivalencies to Peninsula College. The colleges  
7 shall use the allocations to establish a partnership with a  
8 baccalaureate university or universities for delivery of upper division  
9 degree programs in the Kitsap region. The Olympic and Peninsula  
10 Community College districts shall additionally work together to ensure  
11 coordinated development of these and other future baccalaureate  
12 opportunities through coordinated needs assessment, planning, and  
13 scheduling.

14 (7) By September 1, 2009, the state board for community and  
15 technical colleges, the higher education coordinating board, and the  
16 office of financial management shall review and to the extent necessary  
17 revise current 2009-11 performance measures and targets based on the  
18 level of state, tuition, and other resources appropriated or authorized  
19 in this act and in the omnibus 2009-11 omnibus capital budget act. The  
20 boards and the office of financial management shall additionally  
21 develop new performance targets for the 2011-13 and the 2013-15 biennia  
22 that will guide and measure the community and technical college  
23 system's contributions to achievement of the state's higher education  
24 master plan goals.

25 (8) \$2,250,000 of the general fund--state appropriation for fiscal  
26 year 2010 and \$2,250,000 of the general fund--state appropriation for  
27 fiscal year 2011 are provided solely for the hospital employee  
28 education and training program under which labor, management, and  
29 college partnerships develop or expand and evaluate training programs  
30 for incumbent hospital workers that lead to careers in nursing and  
31 other high-demand health care occupations. The board shall report  
32 student progress, outcomes, and costs to the relevant fiscal and policy  
33 committees of the legislature by November 2009 and November 2010.

34 (9) Community and technical colleges are not required to send mass  
35 mailings of course catalogs to residents of their districts. Community  
36 and technical colleges shall consider lower cost alternatives, such as  
37 mailing postcards or brochures that direct individuals to online  
38 information and other ways of acquiring print catalogs.

1 (10) \$1,112,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$1,113,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for the state board to enhance  
4 online distance learning and open courseware technology. Funds shall  
5 be used to support open courseware, open textbooks, open licenses to  
6 increase access, affordability and quality of courses in higher  
7 education. The state board for community and technical colleges shall  
8 select the most appropriate courses to support open courseware based  
9 solely upon criteria of maximizing the value of instruction and  
10 reducing costs of textbooks and other instructional materials for the  
11 greatest number of students in higher education, regardless of the type  
12 of institution those students attend.

13 (11) \$158,000 of the general fund--state appropriation for fiscal  
14 year 2011 is provided solely to implement House Bill No. 2694 (B.S. in  
15 nursing/university center). If the bill is not enacted by June 30,  
16 2010, the amount provided in this subsection shall lapse.

17 (12)(a) The labor education and research center is transferred from  
18 The Evergreen State College to south Seattle community college and  
19 shall begin operations on July 1, 2010.

20 (b) At least \$164,000 of the general fund--state appropriation for  
21 fiscal year 2011 shall be expended on the labor education and research  
22 center to provide outreach programs and direct educational and research  
23 services to labor unions and worker-centered organizations.

24 (13) \$1,000,000 of the opportunity express account--state  
25 appropriation is provided solely for the opportunity grant program as  
26 specified in RCW 28B.50.271.

27 (14) \$1,750,000 of the general fund--state appropriation for fiscal  
28 year 2011 is provided solely for the state board for community and  
29 technical colleges to contract with the aerospace training and research  
30 center on Paine field in Everett, Washington to support industry-  
31 identified training in the aerospace sector.

32 (15) Sufficient amounts are provided in this section to implement  
33 the food stamp employment and training program under Second Substitute  
34 House Bill No. 2782 (security lifeline act).

35 **Sec. 604.** 2009 c 564 s 606 (uncodified) is amended to read as  
36 follows:

1	<b>FOR THE UNIVERSITY OF WASHINGTON</b>	
2	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$269,552,000</del> ))
3		<u>\$269,571,000</u>
4	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$297,130,000</del> ))
5		<u>\$271,092,000</u>
6	General Fund--Federal Appropriation . . . . .	(( <del>\$24,730,000</del> ))
7		<u>\$43,971,000</u>
8	Education Legacy Trust Account--State	
9	Appropriation . . . . .	(( <del>\$54,408,000</del> ))
10		<u>\$54,534,000</u>
11	Accident Account--State Appropriation . . . . .	(( <del>\$6,712,000</del> ))
12		<u>\$6,750,000</u>
13	Medical Aid Account--State Appropriation . . . . .	(( <del>\$6,524,000</del> ))
14		<u>\$6,540,000</u>
15	Biotoxin Account--State Appropriation . . . . .	(( <del>\$450,000</del> ))
16		<u>\$449,000</u>
17	TOTAL APPROPRIATION . . . . .	(( <del>\$659,506,000</del> ))
18		<u>\$652,907,000</u>

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

21       (1) In implementing the appropriations in this section, the  
22 president and regents shall seek to minimize impacts on student  
23 services and instructional programs by maximizing reductions in  
24 administration and other non-instructional activities.

25       (2) Because higher education is an essential driver of economic  
26 recovery and development, the university shall maintain, and endeavor  
27 to increase, enrollment and degree production levels at or beyond their  
28 academic year 2008-09 levels in the following high-demand fields:  
29 Biological and biomedical sciences; computer and information sciences;  
30 education with specializations in special education, math, or science;  
31 engineering and engineering technology; health professions and related  
32 clinical sciences; and mathematics and statistics.

33       (3) \$75,000 of the general fund--state appropriation for fiscal  
34 year 2010 and \$75,000 of the general fund--state appropriation for  
35 fiscal year 2011 are provided solely for forestry research by the  
36 Olympic natural resources center.

37       (4) \$150,000 of the general fund--state appropriation for fiscal  
38 year 2010 is provided solely for the William D. Ruckelshaus center for

1 facilitation, support, and analysis to support the nurse staffing  
2 steering committee in its work to apply best practices related to  
3 patient safety and nurse staffing.

4 (5) \$54,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$54,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely for the University of Washington  
7 geriatric education center to provide a voluntary adult family home  
8 certification program. In addition to the minimum qualifications  
9 required under RCW 70.128.120, individuals participating in the  
10 voluntary adult family home certification program shall complete fifty-  
11 two hours of class requirements as established by the University of  
12 Washington geriatric education center. Individuals completing the  
13 requirements of RCW 70.128.120 and the voluntary adult family home  
14 certification program shall be issued a certified adult family home  
15 license by the department of social and health services. The  
16 department of social and health services shall adopt rules implementing  
17 the provisions of this subsection.

18 (6) \$50,000 of the general fund--state appropriation for fiscal  
19 year 2010 and \$52,000 of the general fund--state appropriation for  
20 fiscal year 2011 are provided solely for the center for international  
21 trade in forest products in the college of forest resources.

22 (7)(a) \$183,000 of the general fund--state appropriation for fiscal  
23 year 2011 is for the technology law and public policy clinic at the  
24 University of Washington school of law to prepare a comprehensive  
25 report identifying and analyzing trends in the telecommunications  
26 industry and pathways for telecommunications regulatory reform. The  
27 report must include, but not be limited to, a review of the following  
28 issues: (i) The taxation treatment of all telecommunications services  
29 that provide the same or functionally equivalent services; (ii) the  
30 character and degree of competition in the telecommunications market;  
31 (iii) the regulatory, legal, and economic barriers to adequate  
32 competition, actual or perceived, that exist; (iv) what changes could  
33 be made in policy, law, or administrative rule to address any actual or  
34 perceived barriers to competition; and (v) the role of the utilities  
35 and transportation commission in the oversight and regulation of  
36 telecommunications services.

37 (b) The technology law and public policy clinic shall consult with  
38 local governments, public utility districts, telecommunications service

1 providers, the utilities and transportation commission, the department  
2 of revenue, and other stakeholders in preparing its analysis and  
3 report.

4 (c) By December 1, 2011, the technology law and public policy  
5 clinic shall issue a report to the legislature with recommendations on  
6 legislative action that may be necessary in order to effectuate  
7 telecommunications regulatory reform in Washington.

8 (8) \$250,000 of the general fund--state appropriation for fiscal  
9 year 2011 is provided solely for joint planning to increase the number  
10 of residency positions and programs in eastern Washington and Spokane  
11 within the existing Washington, Wyoming, Alaska, Montana, Idaho (WWAMI)  
12 regional medical education program partnership between the University  
13 of Washington school of medicine, Washington State University, and area  
14 physicians and hospitals. The joint planning efforts are to include  
15 preparation of applications for new residency programs in family  
16 medicine, internal medicine, obstetrics, psychiatry and general  
17 surgery; business plans for those new programs; and for increasing the  
18 number of positions in existing programs among regional academic and  
19 hospital partners and networks. The results of the joint planning  
20 efforts, including the status of the application preparation and  
21 business plan, must be reported to the house of representatives  
22 committee on higher education and the senate committee on higher  
23 education and workforce development by December 1, 2010.

24 (9) \$25,000 of the general fund--state appropriation for fiscal  
25 year 2011 is provided solely for implementation of chapter 164, Laws of  
26 2010 (local government infrastructure). The University of Washington  
27 shall use a qualified researcher to report the percentage probability  
28 that the application's assumptions and estimates of jobs created and  
29 increased tax receipts will be achieved by the projects. In making  
30 this report, the qualified researcher shall work with the department of  
31 revenue and the applicants to develop a series of factors that are  
32 based on available economic metrics and sound principles.

33 **Sec. 605.** 2009 c 564 s 607 (uncodified) is amended to read as  
34 follows:

35 **FOR WASHINGTON STATE UNIVERSITY**  
36 General Fund--State Appropriation (FY 2010) . . . . . ((\$178,578,000))  
37 \$169,462,000

1	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$196,163,000</del> ))
2		<u>\$178,283,000</u>
3	General Fund--Federal Appropriation . . . . .	\$15,772,000
4	Education Legacy Trust Account--State	
5	Appropriation . . . . .	(( <del>\$34,696,000</del> ))
6		<u>\$34,435,000</u>
7	TOTAL APPROPRIATION . . . . .	(( <del>\$425,209,000</del> ))
8		<u>\$397,952,000</u>

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

11       (1) In implementing the appropriations in this section, the  
12 president and regents shall seek to minimize impacts on student  
13 services and instructional programs by maximizing reductions in  
14 administration and other non-instructional activities.

15       (2) Because higher education is an essential driver of economic  
16 recovery and development, the university shall maintain, and endeavor  
17 to increase, enrollment and degree production levels at or beyond their  
18 academic year 2008-09 levels in the following high-demand fields:  
19 Biological and biomedical sciences; computer and information sciences;  
20 education with specializations in special education, math, or science;  
21 engineering and engineering technology; health professions and related  
22 clinical sciences; and mathematics and statistics.

23       (3) When implementing reductions for fiscal year 2010 and fiscal  
24 year 2011, Washington State University shall minimize reductions to  
25 extension services and agriculture extension services. Agriculture  
26 extension includes:

27       (a) Faculty with extension appointments working within the  
28 following departments in the college of agricultural, human, and  
29 natural resource sciences with extension appointments: Animal  
30 sciences, crop and soil sciences, entomology, horticulture, and plant  
31 pathology;

32       (b) The portion of county extension educators' appointments  
33 assigned to the "agricultural programs" area;

34       (c) Staff with extension appointments and extension operating  
35 allocations located at the irrigated agriculture research and extension  
36 center (Prosser), northwest Washington research and extension center  
37 (Mt. Vernon), and tree fruit research and extension center (Wenatchee);  
38 and

1 (d) Extension contributions to the center for precision  
2 agricultural systems, center for sustaining agriculture and natural  
3 resources, and the agriculture weather network.

4 (4) \$75,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$75,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely for research related to honeybee  
7 colony collapse disease.

8 (5) \$100,000 of the general fund--state appropriation for fiscal  
9 year 2011 is provided solely for the small business development center.  
10 The center must, consistent with the scope, goals, deliverables, and  
11 timeline of work specified in the annual cooperative agreement with the  
12 United States small business administration:

13 (a) Develop and maintain a state comprehensive plan for the  
14 coordination and integration of small business and entrepreneurial  
15 development programs and the operations of a statewide small business  
16 and entrepreneurial development system. The plan must include but not  
17 be limited to setting measurable goals, objectives, and priorities;

18 (b) Advocate for the state's small business and entrepreneurial  
19 development system and for meeting the needs of small start-ups and  
20 existing entrepreneurs;

21 (c) Work with private and public entrepreneurial development and  
22 small business assistance providers to develop entrepreneurial training  
23 and small business assistance instructional materials and curricula  
24 that meet the particular entrepreneurial development and small business  
25 assistance needs of rural and low-income communities and small  
26 manufacturers interested in exporting; and

27 (d) Identify policies to reduce administrative and other barriers  
28 to efficient delivery and coordination of small business and  
29 entrepreneurial assistance.

30 **Sec. 606.** 2009 c 564 s 608 (uncodified) is amended to read as  
31 follows:

32 **FOR EASTERN WASHINGTON UNIVERSITY**

33	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$34,685,000</del> ))
34		<u>\$34,689,000</u>
35	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$40,796,000</del> ))
36		<u>\$36,666,000</u>
37	General Fund--Federal Appropriation . . . . .	\$5,522,000

1	Education Legacy Trust Account--State	
2	Appropriation . . . . .	(( <del>\$16,087,000</del> ))
3		<u>\$16,041,000</u>
4	TOTAL APPROPRIATION . . . . .	(( <del>\$97,090,000</del> ))
5		<u>\$92,918,000</u>

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

8       (1) In implementing the appropriations in this section, the  
9 president and governing board shall seek to minimize impacts on student  
10 services and instructional programs by maximizing reductions in  
11 administration and other non-instructional activities.

12       (2) Because higher education is an essential driver of economic  
13 recovery and development, the university shall maintain, and endeavor  
14 to increase, enrollment and degree production levels at or beyond their  
15 academic year 2008-09 levels in the following high-demand fields:  
16 Biological and biomedical sciences; computer and information sciences;  
17 education with specializations in special education, math, or science;  
18 engineering and engineering technology; health professions and related  
19 clinical sciences; and mathematics and statistics.

20       (3) At least \$200,000 of the general fund--state appropriation for  
21 fiscal year 2010 and at least \$200,000 of the general fund--state  
22 appropriation for fiscal year 2011 shall be expended on the northwest  
23 autism center.

24       **Sec. 607.** 2009 c 564 s 609 (uncodified) is amended to read as  
25 follows:

26	<b>FOR CENTRAL WASHINGTON UNIVERSITY</b>	
27	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$30,284,000</del> ))
28		<u>\$30,289,000</u>
29	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$37,580,000</del> ))
30		<u>\$33,803,000</u>
31	General Fund--Federal Appropriation . . . . .	\$6,975,000
32	Education Legacy Trust Account--State	
33	Appropriation . . . . .	(( <del>\$19,076,000</del> ))
34		<u>\$19,012,000</u>
35	TOTAL APPROPRIATION . . . . .	(( <del>\$93,915,000</del> ))
36		<u>\$90,079,000</u>



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

3 (1) In implementing the appropriations in this section, the  
4 president and governing board shall seek to minimize impacts on student  
5 services and instructional programs by maximizing reductions in  
6 administration and other non-instructional activities.

7 (2) Because higher education is an essential driver of economic  
8 recovery and development, the university shall maintain, and endeavor  
9 to increase, enrollment and degree production levels at or beyond their  
10 academic year 2008-09 levels in the following high-demand fields:  
11 Biological and biomedical sciences; computer and information sciences;  
12 education with specializations in special education, math, or science;  
13 engineering and engineering technology; health professions and related  
14 clinical sciences; and mathematics and statistics.

15 **Sec. 608.** 2009 c 564 s 610 (uncodified) is amended to read as  
16 follows:

17 **FOR THE EVERGREEN STATE COLLEGE**

18	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$20,512,000</del> ))
19		<u>\$20,514,000</u>
20	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$22,865,000</del> ))
21		<u>\$18,505,000</u>
22	General Fund--Federal Appropriation . . . . .	\$2,366,000
23	Education Legacy Trust Account--State Appropriation . .	(( <del>\$5,450,000</del> ))
24		<u>\$5,417,000</u>
25	TOTAL APPROPRIATION . . . . .	(( <del>\$51,193,000</del> ))
26		<u>\$46,802,000</u>

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

29 (1) In implementing the appropriations in this section, the  
30 president and governing board shall seek to minimize impacts on student  
31 services and instructional programs by maximizing reductions in  
32 administration and other non-instructional activities.

33 (2) Because higher education is an essential driver of economic  
34 recovery and development, the college shall maintain, and endeavor to  
35 increase, enrollment and degree production levels at or beyond their  
36 academic year 2008-09 levels in the following high-demand fields:  
37 Biological and biomedical sciences; computer and information sciences;

1 education with specializations in special education, math, or science;  
2 engineering and engineering technology; health professions and related  
3 clinical sciences; and mathematics and statistics.

4 (3)(a) At least \$100,000 of the general fund--state appropriation  
5 for fiscal year 2010 (~~and at least \$100,000 of the general fund--state~~  
6 ~~appropriation for fiscal year 2011~~) shall be expended on the labor  
7 education and research center.

8 (b) In fiscal year 2011 the labor education and research center  
9 shall be transferred from The Evergreen State College to south Seattle  
10 community college.

11 (4) \$100,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$100,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely for the Washington state institute  
14 for public policy to report to the legislature regarding efficient and  
15 effective programs and policies. The report shall calculate the return  
16 on investment to taxpayers from evidence-based prevention and  
17 intervention programs and policies that influence crime, K-12 education  
18 outcomes, child maltreatment, substance abuse, mental health, public  
19 health, public assistance, employment, and housing. The institute for  
20 public policy shall provide the legislature with a comprehensive list  
21 of programs and policies that improve these outcomes for children and  
22 adults in Washington and result in more cost-efficient use of public  
23 resources. The institute shall submit interim reports by December 15,  
24 2009, and October 1, 2010, and a final report by June 30, 2011. The  
25 institute may receive additional funds from a private organization for  
26 the purpose of conducting this study.

27 (5) To the extent federal or private funding is available for this  
28 purpose, the Washington state institute for public policy and the  
29 center for reinventing public education at the University of Washington  
30 shall examine the relationship between participation in pension systems  
31 and teacher quality and mobility patterns in the state. The department  
32 of retirement systems shall facilitate researchers' access to necessary  
33 individual-level data necessary to effectively conduct the study. The  
34 researchers shall ensure that no individually identifiable information  
35 will be disclosed at any time. An interim report on project findings  
36 shall be completed by November 15, 2010, and a final report shall be  
37 submitted to the governor and to the relevant committees of the  
38 legislature by October 15, 2011.

1 (6) At least \$200,000 of the general fund--state appropriation for  
2 fiscal year 2010 and at least \$200,000 of the general fund--state  
3 appropriation for fiscal year 2011 shall be expended on the Washington  
4 center for undergraduate education.

5 (7) \$15,000 of the general fund--state appropriation for fiscal  
6 year 2010 is provided solely for the Washington state institute for  
7 public policy to examine the need for and methods to increase the  
8 availability of nonfood items, such as personal hygiene supplies,  
9 soaps, paper products, and other items, to needy persons in the state.  
10 The study shall examine existing private and public programs that  
11 provide such products, and develop recommendations for the most cost-  
12 effective incentives for private and public agencies to increase local  
13 distribution outlets and local and regional networks of supplies. A  
14 final report shall be delivered to the legislature and the governor by  
15 December 1, 2009.

16 (8) \$17,000 of the general fund--state appropriation for fiscal  
17 year 2010 and \$42,000 of the general fund--state appropriation for  
18 fiscal year 2011 are provided to the Washington state institute for  
19 public policy to implement Second Substitute House Bill No. 2106 (child  
20 welfare outcomes). If the bill is not enacted by June 30, 2009, the  
21 amounts provided in this subsection shall lapse.

22 (9) \$54,000 of the general fund--state appropriation for fiscal  
23 year 2010 and \$23,000 of the general fund--state appropriation for  
24 fiscal year 2011 are provided solely to implement Substitute Senate  
25 Bill No. 5882 (racial disproportionality). If the bill is not enacted  
26 by June 30, 2009, the amounts provided in this subsection shall lapse.

27 (10) \$75,000 of the general fund--state appropriation for fiscal  
28 year 2010 is provided solely for the Washington state institute of  
29 public policy to evaluate the adequacy of and access to financial aid  
30 and independent living programs for youth in foster care. The  
31 examination shall include opportunities to improve efficiencies within  
32 these programs. The institute shall report its findings by December 1,  
33 2009.

34 (11) \$75,000 of the general fund--state appropriation for fiscal  
35 year 2010 is provided solely for the Washington state institute for  
36 public policy to conduct an assessment of the general assistance  
37 unemployable program and other similar programs. The assessment shall  
38 include a review of programs in other states that provide similar

1 services and will include recommendations on promising approaches that  
2 both improve client outcomes and reduce state costs. A report is due  
3 by December 1, 2009.

4 (12) To the extent funds are available, the Washington state  
5 institute for public policy is encouraged to continue the longitudinal  
6 analysis of long-term mental health outcomes directed in chapter 334,  
7 Laws of 2001 (mental health performance audit), to build upon the  
8 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill  
9 offenders); and to assess program outcomes and cost effectiveness of  
10 the children's mental health pilot projects as required by chapter 372,  
11 Laws of 2006.

12 (13) \$50,000 of the general fund--state appropriation for fiscal  
13 year 2011 is provided solely for the institute for public policy to  
14 provide research support to the council on quality education.

15 (14) At least \$119,207 of the general fund--state appropriation for  
16 fiscal year 2011 shall be expended on the longhouse center.

17 (15) At least \$103,146 of the general fund--state appropriation for  
18 fiscal year 2011 shall be expended on the Northwest Indian applied  
19 research institute.

20 **Sec. 609.** 2009 c 564 s 611 (uncodified) is amended to read as  
21 follows:

22 **FOR WESTERN WASHINGTON UNIVERSITY**

23	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$43,141,000</del> ))
24		<u>\$43,146,000</u>
25	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$52,752,000</del> ))
26		<u>\$48,391,000</u>
27	General Fund--Federal Appropriation . . . . .	\$8,885,000
28	Education Legacy Trust Account--State	
29	Appropriation . . . . .	(( <del>\$13,036,000</del> ))
30		<u>\$12,917,000</u>
31	TOTAL APPROPRIATION . . . . .	(( <del>\$117,814,000</del> ))
32		<u>\$113,339,000</u>

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

35 (1) In implementing the appropriations in this section, the  
36 president and governing board shall seek to minimize impacts on student

1 services and instructional programs by maximizing reductions in  
2 administration and other non-instructional activities.

3 (2) Because higher education is an essential driver of economic  
4 recovery and development, the university shall maintain, and endeavor  
5 to increase, enrollment and degree production levels at or beyond their  
6 academic year 2008-09 levels in the following high-demand fields:  
7 Biological and biomedical sciences; computer and information sciences;  
8 education with specializations in special education, math, or science;  
9 engineering and engineering technology; health professions and related  
10 clinical sciences; and mathematics and statistics.

11 **Sec. 610.** 2009 c 564 s 612 (uncodified) is amended to read as  
12 follows:

13 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**  
14 **ADMINISTRATION**

15	General Fund--State Appropriation (FY 2010) . . . . .	((( <del>\$6,611,000</del> )))
16		<u>\$6,402,000</u>
17	General Fund--State Appropriation (FY 2011) . . . . .	((( <del>\$6,203,000</del> )))
18		<u>\$5,561,000</u>
19	General Fund--Federal Appropriation . . . . .	((( <del>\$4,352,000</del> )))
20		<u>\$4,332,000</u>
21	TOTAL APPROPRIATION . . . . .	((( <del>\$17,166,000</del> )))
22		<u>\$16,295,000</u>

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

25 (1) Within the funds appropriated in this section, the higher  
26 education coordinating board shall complete a system design planning  
27 project that defines how the current higher education delivery system  
28 can be shaped and expanded over the next ten years to best meet the  
29 needs of Washington citizens and businesses for high quality and  
30 accessible post-secondary education. The board shall propose policies  
31 and specific, fiscally feasible implementation recommendations to  
32 accomplish the goals established in the *2008 strategic master plan for*  
33 *higher education*. The project shall specifically address the roles,  
34 missions, and instructional delivery systems both of the existing and  
35 of proposed new components of the higher education system; the extent  
36 to which specific academic programs should be expanded, consolidated,  
37 or discontinued and how that would be accomplished; the utilization of

1 innovative instructional delivery systems and pedagogies to reach both  
2 traditional and nontraditional students; and opportunities to  
3 consolidate institutional administrative functions. The study  
4 recommendations shall also address the proposed location, role,  
5 mission, academic program, and governance of any recommended new  
6 campus, institution, or university center. During the planning  
7 process, the board shall inform and actively involve the chairs from  
8 the senate and house of representatives committees on higher education,  
9 or their designees. The board shall report the findings and  
10 recommendations of this system design planning project to the governor  
11 and the appropriate committees of the legislature by December 1, 2009.

12 (2) \$146,000 of the general fund--state appropriation for fiscal  
13 year 2010 and \$65,000 of the general fund--state appropriation for  
14 fiscal year 2011 are provided solely for the higher education  
15 coordinating board to administer Engrossed Second Substitute House Bill  
16 No. 2021 (revitalizing student financial aid). If the bill is not  
17 enacted by June 30, 2009, the amounts provided in this subsection shall  
18 lapse.

19 (3) (~~(\$227,000)~~) \$167,000 of the general fund--state appropriation  
20 for fiscal year 2010 and (~~(\$11,000)~~) \$71,000 of the general fund--state  
21 appropriation for fiscal year 2011 are provided solely to implement  
22 Engrossed Second Substitute House Bill No. 1946 (regarding higher  
23 education online technology). If the bill is not enacted by June 30,  
24 2009, the amounts provided in this subsection shall lapse.

25 (4) (~~(\$400,000)~~) \$350,000 of the general fund--state appropriation  
26 for fiscal year 2010 and (~~(\$400,000)~~) \$200,000 of the general fund--  
27 state appropriation for fiscal year 2011 are provided solely for the  
28 higher education coordinating board to contract with the Pacific  
29 Northwest university of health sciences to conduct training and  
30 education of health care professionals to promote osteopathic physician  
31 services in rural and underserved areas of the state.

32 **Sec. 611.** 2009 c 564 s 613 (uncodified) is amended to read as  
33 follows:

34 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**  
35 **PROGRAMS**

36 General Fund--State Appropriation (FY 2010) . . . . . (~~(\$204,332,000)~~)  
37 \$188,332,000

1	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$229,711,000</del> ))
2		<u>\$122,218,000</u>
3	General Fund--Federal Appropriation . . . . .	(( <del>\$13,124,000</del> ))
4		<u>\$13,129,000</u>
5	Education Legacy Trust Account--State	
6	Appropriation . . . . .	(( <del>\$88,062,000</del> ))
7		<u>\$116,060,000</u>
8	<u>Opportunity Pathways Account--State Appropriation . . . . .</u>	<u>\$73,500,000</u>
9	TOTAL APPROPRIATION . . . . .	(( <del>\$535,229,000</del> ))
10		<u>\$513,239,000</u>

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

13       (1) ((~~\$191,704,000~~)) \$178,726,000 of the general fund--state  
14 appropriation for fiscal year 2010, ((~~\$232,929,000~~)) \$120,572,000 of  
15 the general fund--state appropriation for fiscal year 2011,  
16 ((~~\$80,190,000~~)) \$109,188,000 of the education legacy trust account  
17 appropriation, \$73,500,000 of the opportunity pathways appropriation,  
18 and ((~~\$2,446,000~~)) \$2,545,000 of the general fund--federal  
19 appropriation are provided solely for student financial aid payments  
20 under the state need grant; the state work study program including up  
21 to a four percent administrative allowance; the Washington scholars  
22 program; and the Washington award for vocational excellence. State  
23 need grant((~~7~~)) and the Washington award for vocational excellence((~~7~~  
24 ~~and state work study awards~~)) shall be adjusted to offset the cost of  
25 the resident undergraduate tuition increases, limited to those tuition  
26 increases authorized under this act. The Washington scholars program  
27 shall provide awards sufficient to offset ninety percent of the total  
28 tuition and fee award.

29       (2)(a) Within the funds appropriated in this section, eligibility  
30 for the state need grant shall include students with family incomes at  
31 or below 70 percent of the state median family income (MFI), adjusted  
32 for family size. Awards for all students shall be adjusted by the  
33 estimated amount by which Pell grant increases exceed projected  
34 increases in the noninstructional costs of attendance. Awards for  
35 students with incomes between 51 and 70 percent of the state median  
36 shall be prorated at the following percentages of the award amount  
37 granted to those with incomes below 51 percent of the MFI: 70 percent  
38 for students with family incomes between 51 and 55 percent MFI; 65

1 percent for students with family incomes between 56 and 60 percent MFI;  
2 60 percent for students with family incomes between 61 and 65 percent  
3 MFI; and 50 percent for students with family incomes between 66 and 70  
4 percent MFI.

5 (b) Grant awards for students at private four-year colleges shall  
6 be set at the same level as the student would receive if attending one  
7 of the public research universities.

8 ~~(3) ((\$1,000,000 of the education legacy trust account--state~~  
9 ~~appropriation is provided solely to encourage more students to teach~~  
10 ~~secondary mathematics and science. \$500,000 of this amount is for the~~  
11 ~~future teacher scholarship and conditional loan program. \$500,000 of~~  
12 ~~this amount is provided to support state work study positions for~~  
13 ~~students to intern in secondary schools and classrooms.))~~ To the  
14 maximum extent practicable, the board shall provide state work study  
15 subsidies only to resident students during the 2010-11 academic year.  
16 Additionally, in order to provide work opportunities to as many  
17 resident students as possible, the board is encouraged to increase the  
18 proportion of student wages that is to be paid by both proprietary and  
19 nonprofit, public, and private employers.

20 (4) \$3,872,000 of the education legacy trust account--state  
21 appropriation is provided solely for the passport to college  
22 scholarship program pursuant to chapter 28B.117 RCW. The higher  
23 education coordinating board shall contract with a college scholarship  
24 organization with expertise in managing scholarships for low-income,  
25 high-potential students and foster care children and young adults to  
26 administer the program. Of the amount in this subsection, \$39,000 is  
27 provided solely for the higher education coordinating board for  
28 administration of the contract and the remaining shall be contracted  
29 out to the organization for the following purposes:

30 (a) \$384,000 is provided solely for program administration, and

31 (b) \$3,449,000 is provided solely for student financial aid for up  
32 to 151 students and to fund student support services. Funds are  
33 provided for student scholarships, provider training, and for incentive  
34 payments to the colleges they attend for individualized student support  
35 services which may include, but are not limited to, college and career  
36 advising, counseling, tutoring, costs incurred for students while  
37 school is not in session, personal expenses, health insurance, and  
38 emergency services.



1 (5) \$1,250,000 of the general fund--state appropriation for fiscal  
2 year 2010 (~~and \$1,250,000 of the general fund--state appropriation for~~  
3 ~~fiscal year 2011 are~~) is provided solely for the health professional  
4 scholarship and loan program. The funds provided in this subsection  
5 shall be: (a) Prioritized for health care deliver sites demonstrating  
6 a commitment to serving the uninsured; and (b) allocated between loan  
7 repayments and scholarships proportional to current program  
8 allocations.

9 (6) For fiscal year 2010 and fiscal year 2011, the board shall  
10 defer loan or conditional scholarship repayments to the future teachers  
11 conditional scholarship and loan repayment program for up to one year  
12 for each participant if the participant has shown evidence of efforts  
13 to find a teaching job but has been unable to secure a teaching job per  
14 the requirements of the program.

15 (7) \$246,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$246,000 of the general fund--state appropriation for  
17 fiscal year 2011 are for community scholarship matching grants and its  
18 administration. To be eligible for the matching grant, nonprofit  
19 groups organized under section 501(c)(3) of the federal internal  
20 revenue code must demonstrate they have raised at least \$2,000 in new  
21 moneys for college scholarships after the effective date of this  
22 section. Groups may receive no more than one \$2,000 matching grant per  
23 year and preference shall be given to groups affiliated with  
24 scholarship America. Up to a total of \$46,000 per year of the amount  
25 appropriated in this section may be awarded to a nonprofit community  
26 organization to administer scholarship matching grants, with preference  
27 given to an organization affiliated with scholarship America.

28 (8) \$500,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$500,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for state need grants provided to  
31 students enrolled in three to five credit-bearing quarter credits, or  
32 the equivalent semester credits. Total state expenditures on this  
33 program shall not exceed the amounts provided in this subsection.

34 (9) (~~(\$3,000,000)~~) \$2,500,000 of the education legacy trust  
35 account--state appropriation is provided solely for the gaining early  
36 awareness and readiness for undergraduate programs project.

37 (10) \$75,000 of the general fund--state appropriation for fiscal

1 year 2010 (~~and \$75,000 of the general fund--state appropriation for~~  
2 ~~fiscal year 2011 are~~) is provided solely for higher education student  
3 child care matching grants under chapter 28B.135 RCW.

4 (11) \$200,000 of the general fund--state appropriation for fiscal  
5 year 2011 is provided solely for continuation of the leadership 1000  
6 scholarship sponsorship and matching program.

7 (12) In 2010 and 2011, the board shall continue to designate  
8 Washington scholars and scholar-alternates and to recognize them at  
9 award ceremonies as provided in RCW 28A.600.150, but state funding is  
10 provided for award of only one scholarship per legislative district  
11 during the 2010-11 academic year. After the 2010-11 academic year, and  
12 as provided in RCW 28B.76.660, the board may distribute grants to these  
13 eligible students to the extent that funds are appropriated for this  
14 purpose.

15 **Sec. 612.** 2009 c 564 s 614 (uncodified) is amended to read as  
16 follows:

17 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

18	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$1,587,000</del> ))
19		<u>\$1,465,000</u>
20	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,556,000</del> ))
21		<u>\$1,444,000</u>
22	General Fund--Federal Appropriation . . . . .	(( <del>\$54,262,000</del> ))
23		<u>\$54,020,000</u>
24	TOTAL APPROPRIATION . . . . .	(( <del>\$57,405,000</del> ))
25		<u>\$56,929,000</u>

26 The appropriations in this section are subject to the following  
27 conditions and limitations: (~~(+2)~~)

28 (1) \$60,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$60,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for implementation of Engrossed  
31 Second Substitute House Bill No. 2227 (evergreen jobs act). If the  
32 bill is not enacted by June 30, 2009, the amounts provided in this  
33 subsection shall lapse.

34 (2) In 2010 and 2011, the board shall continue to designate  
35 recipients of the Washington award for vocational excellence and to  
36 recognize them at award ceremonies as provided in RCW 28C.04.535, but  
37 state funding is provided for award of only one scholarship per

1 legislative district during the 2010-11 academic year. After the 2010-  
2 11 academic year, and as provided in RCW 28B.76.670, the board may  
3 distribute grants to these eligible students to the extent that funds  
4 are appropriated for this purpose.

5 **Sec. 613.** 2009 c 564 s 615 (uncodified) is amended to read as  
6 follows:

7 **FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

8 General Fund--State Appropriation (FY 2010) . . . . .	\$1,598,000
9 General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,611,000)</del>
	<u>\$1,490,000</u>
11 TOTAL APPROPRIATION . . . . .	<del>(\$3,209,000)</del>
	<u>\$3,088,000</u>

13 The appropriations in this section are subject to the following  
14 conditions and limitations: Within existing resources, the Spokane  
15 intercollegiate research and technology institute shall coordinate with  
16 the Washington technology center to identify gaps and overlaps in  
17 programs and evaluate strategies to reduce administrative overhead  
18 expenses per section 122(27) of this act.

19 **Sec. 614.** 2009 c 564 s 616 (uncodified) is amended to read as  
20 follows:

21 **FOR THE DEPARTMENT OF EARLY LEARNING**

22 General Fund--State Appropriation (FY 2010) . . . . .	<del>(\$60,478,000)</del>
	<u>\$60,400,000</u>
24 General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$61,045,000)</del>
	<u>\$21,241,000</u>
26 General Fund--Federal Appropriation . . . . .	<del>(\$244,859,000)</del>
	<u>\$265,305,000</u>
28 <u>Opportunity Pathways Account--State Appropriation . . . . .</u>	<u>\$40,000,000</u>
29 TOTAL APPROPRIATION . . . . .	<del>(\$366,382,000)</del>
	<u>\$386,946,000</u>

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

33 (1) ~~(\$55,696,000)~~ \$54,878,000 of the general fund--state  
34 appropriation for fiscal year 2010 and ~~(\$55,696,000)~~ \$14,685,000 of  
35 the general fund--state appropriation for fiscal year 2011, and  
36 \$40,000,000 of the opportunity pathways account appropriation are

1 provided solely for early childhood education and assistance program  
2 services. This appropriation temporarily reduces the number of slots  
3 for the 2009-11 fiscal biennium for the early childhood education and  
4 assistance program. The department shall reduce slots where providers  
5 serve both federal headstart and early childhood education and  
6 assistance program children, to the greatest extent possible, in order  
7 to achieve no reduction of slots across the state. The amounts in this  
8 subsection also reflect reductions to the administrative expenditures  
9 for the early childhood education and assistance program. The  
10 department shall reduce administrative expenditures, to the greatest  
11 extent possible, prior to reducing early childhood education and  
12 assistance program slots. Of these amounts, \$10,284,000 is a portion  
13 of the biennial amount of state matching dollars required to receive  
14 federal child care and development fund grant dollars.

15 (2) \$1,000,000 of the general fund--federal appropriation is  
16 provided to the department to contract with Thrive by Five, Washington  
17 for a pilot project for a quality rating and improvement system to  
18 provide parents with information they need to choose quality child care  
19 and education programs and to improve the quality of early care and  
20 education programs. The department in collaboration with Thrive by  
21 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,  
22 and Kitsap counties. The department shall use child care development  
23 fund quality money for this purpose.

24 (3) \$425,000 of the general fund--state appropriation for fiscal  
25 year 2010, (~~(\$425,000)~~) \$213,000 of the general fund--state  
26 appropriation for fiscal year 2011, and \$850,000 of the general fund--  
27 federal appropriation are provided solely for child care resource and  
28 referral network services. The general fund--federal funding  
29 represents moneys from the American recovery and reinvestment act of  
30 2009 (child care development block grant).

31 (4) \$750,000 of the general fund--state appropriation for fiscal  
32 year 2010, \$750,000 of the general fund--state appropriation for fiscal  
33 year 2011, and \$1,500,000 of the general fund--federal appropriation  
34 are provided solely for the career and wage ladder program created by  
35 chapter 507, Laws of 2005. The general fund--federal funding  
36 represents moneys from the American recovery and reinvestment act of  
37 2009 (child care development block grant).

1 (5) \$50,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$50,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for the department to work with  
4 stakeholders and the office of the superintendent of public instruction  
5 to identify and test a kindergarten assessment process and tools in  
6 geographically diverse school districts. School districts may  
7 participate in testing the kindergarten assessment process on a  
8 voluntary basis. The department shall report to the legislature on the  
9 kindergarten assessment process not later than January 15, 2011.  
10 Expenditure of amounts provided in this subsection is contingent on  
11 receipt of an equal match from private sources. As matching funds are  
12 made available, the department may expend the amounts provided in this  
13 subsection.

14 (6) \$1,600,000 of the general fund--federal appropriation is  
15 provided solely for the department to fund programs to improve the  
16 quality of infant and toddler child care through training, technical  
17 assistance, and child care consultation.

18 (7) \$200,000 of the general fund--state appropriation for fiscal  
19 year 2010 and \$200,000 of the general fund--state appropriation for  
20 fiscal year 2011 are provided solely to develop and provide culturally  
21 relevant supports for parents, family, and other caregivers.

22 (8) The legislature notes that the department of early learning is  
23 developing a plan for improving child care licensing and is consulting,  
24 as practicable, with parents, licensed child care providers, and  
25 stakeholders from the child care community. The plan shall outline the  
26 processes and specify the resources necessary for improvements such as  
27 continuing licenses, child care licensing technology, and weighted  
28 child care regulations, including development of risk-based decision  
29 making models and inclusive, evidence-based rule making. The  
30 department shall submit to the appropriate committees of the  
31 legislature a plan by January 15, 2011.

32 (9) The department is the lead agency for and recipient of the  
33 federal child care and development fund grant. Amounts within this  
34 grant shall be used to fund child care licensing, quality initiatives,  
35 agency administration, and other costs associated with child care  
36 subsidies. The department shall transfer a portion of this grant to  
37 the department of social and health services to partially fund the

1 child care subsidies paid by the department of social and health  
2 services on behalf of the department of early learning.

3 (10) The department shall use child care development fund money to  
4 satisfy the federal audit requirement of the improper payments act  
5 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent  
6 on the audits will not count against the five percent state limit on  
7 administrative expenditures.

8 (11) Within available amounts, the department in consultation with  
9 the office of financial management and the department of social and  
10 health services shall report quarterly enrollments and active caseload  
11 for the working connections child care program to the legislative  
12 fiscal committees. The report shall also identify the number of cases  
13 participating in both temporary assistance for needy families and  
14 working connections child care.

15 (12) The appropriations in this section reflect reductions in the  
16 appropriations for the department's administrative expenses. It is the  
17 intent of the legislature that these reductions shall be achieved, to  
18 the greatest extent possible, by reducing those administrative costs  
19 that do not affect direct client services or direct service delivery or  
20 program.

21 (13) \$500,000 of the general fund--state appropriation for fiscal  
22 year 2011 is provided solely for the department to contract with the  
23 private-public partnership established in chapter 43.215 RCW for home  
24 visitation programs. Of this amount, \$200,000 of the general fund--  
25 state appropriation for fiscal year 2011 is provided solely for  
26 expenditure into the home visiting services account created in Part IX  
27 of this act to be used for contracts for home visitation with the  
28 private-public partnership.

29 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the  
30 department is authorized to increase child care center licensure fees  
31 by fifty-two dollars for the first twelve children and an additional  
32 four dollars per additional child in fiscal year 2011 for costs to the  
33 department for the licensure activity, including costs of necessary  
34 inspection.

35 **Sec. 615.** 2009 c 564 s 617 (uncodified) is amended to read as  
36 follows:

1 **FOR THE STATE SCHOOL FOR THE BLIND**

2	General Fund--State Appropriation (FY 2010)	. . . . .	\$5,902,000
3	General Fund--State Appropriation (FY 2011)	. . . . .	<del>(\$5,908,000)</del>
4			<u>\$5,985,000</u>
5	General Fund--Private/Local Appropriation	. . . . .	<del>(\$1,928,000)</del>
6			<u>\$1,942,000</u>
7	TOTAL APPROPRIATION	. . . . .	<del>(\$13,738,000)</del>
8			<u>\$13,829,000</u>

9 The appropriations in this section are subject to the following  
10 conditions and limitations: \$271,000 of the general fund--  
11 private/local appropriation is provided solely for the school for the  
12 blind to offer short course programs, allowing students the opportunity  
13 to leave their home schools for short periods and receive intensive  
14 training. The school for the blind shall provide this service to the  
15 extent that it is funded by contracts with school districts and  
16 educational services districts.

17 **Sec. 616.** 2009 c 564 s 618 (uncodified) is amended to read as  
18 follows:

19 **FOR THE ((STATE SCHOOL FOR THE DEAF)) WASHINGTON STATE CENTER FOR**  
20 **CHILDHOOD DEAFNESS AND HEARING LOSS**

21	General Fund--State Appropriation (FY 2010)	. . . . .	<del>(\$8,592,000)</del>
22			<u>\$8,593,000</u>
23	General Fund--State Appropriation (FY 2011)	. . . . .	<del>(\$8,656,000)</del>
24			<u>\$8,782,000</u>
25	General Fund--Private/Local Appropriation	. . . . .	\$526,000
26	TOTAL APPROPRIATION	. . . . .	<del>(\$17,774,000)</del>
27			<u>\$17,901,000</u>

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

30 (1) \$210,000 of the general fund--private/local appropriation is  
31 provided solely for the operation of the shared reading video outreach  
32 program. The school for the deaf shall provide this service to the  
33 extent it is funded by contracts with school districts and educational  
34 service districts.

35 (2) \$25,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$25,000 of the general fund--state appropriation for  
37 fiscal year 2011 are provided solely for implementation of Engrossed

1 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If  
2 the bill is not enacted by June 30, 2009, the amounts provided in this  
3 subsection shall lapse.

4 **Sec. 617.** 2009 c 564 s 619 (uncodified) is amended to read as  
5 follows:

6 **FOR THE WASHINGTON STATE ARTS COMMISSION**

7	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$1,876,000</del> ))
8		<u>\$1,844,000</u>
9	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,883,000</del> ))
10		<u>\$1,347,000</u>
11	General Fund--Federal Appropriation . . . . .	(( <del>\$1,923,000</del> ))
12		<u>\$1,944,000</u>
13	General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,054,000</del> ))
14		<u>\$1,052,000</u>
15	TOTAL APPROPRIATION . . . . .	(( <del>\$6,736,000</del> ))
16		<u>\$6,187,000</u>

17 The appropriations in this section are subject to the following  
18 conditions and limitations: It is the intent of the legislature that  
19 the reductions in appropriations in this section shall be achieved, to  
20 the greatest extent possible, by reducing those administrative costs  
21 that do not affect direct client services or direct service delivery or  
22 programs. The agency shall, to the greatest extent possible, reduce  
23 spending in those areas that shall have the least impact on  
24 implementing its mission.

25 **Sec. 618.** 2009 c 564 s 620 (uncodified) is amended to read as  
26 follows:

27 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

28	General Fund--State Appropriation (FY 2010) . . . . .	\$2,592,000
29	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$2,636,000</del> ))
30		<u>\$2,607,000</u>
31	TOTAL APPROPRIATION . . . . .	(( <del>\$5,228,000</del> ))
32		<u>\$5,199,000</u>

33 The appropriations in this section are subject to the following  
34 conditions and limitations: It is the intent of the legislature that  
35 the reductions in appropriations in this section shall be achieved, to  
36 the greatest extent possible, by reducing those administrative costs



1 that do not affect direct client services or direct service delivery or  
2 programs. The agency shall, to the greatest extent possible, reduce  
3 spending in those areas that shall have the least impact on  
4 implementing its mission.

5 **Sec. 619.** 2009 c 564 s 621 (uncodified) is amended to read as  
6 follows:

7 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

8	General Fund--State Appropriation (FY 2010) . . . . .	\$1,612,000
9	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,655,000)</del>
10		<u>\$1,632,000</u>
11	TOTAL APPROPRIATION . . . . .	<del>(\$3,267,000)</del>
12		<u>\$3,244,000</u>

13 The appropriations in this section are subject to the following  
14 conditions and limitations: It is the intent of the legislature that  
15 the reductions in appropriations in this section shall be achieved, to  
16 the greatest extent possible, by reducing those administrative costs  
17 that do not affect direct client services or direct service delivery or  
18 programs. The agency shall, to the greatest extent possible, reduce  
19 spending in those areas that shall have the least impact on  
20 implementing its mission.

(End of part)

PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2009 c 564 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2010), General Fund--State Appropriation (FY 2011), State Building Construction Account--State Appropriation, Columbia River Basin Water Supply Development Account--State Appropriation, Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation, State Taxable Building Construction Account--State Appropriation, Gardner-Evans Higher Education Construction Account--State Appropriation, Debt-Limit Reimbursable Bond Retirement Account--State Appropriation, and TOTAL APPROPRIATION.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2010 shall be expended into the debt-limit general fund bond retirement account by June 30, 2010.

Sec. 702. 2009 c 564 s 703 (uncodified) is amended to read as follows:

1 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**  
 2 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**  
 3 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

4	General Fund--State Appropriation (FY 2010) . . . . .	(( <del>\$26,463,000</del> ))
5		<u>\$26,436,000</u>
6	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$27,811,000</del> ))
7		<u>\$27,773,000</u>
8	School Construction and Skill Centers Building	
9	Account--State Appropriation . . . . .	\$477,000
10	Nondebt-Limit Reimbursable Bond Retirement Account--	
11	State Appropriation . . . . .	(( <del>\$141,507,000</del> ))
12		<u>\$140,872,000</u>
13	TOTAL APPROPRIATION . . . . .	(( <del>\$196,258,000</del> ))
14		<u>\$195,558,000</u>

15 The appropriations in this section are subject to the following  
 16 conditions and limitations: The general fund appropriation is for  
 17 expenditure into the nondebt-limit general fund bond retirement  
 18 account. The entire general fund--state appropriation for fiscal year  
 19 2010 shall be expended into the nondebt-limit general fund bond  
 20 retirement account by June 30, 2010.

21 **Sec. 703.** 2009 c 564 s 704 (uncodified) is amended to read as  
 22 follows:

23 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**  
 24 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

25	General Fund--State Appropriation (FY 2010) . . . . .	\$1,357,000
26	General Fund--State Appropriation (FY 2011) . . . . .	\$1,357,000
27	State Building Construction Account--State	
28	Appropriation . . . . .	\$1,273,000
29	Columbia River Basin Water Supply Development	
30	Account--State Appropriation . . . . .	(( <del>\$6,000</del> ))
31		<u>\$9,000</u>
32	Hood Canal Aquatic Rehabilitation Bond Account--	
33	State Appropriation . . . . .	\$1,000
34	State Taxable Building Construction Account--State	
35	Appropriation . . . . .	\$72,000
36	Gardner-Evans Higher Education Construction	
37	Account--State Appropriation . . . . .	\$18,000

1 School Construction and Skill Centers Building  
 2 Account--State Appropriation . . . . . \$30,000  
 3 TOTAL APPROPRIATION . . . . . (~~(\$4,114,000)~~)  
 4 \$4,117,000

5 **Sec. 704.** 2009 c 564 s 708 (uncodified) is amended to read as  
 6 follows:

7 **FOR THE DEPARTMENT OF ((COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT))**  
 8 **COMMERCE--COUNTY PUBLIC HEALTH ASSISTANCE**

9 General Fund--State Appropriation (FY 2010) . . . . . \$24,000,000  
 10 (~~General Fund--State Appropriation (FY 2011) . . . . . \$24,000,000~~)  
 11 ~~TOTAL APPROPRIATION . . . . . \$48,000,000~~)

12 The appropriations in this section are subject to the following  
 13 conditions and limitations: The director of the department of  
 14 (~~community, trade, and economic development~~) commerce shall  
 15 distribute the appropriations to the following counties and health  
 16 districts in the amounts designated to support public health services,  
 17 including public health nursing:

18 <b>Health District</b>	<b>FY 2010</b>	<del>(FY 2011</del>	<b>FY 2010-11</b>
			<b>Biennium</b>
20 Adams County Health District	\$30,951	<del>\$30,951</del>	\$61,902
21 Asotin County Health District	\$67,714	<del>\$67,714</del>	\$135,428
22 Benton-Franklin Health District	\$1,165,612	<del>\$1,165,612</del>	\$2,331,224
23 Chelan-Douglas Health District	\$184,761	<del>\$184,761</del>	\$369,522
24 Clallam County Health and Human Services Department	\$141,752	<del>\$141,752</del>	\$283,504
25 Southwest Washington Health District	\$1,084,473	<del>\$1,084,473</del>	\$2,168,946
26 Columbia County Health District	\$40,529	<del>\$40,529</del>	\$81,058
27 Cowlitz County Health Department	\$278,560	<del>\$278,560</del>	\$557,120
28 Garfield County Health District	\$15,028	<del>\$15,028</del>	\$30,056
29 Grant County Health District	\$118,595	<del>\$118,596</del>	\$237,191
30 Grays Harbor Health Department	\$183,870	<del>183,870</del>	\$367,740
31 Island County Health Department	\$91,892	<del>\$91,892</del>	\$183,784
32 Jefferson County Health and Human Services	\$85,782	<del>\$85,782</del>	\$171,564
33 Seattle-King County Department of Public Health	\$9,531,747	<del>\$9,531,747</del>	\$19,063,494
34 Bremerton-Kitsap County Health District	\$554,669	<del>\$554,669</del>	\$1,109,338

1	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
2	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
3	Lewis County Health Department	\$105,801	\$105,801	\$211,602
4	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
5	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
6	Okanogan County Health District	\$63,458	\$63,458	\$126,916
7	Pacific County Health Department	\$77,427	\$77,427	\$154,854
8	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
9	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
10	Skagit County Health Department	\$223,927	\$223,927	\$447,854
11	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
12	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
13	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
14	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
15	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
16	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
17	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
18	Whitman County Health Department	\$78,733	\$78,733	\$157,466
19	Yakima Health District	\$623,797	\$623,797	\$1,247,594
20	<b>TOTAL APPROPRIATIONS</b>	\$24,000,000	\$24,000,000	\$48,000,000))

21        NEW SECTION.    **Sec. 705.**    A new section is added to 2009 c 564  
22 (uncodified) to read as follows:

23 **FOR THE DEPARTMENT OF HEALTH--COUNTY PUBLIC HEALTH ASSISTANCE**

24 General Fund--State Appropriation (FY 2011) . . . . . \$24,000,000

25        The appropriations in this section are subject to the following  
26 conditions and limitations: The director of the department of health  
27 shall distribute the appropriations to the following counties and  
28 health districts in the amounts designated to support public health  
29 services, including public health nursing:

30	<b>Health District</b>	<b>FY 2011</b>
31	Adams County Health District	\$30,951
32	Asotin County Health District	\$67,714
33	Benton-Franklin Health District	\$1,165,612
34	Chelan-Douglas Health District	\$184,761

1	Clallam County Health and Human Services Department	\$141,752
2	Southwest Washington Health District	\$1,084,473
3	Columbia County Health District	\$40,529
4	Cowlitz County Health Department	\$278,560
5	Garfield County Health District	\$15,028
6	Grant County Health District	\$118,596
7	Grays Harbor Health Department	183,870
8	Island County Health Department	\$91,892
9	Jefferson County Health and Human Services	\$85,782
10	Seattle-King County Department of Public Health	\$9,531,747
11	Bremerton-Kitsap County Health District	\$554,669
12	Kittitas County Health Department	\$92,499
13	Klickitat County Health Department	\$62,402
14	Lewis County Health Department	\$105,801
15	Lincoln County Health Department	\$29,705
16	Mason County Department of Health Services	\$95,988
17	Okanogan County Health District	\$63,458
18	Pacific County Health Department	\$77,427
19	Tacoma-Pierce County Health Department	\$2,820,590
20	San Juan County Health and Community Services	\$37,531
21	Skagit County Health Department	\$223,927
22	Snohomish Health District	\$2,258,207
23	Spokane County Health District	\$2,101,429
24	Northeast Tri-County Health District	\$110,454
25	Thurston County Health Department	\$600,419
26	Wahkiakum County Health Department	\$13,772
27	Walla Walla County-City Health Department	\$172,062
28	Whatcom County Health Department	\$855,863
29	Whitman County Health Department	\$78,733
30	Yakima Health District	\$623,797
31	<b>TOTAL APPROPRIATIONS</b>	\$24,000,000

32       **Sec. 706.** 2009 c 564 s 710 (uncodified) is amended to read as  
33 follows:

34       **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO**  
35 **RETIREMENT SYSTEMS.** The appropriations in this section are subject to  
36 the following conditions and limitations: The appropriations for the  
37 law enforcement officers' and firefighters' retirement system shall be

1 made on a monthly basis beginning July 1, 2009, consistent with chapter  
2 41.45 RCW, and the appropriations for the judges and judicial  
3 retirement systems shall be made on a quarterly basis consistent with  
4 chapters 2.10 and 2.12 RCW.

5 (1) There is appropriated for state contributions to the law  
6 enforcement officers' and firefighters' retirement system:

7	General Fund--State Appropriation (FY 2010) . . . . .	\$51,500,000
8	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$54,300,000)</del>
9		<u>\$55,400,000</u>
10	TOTAL APPROPRIATION . . . . .	<del>(\$105,800,000)</del>
11		<u>\$106,900,000</u>

12 (2) There is appropriated for contributions to the judicial  
13 retirement system:

14	General Fund--State Appropriation (FY 2010) . . . . .	\$11,570,000
15	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$12,860,000)</del>
16		<u>\$10,860,000</u>
17	TOTAL APPROPRIATION . . . . .	<del>(\$24,430,000)</del>
18		<u>\$22,430,000</u>

19 **Sec. 707.** 2009 c 564 s 717 (uncodified) is amended to read as  
20 follows:

21 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CAPITOL BUILDING CONSTRUCTION**  
22 **ACCOUNT**

23	General Fund--State Appropriation (FY 2010) . . . . .	<del>(\$2,312,000)</del>
24		<u>\$1,912,000</u>
25	General Fund--State Appropriation (FY 2011) . . . . .	\$3,615,000
26	TOTAL APPROPRIATION . . . . .	<del>(\$5,927,000)</del>
27		<u>\$5,527,000</u>

28 The appropriations in this section are subject to the following  
29 conditions and limitations: The appropriations are provided solely for  
30 expenditure into the capitol building construction account.

31 NEW SECTION. **Sec. 708.** A new section is added to 2009 c 564  
32 (uncodified) to read as follows:

33 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--WASHINGTON MANAGEMENT SERVICES**  
34 **AND EXEMPT MANAGEMENT SERVICES REDUCTIONS**

35	General Fund--State Appropriation (FY 2011) . . . . .	(\$10,000,000)
36	Special Account Salary/Insurance Increase	

1 Account--State Revolving Account Appropriation . . . (\$14,100,000)  
2 TOTAL APPROPRIATION . . . . . (\$24,100,000)

3 The appropriations for state agencies are subject to the following  
4 conditions and limitations:

5 (1) Appropriations are adjusted to reflect changes to agency  
6 appropriations to reflect savings resulting from Washington management  
7 services and exempt management services reductions provided in section  
8 2 of Engrossed Substitute Senate Bill No. 6503 (closing state agencies  
9 on specified dates): The office of financial management shall update  
10 agency appropriations schedules to reflect the changes to funding  
11 levels in this section as identified by agency and fund in LEAP  
12 documents TL1 - 2010 dated April 10, 2010. If the bill is not enacted  
13 by June 30, 2010, the appropriation reductions provided in this section  
14 shall lapse. To facilitate the transfer of moneys from dedicated funds  
15 and accounts, the state treasurer is directed to transfer sufficient  
16 moneys from each dedicated fund or account to the special account  
17 retirement contribution increase revolving account in accordance with  
18 schedules provided by the office of financial management.

19 (2) Appropriations in this act reflect reduced appropriations  
20 resulting from the enactment of section 3 of Engrossed Substitute  
21 Senate Bill No. 6503.

22 NEW SECTION. **Sec. 709.** A new section is added to 2009 c 564  
23 (uncodified) to read as follows:

24 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may  
25 be necessary, are appropriated from the general fund, unless otherwise  
26 indicated, for relief of various individuals, firms, and corporations  
27 for sundry claims. These appropriations are to be disbursed on  
28 vouchers approved by the director of financial management, except as  
29 otherwise provided, as follows:

- 30 (1) Reimbursement of criminal defendants acquitted on the basis of  
31 self-defense, pursuant to RCW 9A.16.110:
- 32 (a) Gerald S. Morrow, claim number 99970006 . . . . . \$20,567
  - 33 (b) Darrell R. Baumgart, claim number 99970007 . . . . . \$4,528
  - 34 (c) William Davis, claim number 99970008 . . . . . \$8,093
  - 35 (d) Gene T. Strader, claim number 99970009 . . . . . \$33,875
  - 36 (e) Cecilio Cortez, claim number 99970012 . . . . . \$17,055
  - 37 (f) Alexander D. Coble, claim number 99970013 . . . . . \$302,110



1	(g) James W. Jolly, claim number 99970017 . . . . .	\$28,884
2	(h) James Jay Olsen, claim number 99970018 . . . . .	\$97,220
3	(i) Todd E. Miller, claim number 99970019 . . . . .	\$6,957
4	(j) Sean S. DeHart, claim number 99970021 . . . . .	\$52,062
5	(k) Thomas L. Raglin, Jr., claim number 99970022 . . . . .	\$4,360
6	(l) Matthew Smitham, claim number 99970016 . . . . .	\$8,100
7	(m) John R. Frederick, claim number 99970020 . . . . .	\$7,719
8	(n) Justin C. Federmeier, claim number 99970023 . . . . .	\$29,728
9	(o) David R. Palmer, claim number 99970024 . . . . .	\$4,250
10	(p) Ian K. Berghoffer, claim number 99970026 . . . . .	\$33,455
11	(q) Darryl L. Koenen, claim number 99970027 . . . . .	\$23,077
12	(r) Lee J. Stites, claim number 99970028 . . . . .	\$7,502
13	(s) Bobby G. Ewing, claim number 99970029 . . . . .	\$51,093
14	(2) Payment of death benefit, pursuant to RCW 41.04.017: Estate of	
15	Erik Anderson, claim number 99970014 . . . . .	\$150,000

16        NEW SECTION.    **Sec. 710.**    A new section is added to 2009 c 564  
17 (uncodified) to read as follows:

18        **STRATEGIC PRINTING STRATEGY.**    (1) The office of financial  
19 management shall work with the appropriate state agencies to generate  
20 savings of \$1,500,000 from the state general fund that can arise from  
21 a strategic printing strategy. From appropriations in this act, the  
22 office of financial management shall reduce general fund--state  
23 allotments by \$1,500,000 for fiscal year 2011 to reflect the savings  
24 from the strategic printing strategy. The allotment reductions shall  
25 be placed in unallotted status and remain unexpended.

26        (2) The office of financial management, with the assistance of the  
27 department of information services and the department of printing,  
28 shall conduct an analysis of the state's printing processes to identify  
29 the most reasonable strategies of attaining a statewide savings target  
30 of \$1,500,000 without affecting direct program activities. The  
31 strategies shall include, but not be limited to, standardizing  
32 envelopes, utilizing print management, and streamlining processes.  
33 Pursuant to RCW 41.06.142(3), the strategies shall also include, on the  
34 approval of the office of financial management, pilot projects to  
35 authorize state agencies and institutions to directly acquire printing  
36 services. The analysis shall identify savings by agency and fund that  
37 will result from the implementation of a strategic printing strategy.

1 The results of this analysis shall then be provided to the director of  
2 financial management and appropriate legislative committees by July 1,  
3 2010. The director shall use the analysis as the basis to achieve the  
4 savings identified in subsection (1) of this section.

5 NEW SECTION. **Sec. 711.** A new section is added to 2009 c 564  
6 (uncodified) to read as follows:

7 **INFORMATION TECHNOLOGY.** Pursuant to section 11, chapter 282, Laws  
8 of 2010 (state government technology use), the office of financial  
9 management shall work with the appropriate state agencies to generate  
10 savings of \$30,000,000 from technology efficiencies from the state  
11 general fund. From appropriations in this act, the office of financial  
12 management shall reduce general fund--state allotments by \$30,000,000  
13 for fiscal year 2011. The office of financial management shall,  
14 utilizing existing fund balance, reduce the data processing revolving  
15 account rates in an amount to reflect up to half of the reductions  
16 identified in this section. The allotment reductions shall be placed  
17 in unallotted status and remain unexpended. Nothing in this section is  
18 intended to impact revenue collection efforts by the department of  
19 revenue.

20 NEW SECTION. **Sec. 712.** A new section is added to 2009 c 564  
21 (uncodified) to read as follows:

22 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**  
23 **COSTS**

24 General Fund--State Appropriation (FY 2010) . . . . . \$620,000

25 The appropriation in this section is subject to the following  
26 conditions and limitations: The director of financial management shall  
27 distribute funds to Jefferson county (\$197,000), Skagit county  
28 (\$390,000), and Franklin county (\$33,000) for extraordinary criminal  
29 justice costs.

30 **Sec. 713.** 2009 c 564 s 720 (uncodified) is amended to read as  
31 follows:

32 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT**  
33 **SYSTEMS**

34 ~~((General Fund--State Appropriation (FY 2010) . . . . . \$400,000~~  
35 ~~General Fund--State Appropriation (FY 2011) . . . . . \$400,000~~

1	<del>Special Account Retirement System Contribution</del>	
2	<del>Increase Revolving Account Appropriation . . . . .</del>	<del>\$1,000,000</del>
3	<del>TOTAL APPROPRIATION . . . . .</del>	<del>\$1,800,000</del>

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

6     ~~(1) The)) Appropriations in this ((section are provided solely to~~  
7 ~~increase)) act include agency and institution appropriations and public~~  
8 ~~school funding allocations to reflect increased employer contribution~~  
9 ~~rates in the public employees' retirement system and the school~~  
10 ~~employees' retirement system as a result of the provisions of~~  
11 ~~Substitute Senate Bill No. 6157 (calculating compensation for public~~  
12 ~~retirement purposes). ((If the bill is not enacted by June 30, 2009,~~  
13 ~~the amounts provided in this section shall lapse.~~

14     ~~(2) To facilitate the transfer of moneys to dedicated funds and~~  
15 ~~accounts, the state treasurer shall transfer sufficient moneys to each~~  
16 ~~dedicated fund or account from the special account retirement~~  
17 ~~contribution increase revolving account in accordance with schedules~~  
18 ~~provided by the office of financial management.))~~

19     NEW SECTION.   **Sec. 714.**   A new section is added to 2009 c 564  
20 (uncodified) to read as follows:

21   **FOR THE OFFICE OF FINANCIAL MANAGEMENT--OPPORTUNITY EXPRESS ACCOUNT**  
22   General Fund--State Appropriation (FY 2011) . . . . . \$18,556,000

23     The appropriation in this section is provided solely for  
24 expenditure into the opportunity express account--state.

25     **Sec. 715.**   2010 c 247 s 502 (uncodified) is amended to read as  
26 follows:

27   **FOR THE OFFICE OF FINANCIAL MANAGEMENT--REVISED EMPLOYER HEALTH**  
28 **BENEFIT RATES**

29	Aeronautics Account--State . . . . .	(((\$3,000))
30		<u>\$10,000</u>
31	State Patrol Highway Account--State . . . . .	(((\$618,000))
32		<u>\$1,877,000</u>
33	Motorcycle Safety Education Account--State . . . . .	(((\$2,000))
34		<u>\$5,000</u>
35	High Occupancy Toll Lanes Operations Account--State . . . . .	(((\$2,000))
36		<u>\$5,000</u>

1	Rural Arterial Trust Account--State . . . . .	(( <del>\$2,000</del> ))
2		<u>\$5,000</u>
3	Wildlife Account--State . . . . .	(( <del>\$2,000</del> ))
4		<u>\$5,000</u>
5	Highway Safety Account--State . . . . .	(( <del>\$261,000</del> ))
6		<u>\$791,000</u>
7	Highway Safety Account--Federal . . . . .	(( <del>\$6,000</del> ))
8		<u>\$19,000</u>
9	Motor Vehicle Account--State . . . . .	(( <del>\$1,076,000</del> ))
10		<u>\$3,262,000</u>
11	Puget Sound Ferry Operations Account--State . . . . .	(( <del>\$527,000</del> ))
12		<u>\$1,601,000</u>
13	Urban Arterial Trust Account--State . . . . .	(( <del>\$2,000</del> ))
14		<u>\$5,000</u>
15	Transportation Improvement Account--State . . . . .	(( <del>\$2,000</del> ))
16		<u>\$5,000</u>
17	County Arterial Preservation Account--State . . . . .	(( <del>\$2,000</del> ))
18		<u>\$5,000</u>
19	Department of Licensing Services Account--State . . . . .	(( <del>\$3,000</del> ))
20		<u>\$10,000</u>
21	Multimodal Transportation Account--State . . . . .	(( <del>\$13,000</del> ))
22		<u>\$39,000</u>
23	Tacoma Narrows Toll Bridge Account--State . . . . .	(( <del>\$3,000</del> ))
24		<u>\$10,000</u>

25 Appropriations are adjusted to reflect changes to appropriations to  
26 reflect changes in the employer cost of providing health benefit  
27 coverage. The office of financial management shall update agency  
28 appropriations schedules to reflect the changes in funding levels in  
29 this section as identified by agency and fund in LEAP transportation  
30 document GLB-2010A. From the applicable accounts, the office of  
31 financial management shall adjust allotments to the respective agencies  
32 by an amount that conforms with funding adjustments enacted in the 2010  
33 supplemental omnibus operating appropriations act. Any allotment  
34 reductions under this section must be placed in reserve status and  
35 remain unexpended.

36 NEW SECTION. **Sec. 716.** A new section is added to 2009 c 564  
37 (uncodified) to read as follows:

1 **FOR THE DEPARTMENT OF TRANSPORTATION--NATIONAL POLLUTION DISCHARGE**  
2 **ELIMINATION SYSTEM PERMIT COMPLIANCE**

3 Motor Vehicle Account--State Appropriation . . . . . \$2,425,000

4 The appropriation in this section is subject to the following  
5 conditions and limitations: The motor vehicle account appropriation is  
6 provided solely for the department of transportation program delivery  
7 management and support program's compliance with its national pollution  
8 discharge elimination system permit. The department's work may include  
9 the competition of system development, reporting, and planning to meet  
10 deadlines in the current biennium.

11 NEW SECTION. **Sec. 717.** A new section is added to 2009 c 564  
12 (uncodified) to read as follows:

13 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--AGENCY REALLOCATION AND**  
14 **REALIGNMENT COMMISSION**

15 General Fund--State Appropriation (FY 2011) . . . . . \$250,000

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

18 (1) The agency reallocation and realignment of Washington (ARROW)  
19 commission on restructuring state government is established, with  
20 members as provided in this section.

21 (a) The governor, the president of the senate, and the speaker of  
22 the house of representatives shall each appoint two members to the  
23 commission, each of whom shall have broad statewide policy and fiscal  
24 experience. Each appointing authority shall appoint a member to  
25 replace any member who resigns.

26 (b) The commission shall choose its chair from among its membership  
27 or may select a representative of the administering higher education  
28 institution as chair. The president of the senate and the speaker of  
29 the house, or their mutually selected designee, shall convene the  
30 initial meeting of the commission and shall preside until a chair is  
31 chosen.

32 (2) The commission shall:

33 (a) Review budget, revenue, and caseload forecasts and estimates  
34 over the ensuing six-year period;

35 (b) Examine current operations and organization of state  
36 government, assuming no expansion of current funding sources; and

1 (c) Evaluate operational and organizational restructuring  
2 possibilities to find cost savings and efficiencies in order to  
3 maintain or enhance governmental functions with fewer resources.

4 (3) The commission may make proposals to:

5 (a) Adopt methods and procedures for reducing expenditures to the  
6 lowest amount consistent with the efficient performance of essential  
7 services, activities, and functions;

8 (b) Eliminate duplication and overlapping of services, activities,  
9 and functions, and time-consuming or wasteful practices;

10 (c) Consolidate services, activities, and functions of a similar  
11 nature;

12 (d) Abolish services, activities, and functions to improve the  
13 efficient operation of government;

14 (e) Eliminate state departments and agencies, create new state  
15 departments and agencies, reorganize existing state departments and  
16 agencies, and transfer functions and responsibilities among state  
17 departments and agencies;

18 (f) Define or redefine the duties and responsibilities of state  
19 officers; and

20 (g) Revise present provisions for continuing appropriations of  
21 state funds of whatever kind for whatever purpose, eliminate any such  
22 existing provisions, or adopt new provisions.

23 (4) Staffing and administrative support to the commission shall be  
24 provided by a university or college that volunteers to do so.

25 (5) Commissioners are entitled to be reimbursed for travel expenses  
26 in accordance with RCW 43.03.050 and 43.03.060 from funds appropriated  
27 to the commission.

28 (6) The expenses of the commission shall be paid out of funds  
29 appropriated to the commission, funds made available by the university  
30 or college administering the commission, and gifts, grants, and  
31 donations.

32 (7) The commission shall report its findings and recommendations,  
33 including proposed legislation, to the appropriate committees of the  
34 legislature. Recommendations may be in bill form as proposed  
35 legislation, as appropriations or revenue proposals, revisions to  
36 administrative rules, or other appropriate formats.

37 (8) The office of the code reviser shall assist the commission with

1 bill drafting as needed.

2 (9) This section expires June 30, 2011.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2009 c 564 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance	
premium distributions . . . . .	(( <del>\$8,268,000</del> ))
	<u>\$7,572,000</u>
General Fund Appropriation for public utility	
district excise tax distributions . . . . .	(( <del>\$48,771,000</del> ))
	<u>\$47,342,000</u>
General Fund Appropriation for prosecuting	
attorney distributions . . . . .	\$6,281,000
General Fund Appropriation for boating	
safety and education distributions . . . . .	\$4,854,000
General Fund Appropriation for other tax	
distributions . . . . .	\$50,000
General Fund Appropriation for habitat conservation	
program distributions . . . . .	\$3,000,000
Death Investigations Account Appropriation for distribution	
to counties for publicly funded autopsies . . . . .	\$2,544,000
Aquatic Lands Enhancement Account Appropriation for	
harbor improvement revenue distribution . . . . .	\$170,000
Timber Tax Distribution Account Appropriation for	
distribution to "timber" counties . . . . .	(( <del>\$69,288,000</del> ))
	<u>\$36,651,000</u>
County Criminal Justice Assistance Appropriation . . . . .	(( <del>\$66,374,000</del> ))
	<u>\$68,528,000</u>
Municipal Criminal Justice Assistance	
Appropriation . . . . .	(( <del>\$25,622,000</del> ))
	<u>\$27,175,000</u>
City-County Assistance Account Appropriation for local	
government financial assistance distribution . . . . .	(( <del>\$28,564,000</del> ))
	<u>\$27,366,000</u>
Liquor Excise Tax Account Appropriation for liquor	
excise tax distribution . . . . .	(( <del>\$50,950,000</del> ))



1		<u>\$58,268,000</u>
2	Streamline Sales and Use Tax Account Appropriation for	
3	distribution to local taxing jurisdictions to mitigate	
4	the unintended revenue redistribution effect of the	
5	sourcing law changes . . . . .	(( <del>\$65,038,000</del> ))
6		<u>\$50,056,000</u>
7	Columbia River Water Delivery Account Appropriation for the	
8	Confederated Tribes of the Colville Reservation . .	(( <del>\$7,308,000</del> ))
9		<u>\$7,315,000</u>
10	Columbia River Water Delivery Account Appropriation for the	
11	Spokane Tribe of Indians . . . . .	(( <del>\$4,676,000</del> ))
12		<u>\$4,644,000</u>
13	Liquor Revolving Account Appropriation for liquor	
14	profits distribution . . . . .	(( <del>\$80,435,000</del> ))
15		<u>\$68,741,000</u>
16	Liquor Revolving Account Appropriation for additional	
17	liquor profits distribution to local	
18	governments . . . . .	\$18,677,000
19	TOTAL APPROPRIATION . . . . .	(( <del>\$490,870,000</del> ))
20		<u>\$439,234,000</u>

21       The total expenditures from the state treasury under the  
22 appropriations in this section shall not exceed the funds available  
23 under statutory distributions for the stated purposes.

24       NEW SECTION.   **Sec. 802.**   A new section is added to 2009 c 564  
25 (uncodified) to read as follows:

26       **FOR THE STATE TREASURER--TRANSFERS.**   If the forecast adopted by  
27 the state economic and revenue forecast council in March 2011  
28 anticipates that less than one hundred thirteen million five hundred  
29 thousand dollars of state lottery revenue will be deposited into the  
30 opportunity pathways account in fiscal year 2011, the state treasurer  
31 shall transfer sufficient funds from the state general fund to the  
32 opportunity pathways account to assure that deposits into the  
33 opportunity pathways account total one hundred thirteen million five  
34 hundred thousand dollars in fiscal year 2011.

35       **Sec. 803.**   2009 c 564 s 805 (uncodified) is amended to read as  
36 follows:

**1 FOR THE STATE TREASURER--TRANSFERS**  
 2 State Treasurer's Service Account: For transfer to the  
 3 state general fund, (~~(\$10,400,000)~~) \$16,400,000 for  
 4 fiscal year 2010 and (~~(\$10,400,000)~~) \$16,400,000 for  
 5 fiscal year 2011 . . . . . (~~(\$20,800,000)~~)  
 6 \$32,800,000  
 7 Waste Reduction, Recycling and Litter Control Account: For  
 8 transfer to the state general fund, (~~(\$2,000,000)~~)  
 9 \$3,000,000 for fiscal year 2010 and (~~(\$2,000,000)~~)  
 10 \$3,000,000 for fiscal year 2011 . . . . . (~~(\$4,000,000)~~)  
 11 \$6,000,000  
 12 State Toxics Control Account: For transfer to the state  
 13 general fund, \$15,340,000 for fiscal year 2010 and  
 14 (~~(\$14,400,000)~~) \$17,780,000 for fiscal year  
 15 2011 . . . . . (~~(\$29,740,000)~~)  
 16 \$33,120,000  
 17 Local Toxics Control Account: For transfer to the state  
 18 general fund, \$37,060,000 for fiscal year 2010 and  
 19 (~~(\$36,000,000)~~) \$48,759,000 for fiscal year  
 20 2011 . . . . . (~~(\$73,060,000)~~)  
 21 \$85,819,000  
 22 Education Construction Account: For transfer to the state  
 23 general fund, (~~(\$93,362,000)~~) \$105,228,000 for fiscal  
 24 year 2010 and (~~(\$100,401,000)~~) \$106,451,000 for fiscal  
 25 year 2011 . . . . . (~~(\$193,763,000)~~)  
 26 \$211,679,000  
 27 Aquatics Lands Enhancement Account: For transfer to the  
 28 state general fund, (~~(\$5,050,000)~~) \$8,520,000 for  
 29 fiscal year 2010 and \$5,050,000 for fiscal year  
 30 2011 . . . . . (~~(\$10,100,000)~~)  
 31 \$13,570,000  
 32 Drinking Water Assistance Account: For transfer to the  
 33 drinking water assistance repayment account . . . . . \$28,600,000  
 34 Economic Development Strategic Reserve Account: For  
 35 transfer to the state general fund, \$2,500,000 for  
 36 fiscal year 2010 and \$2,500,000 for fiscal  
 37 year 2011 . . . . . \$5,000,000  
 38 Tobacco Settlement Account: For transfer to the state



1 Institutions Account: For transfer to the state  
2 general fund, \$5,550,000 for fiscal year 2010 and  
3 \$5,550,000 for fiscal year 2011 . . . . . \$11,100,000  
4 Energy Freedom Account: For transfer to the state  
5 general fund, (~~(\$2,978,000)~~) \$4,038,000 for fiscal  
6 year 2010 and \$2,978,000 for fiscal year 2011 . . . . (~~(\$5,956,000)~~)  
7 \$7,016,000  
8 Thurston County Capital Facilities Account: For  
9 transfer to the state general fund, (~~(\$4,194,000)~~)  
10 \$8,604,000 for fiscal year 2010 and (~~(\$4,194,000)~~)  
11 \$5,538,000 for fiscal year 2011 . . . . . (~~(\$8,388,000)~~)  
12 \$14,142,000  
13 Public Works Assistance Account: For transfer to the  
14 state general fund, (~~(\$184,000,000)~~) \$279,640,000  
15 for fiscal year 2010 and (~~(\$184,000,000)~~)  
16 \$229,560,000 for fiscal year 2011 . . . . . (~~(\$368,000,000)~~)  
17 \$509,200,000  
18 Budget Stabilization Account: For transfer to the  
19 state general fund for fiscal year 2010 . . . . . \$45,130,000  
20 Budget Stabilization Account: For transfer to the  
21 state general fund for fiscal year 2010 if House  
22 Bill No. 3197 is not enacted by June 30, 2010 . . . . . \$95,986,000  
23 Liquor Revolving Account: For transfer to the state  
24 general fund, \$31,000,000 for fiscal year 2010 and  
25 (~~(\$31,000,000)~~) \$25,500,000 for fiscal year  
26 2011 . . . . . (~~(\$62,000,000)~~)  
27 \$56,500,000  
28 Public Works Assistance Account: For transfer to the  
29 city-county assistance account, \$5,000,000 on  
30 July 1, 2009, and \$5,000,000 on July 1, 2010 . . . . . \$10,000,000  
31 Public Works Assistance Account: For transfer to the  
32 drinking water assistance account, (~~(\$4,000,000)~~)  
33 \$6,930,000 for fiscal year 2010 and \$4,000,000 for  
34 fiscal year 2011 . . . . . (~~(\$8,000,000)~~)  
35 \$10,930,000  
36 Shared Game Lottery Account: For transfer to the  
37 education legacy trust account, \$3,600,000 for  
38 fiscal year 2010 and \$2,400,000 for fiscal year

1	<u>2011 . . . . .</u>	<u>\$6,000,000</u>
2	<u>State Lottery Account: For transfer to the education</u>	
3	<u>legacy trust account, \$9,500,000 for fiscal year</u>	
4	<u>2010 and \$9,500,000 for fiscal year 2011 . . . . .</u>	<u>\$19,000,000</u>
5	<u>College Faculty Awards Trust Fund: For transfer</u>	
6	<u>to the state general fund for fiscal year 2010,</u>	
7	<u>an amount not to exceed the actual cash balance</u>	
8	<u>of the fund . . . . .</u>	<u>\$4,000,000</u>
9	<u>Washington Distinguished Professorship Trust Fund:</u>	
10	<u>For transfer to the state general fund for fiscal</u>	
11	<u>year 2010, an amount not to exceed the actual cash</u>	
12	<u>balance of the fund . . . . .</u>	<u>\$6,000,000</u>
13	<u>Washington Graduate Fellowship Trust Account:</u>	
14	<u>For transfer to the state general fund for fiscal</u>	
15	<u>year 2010, an amount not to exceed the actual cash</u>	
16	<u>balance of the fund . . . . .</u>	<u>\$2,000,000</u>
17	<u>GET Ready for Math and Science Scholarship Account:</u>	
18	<u>For transfer to the state general fund for</u>	
19	<u>fiscal year 2010, an amount not to exceed</u>	
20	<u>the actual cash balance not comprised of or</u>	
21	<u>needed to match private contributions . . . . .</u>	<u>\$1,800,000</u>
22	<u>Financial Services Regulation Account: For</u>	
23	<u>transfer to the state general fund,</u>	
24	<u>\$2,000,000 for fiscal year 2010 and</u>	
25	<u>\$2,000,000 for fiscal year 2011 . . . . .</u>	<u>\$4,000,000</u>
26	<u>Data Processing Revolving Fund: For</u>	
27	<u>transfer to the state general fund,</u>	
28	<u>\$5,632,000 for fiscal year 2010 . . . . .</u>	<u>\$5,632,000</u>
29	<u>Public Service Revolving Account: For</u>	
30	<u>transfer to the state general fund,</u>	
31	<u>\$8,000,000 for fiscal year 2010 and</u>	
32	<u>\$7,000,000 for fiscal year 2011 . . . . .</u>	<u>\$15,000,000</u>
33	<u>Water Quality Capital Account: For</u>	
34	<u>transfer to the state general fund,</u>	
35	<u>\$278,000 for fiscal year 2011 . . . . .</u>	<u>\$278,000</u>
36	<u>Performance Audits of Government Account:</u>	
37	<u>For transfer to the state general fund,</u>	
38	<u>\$10,000,000 for fiscal year 2010 and</u>	

1       \$5,000,000 for fiscal year 2011 . . . . . \$15,000,000  
 2   Job Development Account: For transfer to the  
 3       state general fund, \$20,930,000 for fiscal  
 4       year 2010 . . . . . \$20,930,000  
 5   Savings Incentive Account: For transfer to the  
 6       state general fund, \$10,117,000 for fiscal  
 7       year 2010 . . . . . \$10,117,000  
 8   Education Savings Account: For transfer to the  
 9       state general fund, \$100,767,000 for fiscal  
 10       year 2010 . . . . . \$100,767,000  
 11   Cleanup Settlement Account: For transfer to the  
 12       state efficiency and restructuring account for  
 13       fiscal year 2011 . . . . . \$39,480,000  
 14   Disaster Response Account: For transfer to the  
 15       state drought preparedness account, \$4,000,000  
 16       for fiscal year 2010 . . . . . \$4,000,000  
 17   Washington State Convention and Trade Center Account:  
 18       For transfer to the state general fund, \$10,000,000  
 19       for fiscal year 2011. The transfer in this section  
 20       shall occur on June 30, 2011, only if by that date  
 21       the Washington state convention and trade center is  
 22       not transferred to a public facilities district  
 23       pursuant to Substitute Senate Bill No. 6889  
 24       (convention and trade center) . . . . . \$10,000,000  
 25   Institutional Welfare/Betterment Account: For transfer  
 26       to the state general fund, \$2,000,000 for fiscal  
 27       year 2010 and \$2,000,000 for fiscal year 2011 . . . . . \$4,000,000  
 28   Insurance Commissioners Regulatory Account: For  
 29       transfer to the state general fund, \$5,000,000  
 30       on June 30, 2010, and \$5,000,000 on June 30,  
 31       2011 . . . . . \$10,000,000  
 32   Future Teacher Conditional Scholarship Account: For  
 33       transfer to the state general fund, \$2,150,000  
 34       for fiscal year 2010 and \$2,150,000 for fiscal  
 35       year 2011 . . . . . \$4,300,000  
 36   Fingerprint Identification Account: For transfer  
 37       to the state general fund, \$800,000 for fiscal  
 38       year 2011 . . . . . \$800,000

1 Prevent or Reduce Owner-Occupied Foreclosure  
 2 Program Account: For transfer to the financial  
 3 education public-private partnership account for  
 4 fiscal year 2010, an amount not to exceed the actual  
 5 cash balance of the fund as of June 30, 2010 . . . . . \$300,000

6 **Sec. 804.** 2010 c 247 s 407 (uncodified) is amended to read as  
 7 follows:

8 **FOR THE STATE TREASURER--ADMINISTRATIVE TRANSFERS**

9 (1) Tacoma Narrows Toll Bridge Account--State  
 10 Appropriation: For transfer to the Motor Vehicle  
 11 Account--State . . . . . \$5,288,000

12 (2) Motor Vehicle Account--State Appropriation:  
 13 For transfer to the Puget Sound Ferry Operations  
 14 Account--State . . . . . ((~~\$54,000,000~~))  
 15 \$54,100,000

16 (3) Recreational Vehicle Account--State  
 17 Appropriation: For transfer to the Motor Vehicle  
 18 Account--State . . . . . \$2,000,000

19 (4) License Plate Technology Account--State  
 20 Appropriation: For transfer to the Highway Safety  
 21 Account--State . . . . . \$2,750,000

22 (5) Multimodal Transportation Account--State  
 23 Appropriation: For transfer to the Puget Sound  
 24 Ferry Operations Account--State . . . . . \$9,000,000

25 (6) Highway Safety Account--State Appropriation:  
 26 For transfer to the Multimodal Transportation  
 27 Account--State . . . . . \$18,750,000

28 (7) Department of Licensing Services Account--State  
 29 Appropriation: For transfer to the Motor Vehicle  
 30 Account--State . . . . . \$1,300,000

31 (8) Advanced Right-of-Way Account: For transfer  
 32 to the Motor Vehicle Account--State . . . . . \$14,000,000

33 (9)((+10)) State Route Number 520 Civil Penalties  
 34 Account--State Appropriation: For transfer to the  
 35 State Route Number 520 Corridor Account--State . . . . . \$190,000

36 ((+11)) (10) Advanced Environmental Mitigation Revolving  
 37 Account--State Appropriation: For transfer to the

1 Motor Vehicle Account--State . . . . . \$5,000,000  
 2     ((+12+)) (11) Regional Mobility Grant Program Account--State  
 3 Appropriation: For transfer to the Multimodal  
 4 Transportation Account--State . . . . . \$4,000,000  
 5     ((+13+)) (12) Motor Vehicle Account--State Appropriation:  
 6 For transfer to the State Patrol Highway  
 7 Account--State . . . . . ~~(\$4,000,000)~~  
 8 \$5,600,000

9     ((+14+)) (13) The transfers identified in this section are subject  
 10 to the following conditions and limitations:

11     (a) The amount transferred in subsection (1) of this section  
 12 represents repayment of operating loans and reserve payments provided  
 13 to the Tacoma Narrows toll bridge account from the motor vehicle  
 14 account in the 2005-07 fiscal biennium. However, if Engrossed  
 15 Substitute Senate Bill No. 6499 is enacted by June 30, 2010, the  
 16 transfer in subsection (1) of this section shall not occur.

17     (b) Any cash balance in the waste tire removal account in excess of  
 18 one million dollars must be transferred to the motor vehicle account  
 19 for the purpose of road wear-related maintenance on state and local  
 20 public highways.

21     (c) The transfer in subsection ~~((+10+))~~ (9) of this section  
 22 represents toll revenue collected from toll violations.

(End of part)



**PART IX**  
**MISCELLANEOUS**

3       **Sec. 901.**   2010 c 3 s 601 (uncodified) is amended to read as  
4 follows:

5       NEW HIRES. (1) From the effective date of this section until July  
6 1, 2011, state agencies of the legislative, executive, and judicial  
7 branches shall not establish new staff positions or fill vacant  
8 existing staff positions except as specifically authorized by this  
9 section.

10       (2) The following activities of state agencies are exempt from  
11 subsection (1) of this section:

12       (a) Direct custody, supervision, and patient care in corrections,  
13 juvenile rehabilitation, institutional care of veterans, the mentally  
14 ill, developmentally disabled, state hospitals, the special commitment  
15 center, and the schools for the blind and the deaf;

16       (b) Direct protective services to children and other vulnerable  
17 populations in the department of social and health services;

18       (c) Washington state patrol investigative services and field  
19 enforcement;

20       (d) Hazardous materials response and emergency cleanup;

21       (e) Emergency public health and patient safety response and the  
22 public health laboratory;

23       (f) Military operations and emergency management within the  
24 military department;

25       (g) Firefighting;

26       (h) Enforcement officers in the department of fish and wildlife,  
27 the liquor control board, the gambling commission, and the department  
28 of natural resources;

29       (i) Park rangers at the parks and recreation commission;

30       (j) Seasonal employment by natural resources agencies to the extent  
31 that employment levels do not exceed the prior fiscal year;

32       (k) Seasonal employment in the department of transportation  
33 maintenance programs to the extent that employment levels do not exceed  
34 the prior fiscal year;

35       (l) Employees hired on a seasonal basis by the department of

1 agriculture for inspection and certification of agricultural products  
2 and for insect detection;

3 (m) Activities directly related to tax and fee collection, revenue  
4 generation, auditing, and recovery;

5 (n) In institutions of higher education, any positions directly  
6 related to academic programs, as well as positions not funded from  
7 state funds or tuition, positions that are filled by enrolled students  
8 at their own institution as student workers, positions in campus police  
9 and security, positions related to emergency management and response,  
10 and positions related to student health care and counseling;

11 (o) Operations of the state lottery and liquor control board  
12 business enterprises;

13 (p) The unemployment insurance program of the employment security  
14 department; and

15 (q) Activities that are necessary to receive or maintain federal  
16 funds by the state.

17 (3) The exemptions specified in subsection (2) of this section do  
18 not require the establishment of new staff positions or the filling of  
19 vacant staff positions in the activities specified.

20 (4) Exceptions to this section may be granted under section 605 of  
21 this act.

22 (5) Also exempted from this section are positions related to  
23 facility realignments in the department of corrections, positions  
24 related to the transfer of programs between state agencies assumed in  
25 this act, and disability determination staff funded solely by federal  
26 funds.

27 NEW SECTION. Sec. 902. A new section is added to 2009 c 564  
28 (uncodified) to read as follows:

29 **AGENCY STAFFING.** (1) By July 1, 2010, all state agencies must  
30 prepare and submit to the office of financial management staffing plans  
31 for fiscal year 2011. The first plan must list, by month and by job  
32 class, the number of budgeted FTEs, salaries, and benefits for the  
33 state general fund. The second plan must list, by month and by job  
34 class, the number of budgeted FTEs, salaries, and benefits for the  
35 total of all other allotted funds. The plans must be submitted at the  
36 same organizational level of detail as funds are appropriated to the

1 agency. Agency allotments and staffing plans submitted to the office  
2 of financial management must be consistent.

3 (2) Agencies may only allot FTEs to the extent that the funding  
4 allotment contains sufficient funding to fully support those positions.  
5 To the extent that allotted FTEs would exceed available funding to  
6 support those positions, agencies shall request that the office of  
7 financial management revise their full-time equivalent staff allotment  
8 to the funded level; legislative and judicial agencies shall report the  
9 revised level to the office of financial management. The office of  
10 financial management shall summarize, by agency, the changes made under  
11 this subsection and provide that information to the appropriate fiscal  
12 committees of the legislature by October 1, 2010.

13 (3) Each agency shall report to the office of financial management  
14 the number of FTEs filled, by job class, as of July 1, 2010. The  
15 information must be provided at the same level of detail as is  
16 contained in the staffing plan. For any positions that are vacant on  
17 that date, the agency shall list the date that position was last  
18 filled. The office of financial management shall summarize information  
19 provided under this subsection and report to the appropriate fiscal  
20 committees of the legislature by October 1, 2010.

21 NEW SECTION. **Sec. 903.** A new section is added to 2009 c 564  
22 (uncodified) to read as follows:

23 **STATE HOUSING FINANCE COMMISSION--FORECLOSURE REVIEW.** In an  
24 effort to reduce the number of residential foreclosures while  
25 protecting the interests of both borrowers and beneficiaries, the state  
26 housing finance commission shall conduct a review of the effectiveness  
27 of RCW 61.24.031, which requires a beneficiary or authorized agent to  
28 contact the borrower before issuing a notice of default for the  
29 purposes of assessing the borrower's financial ability to repay the  
30 debt and discussing alternatives to foreclosure. The commission's  
31 review of the process shall, at a minimum, examine whether the contact  
32 requirement has resulted in an increase in the number of loan  
33 modifications and whether additional statutory provisions, such as  
34 mandatory mediation, are needed to produce effective communication  
35 between beneficiaries and borrowers. The state housing finance  
36 commission shall report its findings and any recommendations for

1 legislation to the appropriate committees of the legislature by  
2 November 30, 2010.

3 NEW SECTION. **Sec. 904.** A new section is added to 2009 c 564  
4 (uncodified) to read as follows:

5 **COLLECTIVE BARGAINING AGREEMENT--WSRCC ADULT FAMILY HOME**  
6 **PROVIDERS.** Appropriations in this act reflect the collective  
7 bargaining agreement reached between the governor and the Washington  
8 state residential care council of adult family homes under the  
9 provisions of chapter 41.56 RCW.

10 NEW SECTION. **Sec. 905.** A new section is added to 2009 c 564  
11 (uncodified) to read as follows:

12 For purposes of RCW 43.88.110(7), any cash deficit in existence at  
13 the close of fiscal year 2010 shall be liquidated over the remainder of  
14 the 2009-2011 fiscal biennium.

15 **Sec. 906.** 2009 c 564 s 914 (uncodified) is amended to read as  
16 follows:

17 **COMPENSATION--INSURANCE BENEFITS.** Appropriations for state  
18 agencies in this act are sufficient for nonrepresented and represented  
19 state employee health benefits for state agencies, including  
20 institutions of higher education and are subject to the following  
21 conditions and limitations:

22 (1)(a) The monthly employer funding rate for insurance benefit  
23 premiums, public employees' benefits board administration, and the  
24 uniform medical plan, shall not exceed \$745 per eligible employee for  
25 fiscal year 2010. For fiscal year 2011 the monthly employer funding  
26 rate shall not exceed (~~(\$768)~~) \$850 per eligible employee.

27 (b) In order to achieve the level of funding provided for health  
28 benefits, the public employees' benefits board shall require any or all  
29 of the following: Employee premium copayments, increases in  
30 point-of-service cost sharing, the implementation of managed  
31 competition, or make other changes to benefits consistent with RCW  
32 41.05.065. During the 2009-11 fiscal biennium, the board may only  
33 authorize benefit plans and premium contributions for an employee and  
34 the employee's dependents that are the same, regardless of an

1 employee's status as represented or nonrepresented under the personnel  
2 system reform act of 2002.

3 (c) The health care authority shall deposit any moneys received on  
4 behalf of the uniform medical plan as a result of rebates on  
5 prescription drugs, audits of hospitals, subrogation payments, or any  
6 other moneys recovered as a result of prior uniform medical plan claims  
7 payments, into the public employees' and retirees' insurance account to  
8 be used for insurance benefits. Such receipts shall not be used for  
9 administrative expenditures.

10 (d) The conditions in this section apply to benefits for  
11 nonrepresented employees, employees represented by the super coalition,  
12 and represented employees outside of the super coalition, including  
13 employees represented under chapter 47.64 RCW.

14 (2) The health care authority, subject to the approval of the  
15 public employees' benefits board, shall provide subsidies for health  
16 benefit premiums to eligible retired or disabled public employees and  
17 school district employees who are eligible for medicare, pursuant to  
18 RCW 41.05.085. From January 1, 2010, through the remainder of the  
19 2009-11 fiscal biennium, the subsidy shall be \$182.89.

20 (3) Technical colleges, school districts, and educational service  
21 districts shall remit to the health care authority for deposit into the  
22 public employees' and retirees' insurance account established in RCW  
23 41.05.120 the following amounts:

24 (a) For each full-time employee, \$59.59 per month beginning  
25 September 1, 2009, and (~~(\$64.90)~~) \$62.48 beginning September 1, 2010;

26 (b) For each part-time employee, who at the time of the remittance  
27 is employed in an eligible position as defined in RCW 41.32.010 or  
28 41.40.010 and is eligible for employer fringe benefit contributions for  
29 basic benefits, \$59.59 each month beginning September 1, 2009, and  
30 (~~(\$64.90)~~) \$62.48 beginning September 1, 2010, prorated by the  
31 proportion of employer fringe benefit contributions for a full-time  
32 employee that the part-time employee receives. The remittance  
33 requirements specified in this subsection shall not apply to employees  
34 of a technical college, school district, or educational service  
35 district who purchase insurance benefits through contracts with the  
36 health care authority.

1       **Sec. 907.** 2010 c 247 s 503 (uncodified) is amended to read as  
2 follows:

3       **COMPENSATION--INSURANCE BENEFITS.** Appropriations for state  
4 agencies in this act are sufficient for nonrepresented and represented  
5 state employee health benefits for state agencies, and are subject to  
6 the following conditions and limitations:

7       (1)(a) Unless otherwise provided in the 2010 supplemental omnibus  
8 operating appropriations act, the monthly employer funding rate for  
9 insurance benefit premiums, public employees' benefits board  
10 administration, and the uniform medical plan, shall not exceed \$745 per  
11 eligible employee for fiscal year 2010. For fiscal year 2011, the  
12 monthly employer funding rate shall not exceed (~~(\$795)~~) \$850 per  
13 eligible employee.

14       (b) In order to achieve the level of funding provided for health  
15 benefits, the public employees' benefits board shall require any or all  
16 of the following: Employee premium copayments; increases in point-of-  
17 service cost sharing; the implementation of managed competition; or  
18 make other changes to benefits consistent with RCW 41.05.065. During  
19 the 2009-11 fiscal biennium, the board may only authorize benefit plans  
20 and premium contributions for an employee and the employee's dependents  
21 that are the same, regardless of an employee's status as represented or  
22 nonrepresented under the personnel system reform act of 2002.

23       (c) The health care authority shall deposit any moneys received on  
24 behalf of the uniform medical plan as a result of rebates on  
25 prescription drugs, audits of hospitals, subrogation payments, or any  
26 other moneys recovered as a result of prior uniform medical plan claims  
27 payments into the public employees' and retirees' insurance account to  
28 be used for insurance benefits. Such receipts shall not be used for  
29 administrative expenditures.

30       (d) The conditions in this section apply to benefits for  
31 nonrepresented employees, employees represented by the super coalition,  
32 and represented employees outside of the super coalition, including  
33 employees represented under chapter 47.64 RCW.

34       (2) Unless otherwise provided in the 2010 supplemental omnibus  
35 operating appropriations act, the health care authority, subject to the  
36 approval of the public employees' benefits board, shall provide  
37 subsidies for health benefit premiums to eligible retired or disabled  
38 public employees and school district employees who are eligible for

1 medicare, pursuant to RCW 41.05.085. From January 1, 2010, through  
2 December 31, 2010, the subsidy shall be \$182.89. Beginning January 1,  
3 2011, the subsidy shall be \$182.89 per month.

4 NEW SECTION. **Sec. 908.** A new section is added to 2009 c 564  
5 (uncodified) to read as follows:

6 (1) During the 2009-2011 fiscal biennium, every state agency shall  
7 implement processes to make all renewal notices available to customers  
8 via electronic means by July 1, 2012. The appropriations in this act  
9 provide funding for this purpose.

10 (2) Every state agency shall encourage customers to opt-in for an  
11 electronic renewal notice in lieu of physical renewal notice.

12 (3) For purposes of this section:

13 (a) "Renewal notices" includes, but is not limited to, notices for  
14 the renewal of licenses, registrations, and permits; and

15 (b) "State agency" includes every state office, department,  
16 division, bureau, board, and commission of the state.

17 NEW SECTION. **Sec. 909.** A new section is added to 2009 c 564  
18 (uncodified) to read as follows:

19 **CORE FUNCTIONS OF GOVERNMENT REVIEW.** (1) The legislature intends  
20 to evaluate whether the state agencies and activities are performing in  
21 the most efficient manner.

22 (2) By August 1, 2010, the joint legislative audit and review  
23 committee must select one of the priorities of government results and  
24 determine the relative priority of each activity based on the  
25 activity's contribution to the overall objectives of the priorities of  
26 government results area.

27 (3) The state auditor must select at least one but not more than  
28 four of the highest priority activities identified under subsection (2)  
29 of this section to be the subject of performance audits. The  
30 activities must be selected for performance audits under this  
31 subsection based on the evidence that the program or activity would  
32 likely benefit from the evaluation or review. The performance audit  
33 shall be conducted using generally accepted government auditing  
34 standards and may include an evaluation of: (a) Ways to improve  
35 performance, streamline operations, and provide cost-effective service  
36 to citizens; (b) programs and services that can be eliminated, reduced,

1 consolidated, or enhanced; and (c) gaps and overlaps in the programs  
2 and services and recommendations for improving, eliminating, blending,  
3 or separating functions to correct gaps or overlaps.

4 (4) The state auditor must select at least one of the lowest  
5 priority activities identified in subsection (2) of this section to be  
6 the subject of an activity assessment. The assessment must address the  
7 following questions:

8 (a) Does the activity continue to serve the purpose for which it  
9 was created?

10 (b) In comparison to other programs and priorities, does this  
11 purpose continue to merit the use of the state's limited resources?

12 (c) Does this activity continue to contribute to the priorities of  
13 government identified?

14 (d) Are there better alternatives for the use of these resources or  
15 to accomplish the objective of the activity?

16 (5) The performance audits conducted under subsection (3) of this  
17 section and the assessments under subsection (4) of this section must  
18 be completed by June 30, 2011.

19 **Sec. 910.** RCW 13.06.050 and 1993 c 415 s 7 are each amended to  
20 read as follows:

21 No county shall be entitled to receive any state funds provided by  
22 this chapter until its application and plan are approved, and unless  
23 and until the minimum standards prescribed by the department of social  
24 and health services are complied with and then only on such terms as  
25 are set forth in this section. In addition, any county making  
26 application for state funds under this chapter that also operates a  
27 juvenile detention facility must have standards of operations in place  
28 that include: Intake and admissions, medical and health care,  
29 communication, correspondence, visiting and telephone use, security and  
30 control, sanitation and hygiene, juvenile rights, rules and discipline,  
31 property, juvenile records, safety and emergency procedures,  
32 programming, release and transfer, training and staff development, and  
33 food service.

34 (1) For the 2009-2011 fiscal biennium, the distribution of funds to  
35 a county or a group of counties ((shall)) may be based on criteria  
36 including but not limited to the county's per capita income, regional  
37 or county at-risk populations, juvenile crime or arrest rates, rates of



1 poverty, size of racial minority populations, existing programs, and  
2 the effectiveness and efficiency of consolidating local programs  
3 towards reducing commitments to state correctional facilities for  
4 offenders whose standard range disposition does not include commitment  
5 of the offender to the department and reducing reliance on other  
6 traditional departmental services.

7 (2) The secretary will reimburse a county upon presentation and  
8 approval of a valid claim pursuant to the provisions of this chapter  
9 based on actual performance in meeting the terms and conditions of the  
10 approved plan and contract. Funds received by participating counties  
11 under this chapter shall not be used to replace local funds for  
12 existing programs.

13 (3) The secretary, in conjunction with the human rights commission,  
14 shall evaluate the effectiveness of programs funded under this chapter  
15 in reducing racial disproportionality. The secretary shall investigate  
16 whether implementation of such programs has reduced disproportionality  
17 in counties with initially high levels of disproportionality. The  
18 analysis shall indicate which programs are cost-effective in reducing  
19 disproportionality in such areas as alternatives to detention, intake  
20 and risk assessment standards pursuant to RCW 13.40.038, alternatives  
21 to incarceration, and in the prosecution and adjudication of juveniles.  
22 The secretary shall report his or her findings to the legislature by  
23 December 1, 1994, and December 1 of each year thereafter.

24 NEW SECTION. **Sec. 911.** A new section is added to 2009 c 564  
25 (uncodified) to read as follows:

26 (1) Except for the activities and organizations provided in  
27 subsection (2) of this section, all small agencies with fewer than 176  
28 FTEs shall utilize the office of financial management small agency  
29 client services for budget, accounting, and payroll services. The  
30 director of financial management shall define the transition process  
31 and specific agency requirements.

32 (2) The following activities and organizations are not subject to  
33 the requirements of subsection (1) of this section:

34 (a) The processing of invoices and budgeting provided for  
35 conservation districts by agencies established under chapters 89.08 and  
36 89.10 RCW;

1 (b) The accounting requirements of the state housing finance  
2 commission and its affiliates established under chapters 43.180,  
3 28B.07, and 43.340 RCW; and

4 (c) The accounting requirements of the health care facilities  
5 authority established under chapter 70.37 RCW, and the economic  
6 development finance authority established under chapter 43.163 RCW.

7 **Sec. 912.** RCW 15.76.115 and 2001 2nd sp.s. c 16 s 1 are each  
8 amended to read as follows:

9 The fair fund is created in the custody of the state treasury. All  
10 moneys received by the department of agriculture for the purposes of  
11 this fund and from RCW 67.16.105(4) shall be deposited into the fund.  
12 At the beginning of fiscal year 2002 and each fiscal year thereafter,  
13 the state treasurer shall transfer into the fair fund from the general  
14 fund the sum of two million dollars, except for fiscal year 2011 the  
15 state treasurer shall transfer into the fair fund from the general fund  
16 the sum of one million one hundred three thousand dollars.  
17 Expenditures from the fund may be used only for assisting fairs in the  
18 manner provided in this chapter. Only the director of agriculture or  
19 the director's designee may authorize expenditures from the fund. The  
20 fund is subject to allotment procedures under chapter 43.88 RCW, but no  
21 appropriation is required for expenditures.

22 **Sec. 913.** RCW 28A.300.380 and 2000 c 84 s 2 are each amended to  
23 read as follows:

24 (1) The superintendent of public instruction shall maintain support  
25 for statewide coordination for career and technical student  
26 organizations by providing program staff support that is available to  
27 assist in meeting the needs of career and technical student  
28 organizations and their members and students. ~~((The superintendent  
29 shall provide at least one full-time equivalent program staff for  
30 purposes of implementing this section.))~~ The superintendent may  
31 provide additional support to the organizations through contracting  
32 with independent coordinators.

33 (2) Career and technical student organizations eligible for  
34 technical assistance and other support services under this section are  
35 organizations recognized as career and technical student organizations  
36 by:

1 (a) The United States department of education; or  
2 (b) The superintendent of public instruction, if such recognition  
3 is recommended by the Washington association for career and technical  
4 education.

5 (3) Career and technical student organizations eligible for  
6 technical assistance and other support services under this section  
7 include, but are not limited to: The national FFA organization;  
8 family, career, and community leaders of America; skillsUSA;  
9 distributive education clubs of America; future business leaders of  
10 America; and the technology student association.

11 **Sec. 914.** RCW 28B.50.837 and 2009 c 564 s 1803 are each amended to  
12 read as follows:

13 (1) The Washington community and technical college exceptional  
14 faculty awards program is established. The program shall be  
15 administered by the college board. The college faculty awards trust  
16 fund hereby created shall be administered by the state treasurer.

17 (2) Funds appropriated by the legislature for the community and  
18 technical college exceptional faculty awards program shall be deposited  
19 in the college faculty awards trust fund. At the request of the  
20 college board, the treasurer shall release the state matching funds to  
21 the local endowment fund of the college or its foundation. No  
22 appropriation is necessary for the expenditure of moneys from the fund.  
23 Expenditures from the fund may be used solely for the exceptional  
24 faculty awards program. During the ((2007-2009)) 2009-2011 fiscal  
25 biennium, the legislature may transfer from the college faculty awards  
26 trust fund to the state general fund such amounts as reflect the excess  
27 fund balance in the account ((~~fund~~)).

28 **Sec. 915.** RCW 28B.76.565 and 2009 c 564 s 1805 are each amended to  
29 read as follows:

30 Funds appropriated by the legislature for the distinguished  
31 professorship program shall be deposited in the distinguished  
32 professorship trust fund. At the request of the higher education  
33 coordinating board under RCW 28B.76.575, the treasurer shall release  
34 the state matching funds to the designated institution's local  
35 endowment fund. No appropriation is required for expenditures from the  
36 fund. During the ((2007-2009)) 2009-2011 fiscal biennium, the

1 legislature may transfer from the distinguished professorship trust  
2 fund to the state general fund such amounts as reflect the excess fund  
3 balance in the account (~~(fund)~~).

4 **Sec. 916.** RCW 28B.76.610 and 2009 c 564 s 1806 are each amended to  
5 read as follows:

6 Funds appropriated by the legislature for the graduate fellowship  
7 program shall be deposited in the graduate fellowship trust fund. At  
8 the request of the higher education coordinating board under RCW  
9 28B.76.620, the treasurer shall release the state matching funds to the  
10 designated institution's local endowment fund. No appropriation is  
11 required for expenditures from the fund. During the (~~(2007-2009)~~)  
12 2009-2011 fiscal biennium, the legislature may transfer from the  
13 graduate fellowship trust fund to the state general fund such amounts  
14 as reflect the excess fund balance in the account (~~(fund)~~).

15 **Sec. 917.** RCW 28B.102.080 and 2007 c 396 s 9 are each amended to  
16 read as follows:

17 (1) The future teachers conditional scholarship account is created  
18 in the custody of the state treasurer. An appropriation is not  
19 required for expenditures of funds from the account. The account is  
20 not subject to allotment procedures under chapter 43.88 RCW except for  
21 moneys used for program administration.

22 (2) The board shall deposit in the account all moneys received for  
23 the future teachers conditional scholarship and loan repayment program  
24 and for conditional loan programs under chapter 28A.660 RCW. The  
25 account shall be self-sustaining and consist of funds appropriated by  
26 the legislature for the future teachers conditional scholarship and  
27 loan repayment program, private contributions to the program, receipts  
28 from participant repayments from the future teachers conditional  
29 scholarship and loan repayment program, and conditional loan programs  
30 established under chapter 28A.660 RCW. Beginning July 1, 2004, the  
31 board shall also deposit into the account: (a) All funds from the  
32 institution of higher education loan account that are traceable to any  
33 conditional scholarship program for teachers or prospective teachers  
34 established by the legislature before June 10, 2004; and (b) all  
35 amounts repaid by individuals under any such program.

1 (3) Expenditures from the account may be used solely for  
2 conditional loans and loan repayments to participants in the future  
3 teachers conditional scholarship and loan repayment program established  
4 by this chapter, conditional scholarships for participants in programs  
5 established in chapter 28A.660 RCW, and costs associated with program  
6 administration by the board.

7 (4) Disbursements from the account may be made only on the  
8 authorization of the board.

9 (5) During the 2009-2011 fiscal biennium, the legislature may  
10 transfer from the future teachers conditional scholarship account to  
11 the state general fund such amounts as reflect the excess fund balance  
12 of the account.

13 **Sec. 918.** RCW 28B.105.110 and 2009 c 564 s 1807 and 2009 c 564 s  
14 920 are each reenacted and amended to read as follows:

15 (1) The GET ready for math and science scholarship account is  
16 created in the custody of the state treasurer.

17 (2) The board shall deposit into the account all money received for  
18 the GET ready for math and science scholarship program from  
19 appropriations and private sources. The account shall be  
20 self-sustaining.

21 (3) Expenditures from the account shall be used for scholarships to  
22 eligible students and for purchases of GET units. Purchased GET units  
23 shall be owned and held in trust by the board. Expenditures from the  
24 account shall be an equal match of state appropriations and private  
25 funds raised by the program administrator. During the 2009-2011 fiscal  
26 biennium, expenditures from the account not to exceed five percent may  
27 be used by the program administrator to carry out the provisions of RCW  
28 28B.105.090.

29 (4) With the exception of the operating costs associated with the  
30 management of the account by the treasurer's office as authorized in  
31 chapter 43.79A RCW, the account shall be credited with all investment  
32 income earned by the account.

33 (5) Disbursements from the account are exempt from appropriations  
34 and the allotment provisions of chapter 43.88 RCW.

35 (6) Disbursements from the account shall be made only on the  
36 authorization of the board.

1 (7) During the 2007-2009 fiscal biennium, the legislature may  
2 transfer state appropriations to the GET ready for math and science  
3 scholarship account that have not been matched by private contributions  
4 to the state general fund.

5 (8) During the 2009-2011 fiscal biennium, the legislature may  
6 transfer from the GET ready for math and science scholarship account to  
7 the state general fund such amounts as have not been donated from or  
8 matched by private contributions.

9 **Sec. 919.** RCW 38.52.105 and 2005 c 422 s 2 are each amended to  
10 read as follows:

11 The disaster response account is created in the state treasury.  
12 Moneys may be placed in the account from legislative appropriations and  
13 transfers, federal appropriations, or any other lawful source. Moneys  
14 in the account may be spent only after appropriation. Expenditures  
15 from the account may be used only for support of state agency and local  
16 government disaster response and recovery efforts and to reimburse the  
17 workers' compensation funds and self-insured employers under RCW  
18 51.16.220. (~~During the 2001-03 biennium, funds from the account may~~  
19 ~~also be used for costs associated with national security preparedness~~  
20 ~~activities.)) During the 2009-2011 fiscal biennium, the legislature may~~

21 transfer from the disaster response account to the state drought  
22 preparedness account such amounts as reflect the excess fund balance of  
23 the account to support expenditures related to a state drought  
24 declaration.

25 **Sec. 920.** RCW 43.17.390 and 2009 c 564 s 931 are each amended to  
26 read as follows:

27 Starting (~~in 2012~~) June 30, 2010, and at least once every three  
28 years thereafter, each agency with more than three hundred full-time  
29 equivalent employees shall apply to the Washington state quality award,  
30 or similar organization, for an independent assessment of its quality  
31 management, accountability, and performance system. The assessment  
32 shall evaluate the effectiveness of all elements of its management,  
33 accountability, and performance system, including: Leadership,  
34 strategic planning, customer focus, analysis and information, employee  
35 performance management, and process improvement. The purpose of the

1 assessment is to recognize best practice and identify improvement  
2 opportunities.

3 **Sec. 921.** RCW 43.20A.725 and 2004 c 254 s 1 are each amended to  
4 read as follows:

5 (1) The department, through the sole authority of the office or its  
6 successor organization, shall maintain a program whereby an individual  
7 of school age or older who possesses a hearing or speech impairment is  
8 provided with telecommunications equipment, software, and/or peripheral  
9 devices, digital or otherwise, that is determined by the office to be  
10 necessary for such a person to access and use telecommunications  
11 transmission services effectively.

12 (2) The department, through the sole authority of the office or its  
13 successor organization, shall maintain a program where  
14 telecommunications relay services of a human or electronic nature will  
15 be provided to connect hearing impaired, deaf-blind, or speech impaired  
16 persons with persons who do not have a hearing or speech impairment.  
17 Such telecommunications relay services shall provide the ability for an  
18 individual who has a hearing or speech impairment to engage in voice,  
19 tactile, or visual communication by wire or radio with a hearing  
20 individual in a manner that is functionally equivalent to the ability  
21 of an individual who does not have a hearing or speech impairment to  
22 communicate using voice or visual communication services by wire or  
23 radio subject to subsection (4)(b) of this section.

24 (3) The telecommunications relay service and equipment distribution  
25 program may operate in such a manner as to provide communications  
26 transmission opportunities that are capable of incorporating new  
27 technologies that have demonstrated benefits consistent with the intent  
28 of this chapter and are in the best interests of the citizens of this  
29 state.

30 (4) The office shall administer and control the award of money to  
31 all parties incurring costs in implementing and maintaining  
32 telecommunications services, programs, equipment, and technical support  
33 services according to this section. The relay service contract shall  
34 be awarded to an individual company registered as a telecommunications  
35 company by the utilities and transportation commission, to a group of  
36 registered telecommunications companies, or to any other company or  
37 organization determined by the office as qualified to provide relay

1 services, contingent upon that company or organization being approved  
2 as a registered telecommunications company prior to final contract  
3 approval. The relay system providers and telecommunications equipment  
4 vendors shall be selected on the basis of cost-effectiveness and  
5 utility to the greatest extent possible under the program and technical  
6 specifications established by the office.

7 (a) To the extent funds are available under the then-current rate  
8 and not otherwise held in reserve or required for other purposes  
9 authorized by this chapter, the office may award contracts for  
10 communications and related services and equipment for hearing impaired  
11 or speech impaired individuals accessing or receiving services provided  
12 by, or contracted for, the department to meet access obligations under  
13 Title 2 of the federal Americans with disabilities act or related  
14 federal regulations.

15 (b) The office shall perform its duties under this section with the  
16 goal of achieving functional equivalency of access to and use of  
17 telecommunications services similar to the enjoyment of access to and  
18 use of such services experienced by an individual who does not have a  
19 hearing or speech impairment only to the extent that funds are  
20 available under the then-current rate and not otherwise held in reserve  
21 or required for other purposes authorized by this chapter.

22 (5) The program shall be funded by a telecommunications relay  
23 service (TRS) excise tax applied to each switched access line provided  
24 by the local exchange companies. The office shall determine, in  
25 consultation with the office's program advisory committee, the budget  
26 needed to fund the program on an annual basis, including both  
27 operational costs and a reasonable amount for capital improvements such  
28 as equipment upgrade and replacement. The budget proposed by the  
29 office, together with documentation and supporting materials, shall be  
30 submitted to the office of financial management for review and  
31 approval. The approved budget shall be given by the department in an  
32 annual budget to the department of revenue no later than March 1st  
33 prior to the beginning of the fiscal year. The department of revenue  
34 shall then determine the amount of telecommunications relay service  
35 excise tax to be placed on each switched access line and shall inform  
36 local exchange companies and the utilities and transportation  
37 commission of this amount no later than May 1st. The department of  
38 revenue shall determine the amount of telecommunications relay service



1 excise tax to be collected in the following fiscal year by dividing the  
2 total of the program budget, as submitted by the office, by the total  
3 number of switched access lines in the prior calendar year, as reported  
4 to the department of revenue under chapter 82.14B RCW, and shall not  
5 exercise any further oversight of the program under this subsection  
6 other than administering the collection of the telecommunications relay  
7 service excise tax as provided in RCW 82.72.010 through 82.72.090. The  
8 telecommunications relay service excise tax shall not exceed nineteen  
9 cents per month per access line. The telecommunications relay service  
10 excise tax shall be separately identified on each ratepayer's bill with  
11 the following statement: "Funds federal ADA requirement." All  
12 proceeds from the telecommunications relay service excise tax shall be  
13 put into a fund to be administered by the office through the  
14 department. During the 2009-2011 fiscal biennium, the funds may also  
15 be used to provide individualized employment services and employment-  
16 related counseling to people with disabilities, and technical  
17 assistance to employers about the employment of people with  
18 disabilities. "Switched access line" has the meaning provided in RCW  
19 82.14B.020.

20 (6) The telecommunications relay service program and equipment  
21 vendors shall provide services and equipment consistent with the  
22 requirements of federal law for the operation of both interstate and  
23 intrastate telecommunications services for the hearing impaired or  
24 speech impaired. The department and the utilities and transportation  
25 commission shall be responsible for ensuring compliance with federal  
26 requirements and shall provide timely notice to the legislature of any  
27 legislation that may be required to accomplish compliance.

28 (7) The department shall adopt rules establishing eligibility  
29 criteria, ownership obligations, financial contributions, and a program  
30 for distribution to individuals requesting and receiving such  
31 telecommunications devices distributed by the office, and other rules  
32 necessary to administer programs and services consistent with this  
33 chapter.

34 **Sec. 922.** RCW 43.43.839 and 1995 c 169 s 2 are each amended to  
35 read as follows:

36 The fingerprint identification account is created in the custody of  
37 the state treasurer. All receipts from incremental charges of

1 fingerprint checks requested for noncriminal justice purposes and  
2 electronic background requests shall be deposited in the account.  
3 Receipts for fingerprint checks by the federal bureau of investigation  
4 may also be deposited in the account. Expenditures from the account  
5 may be used only for the cost of record checks. Only the chief of the  
6 state patrol or the chief's designee may authorize expenditures from  
7 the account. The account is subject to allotment procedures under  
8 chapter 43.88 RCW. No appropriation is required for expenditures prior  
9 to July 1, 1997. After June 30, 1997, the account shall be subject to  
10 appropriation. During the 2009-2011 fiscal biennium, the legislature  
11 may transfer from the fingerprint identification account to the state  
12 general fund such amounts as reflect the excess fund balance of the  
13 account.

14 **Sec. 923.** RCW 43.43.944 and 2007 c 520 s 6034 are each amended to  
15 read as follows:

16 (1) The fire service training account is hereby established in the  
17 state treasury. The fund shall consist of:

18 (a) All fees received by the Washington state patrol for fire  
19 service training;

20 (b) All grants and bequests accepted by the Washington state patrol  
21 under RCW 43.43.940;

22 (c) Twenty percent of all moneys received by the state on fire  
23 insurance premiums; and

24 (d) General fund--state moneys appropriated into the account by the  
25 legislature.

26 (2) Moneys in the account may be appropriated only for fire service  
27 training. The state patrol may use amounts appropriated from the fire  
28 service training account under this section to contract with the  
29 Washington state firefighters apprenticeship trust for the operation of  
30 the firefighter joint apprenticeship training program. The contract  
31 may call for payments on a monthly basis. During the ((2007-2009))  
32 2009-2011 fiscal biennium, the legislature may appropriate funds from  
33 this account for school fire prevention activities within the  
34 Washington state patrol ((and additional sanitary wastewater treatment  
35 capacity at the state fire service training center)).

36 (3) Any general fund--state moneys appropriated into the account  
37 shall be allocated solely to the firefighter joint apprenticeship

1 training program. The Washington state patrol may contract with  
2 outside entities for the administration and delivery of the firefighter  
3 joint apprenticeship training program.

4 **Sec. 924.** RCW 43.60A.185 and 2006 c 343 s 8 are each amended to  
5 read as follows:

6 The veterans innovations program account is created in the state  
7 treasury. Moneys in the account may be spent only after appropriation.  
8 Expenditures from the account may be used only for purposes of the  
9 veterans innovations program. During the 2009-2011 fiscal biennium,  
10 the funds may be used for contracting for veterans' claims assistance  
11 services.

12 **Sec. 925.** RCW 43.131.406 and 2006 c 343 s 11 are each amended to  
13 read as follows:

14 The following acts or parts of acts, as now existing or hereafter  
15 amended, are each repealed, effective June 30, 2017:

- 16 (1) 2006 c 343 s 1 (uncodified);  
17 (2) RCW 43.60A.160 and 2006 c 343 s 3;  
18 (3) RCW 43.60A.165 and 2006 c 343 s 4;  
19 (4) RCW 43.60A.170 and 2006 c 343 s 5;  
20 (5) RCW 43.60A.175 and 2006 c 343 s 6;  
21 (6) RCW 43.60A.180 and 2006 c 343 s 7; and  
22 (7) RCW 43.60A.185 and section 924 of this act and 2006 c 343 s 8.

23 **Sec. 926.** RCW 43.70.110 and 2009 c 403 s 5 are each amended to  
24 read as follows:

25 (1) The secretary shall charge fees to the licensee for obtaining  
26 a license. Physicians regulated pursuant to chapter 18.71 RCW who  
27 reside and practice in Washington and obtain or renew a retired active  
28 license are exempt from such fees. After June 30, 1995, municipal  
29 corporations providing emergency medical care and transportation  
30 services pursuant to chapter 18.73 RCW shall be exempt from such fees,  
31 provided that such other emergency services shall only be charged for  
32 their pro rata share of the cost of licensure and inspection, if  
33 appropriate. The secretary may waive the fees when, in the discretion  
34 of the secretary, the fees would not be in the best interest of public

1 health and safety, or when the fees would be to the financial  
2 disadvantage of the state.

3 (2) Except as provided in subsection (3) of this section, fees  
4 charged shall be based on, but shall not exceed, the cost to the  
5 department for the licensure of the activity or class of activities and  
6 may include costs of necessary inspection.

7 (3) License fees shall include amounts in addition to the cost of  
8 licensure activities in the following circumstances:

9 (a) For registered nurses and licensed practical nurses licensed  
10 under chapter 18.79 RCW, support of a central nursing resource center  
11 as provided in RCW 18.79.202, until June 30, 2013;

12 (b) For all health care providers licensed under RCW 18.130.040,  
13 the cost of regulatory activities for retired volunteer medical worker  
14 licensees as provided in RCW 18.130.360; and

15 (c) For physicians licensed under chapter 18.71 RCW, physician  
16 assistants licensed under chapter 18.71A RCW, osteopathic physicians  
17 licensed under chapter 18.57 RCW, osteopathic physicians' assistants  
18 licensed under chapter 18.57A RCW, naturopaths licensed under chapter  
19 18.36A RCW, podiatrists licensed under chapter 18.22 RCW, chiropractors  
20 licensed under chapter 18.25 RCW, psychologists licensed under chapter  
21 18.83 RCW, registered nurses licensed under chapter 18.79 RCW,  
22 optometrists licensed under chapter 18.53 RCW, mental health counselors  
23 licensed under chapter 18.225 RCW, massage therapists licensed under  
24 chapter 18.108 RCW, clinical social workers licensed under chapter  
25 18.225 RCW, and acupuncturists licensed under chapter 18.06 RCW, the  
26 license fees shall include up to an additional twenty-five dollars to  
27 be transferred by the department to the University of Washington for  
28 the purposes of RCW 43.70.112. During the 2009-2011 fiscal biennium,  
29 five dollars of the current twenty-dollar fee received from registered  
30 nurses under this subsection may be expended by the department of  
31 health exclusively for the purposes of funding approved treatment  
32 programs for impaired registered nurses, registered nursing license  
33 processing functions, and disciplinary activities related to registered  
34 nurses.

35 (4) Department of health advisory committees may review fees  
36 established by the secretary for licenses and comment upon the  
37 appropriateness of the level of such fees.

1       **Sec. 927.** RCW 43.78.030 and 1994 c 82 s 1 are each amended to read  
2 as follows:

3       The public printer shall print and bind the session laws, the  
4 journals of the two houses of the legislature, all bills, resolutions,  
5 documents, and other printing and binding of either the senate or  
6 house, as the same may be ordered by the legislature; and such forms,  
7 blanks, record books, and printing and binding of every description as  
8 may be ordered by all state officers, boards, commissions, and  
9 institutions, and the supreme court, and the court of appeals and  
10 officers thereof, as the same may be ordered on requisition, from time  
11 to time, by the proper authorities. This section shall not apply to  
12 the printing of the supreme court and the court of appeals reports, to  
13 the printing of bond certificates or bond offering disclosure  
14 documents, to the printing of educational publications of the state  
15 historical societies, or to any printing done or contracted for by  
16 institutions of higher education: PROVIDED, That institutions of  
17 higher education, in consultation with the public printer, develop  
18 vendor selection procedures comparable to those used by the public  
19 printer for contracted printing jobs. Where any institution or  
20 institution of higher learning of the state is or may become equipped  
21 with facilities for doing such work, it may do any printing: (1) For  
22 itself, or (2) for any other state institution when such printing is  
23 done as part of a course of study relative to the profession of  
24 printer. Any printing and binding of whatever description as may be  
25 needed by any institution or agency of the state department of social  
26 and health services not at Olympia, or the supreme court or the court  
27 of appeals or any officer thereof, the estimated cost of which shall  
28 not exceed one thousand dollars, may be done by any private printing  
29 company in the general vicinity within the state of Washington so  
30 ordering, if in the judgment of the officer of the agency so ordering,  
31 the saving in time and processing justifies the award to such local  
32 private printing concern.

33       Beginning on July 1, 1989, and on July 1 of each succeeding odd-  
34 numbered year, the dollar limit specified in this section shall be  
35 adjusted as follows: The office of financial management shall  
36 calculate such limit by adjusting the previous biennium's limit by an  
37 appropriate federal inflationary index reflecting the rate of inflation

1 for the previous biennium. Such amounts shall be rounded to the  
2 nearest fifty dollars.

3 During the 2009-2011 fiscal biennium, this section does not apply  
4 to pilot printing projects authorized by the office of financial  
5 management to allow state agencies and institutions to directly acquire  
6 printing services.

7 **Sec. 928.** RCW 43.79.460 and 2009 c 518 s 21 are each amended to  
8 read as follows:

9 (1) The savings incentive account is created in the custody of the  
10 state treasurer. The account shall consist of all moneys appropriated  
11 to the account by the legislature. The account is subject to the  
12 allotment procedures under chapter 43.88 RCW, but no appropriation is  
13 required for expenditures from the account.

14 (2) Within the savings incentive account, the state treasurer may  
15 create subaccounts to be credited with incentive savings attributable  
16 to individual state agencies, as determined by the office of financial  
17 management in consultation with the legislative fiscal committees.  
18 Moneys deposited in the subaccounts may be expended only on the  
19 authorization of the agency's executive head or designee and only for  
20 the purpose of one-time expenditures to improve the quality,  
21 efficiency, and effectiveness of services to customers of the state,  
22 such as one-time expenditures for employee training, employee  
23 incentives, technology improvements, new work processes, or performance  
24 measurement. Funds may not be expended from the account to establish  
25 new programs or services, expand existing programs or services, or  
26 incur ongoing costs that would require future expenditures.

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

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

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

2 (c) A specific amount contained in a condition or limitation to an  
3 appropriation in the biennial appropriations act, if the agency did not  
4 achieve the specific purpose or objective of the condition or  
5 limitation;

6 (d) Debt service on state obligations; and

7 (e) State retirement system obligations.

8 (4) The office of financial management, after consulting with the  
9 legislative fiscal committees, shall report the amount of savings  
10 incentives achieved.

11 (5) For fiscal year 2009, the legislature may transfer from the  
12 savings incentive account to the state general fund such amounts as  
13 reflect the fund balance of the account attributable to unspent state  
14 general fund appropriations for fiscal year 2008. For fiscal year  
15 2010, the legislature may transfer from the savings incentive account  
16 to the state general fund such amounts as reflect the fund balance of  
17 the account attributable to unspent state general fund appropriations  
18 for fiscal year 2009.

19 **Sec. 929.** RCW 43.79.465 and 2009 c 4 s 903 are each amended to  
20 read as follows:

21 The education savings account is created in the state treasury.  
22 The account shall consist of all moneys appropriated to the account by  
23 the legislature.

24 (1) Ten percent of legislative appropriations to the education  
25 savings account shall be distributed as follows: (a) Fifty percent to  
26 the distinguished professorship trust fund under RCW 28B.76.565; (b)  
27 seventeen percent to the graduate fellowship trust fund under RCW  
28 28B.76.610; and (c) thirty-three percent to the college faculty awards  
29 trust fund under RCW 28B.50.837.

30 (2) The remaining moneys in the education savings account may be  
31 appropriated solely for (a) common school construction projects that  
32 are eligible for funding from the common school construction account,  
33 (b) technology improvements in the common schools, (c) during the 2001-  
34 03 fiscal biennium, technology improvements in public higher education  
35 institutions, (~~and~~) (d) during the 2007-2009 fiscal biennium, the  
36 legislature may transfer from the education savings account to the  
37 state general fund such amounts as reflect the excess fund balance of

1 the account attributable to unspent state general fund appropriations  
2 for fiscal year 2008, and (e) for fiscal year 2010, the legislature may  
3 transfer from the education savings account to the state general fund  
4 such amounts as reflect the fund balance of the account attributable to  
5 unspent general fund appropriations for fiscal year 2009.

6 **Sec. 930.** RCW 43.89.010 and 2000 2nd sp.s. c 4 s 7 are each  
7 amended to read as follows:

8 The chief of the Washington state patrol is hereby authorized to  
9 establish a communications network which will inter-connect the law  
10 enforcement agencies of the state and its political subdivisions into  
11 a unified written communications system. The chief of the Washington  
12 state patrol is authorized to lease or purchase such facilities and  
13 equipment as may be necessary to establish and maintain the  
14 communications network.

15 (1) The communications network shall be used exclusively for the  
16 official business of the state, and the official business of any city,  
17 county, city and county, or other public agency.

18 (2) This section does not prohibit the occasional use of the  
19 state's communications network by any other state or public agency  
20 thereof when the messages transmitted relate to the enforcement of the  
21 criminal laws of the state.

22 (3) The chief of the Washington state patrol shall fix the monthly  
23 operational charge to be paid by any department or agency of state  
24 government, or any city, county, city and county, or other public  
25 agency participating in the communications network: PROVIDED, That in  
26 computing charges to be made against a city, county, or city and county  
27 the state shall bear at least fifty percent of the costs of such  
28 service as its share in providing a modern unified communications  
29 network to the law enforcement agencies of the state. Of the fees  
30 collected pursuant to this section, one-half shall be deposited in the  
31 motor vehicle fund and one-half shall be deposited in the state patrol  
32 highway account. However, for the 2009-2011 fiscal biennium the fees  
33 collected pursuant to this section shall be deposited in the state  
34 general fund.

35 (4) The chief of the Washington state patrol is authorized to  
36 arrange for the connection of the communications network with the law



1 enforcement communications system of any adjacent state, or the  
2 Province of British Columbia, Canada.

3 **Sec. 931.** RCW 43.105.080 and 1999 c 80 s 8 are each amended to  
4 read as follows:

5 There is created a revolving fund to be known as the data  
6 processing revolving fund in the custody of the state treasurer. The  
7 revolving fund shall be used for the acquisition of equipment,  
8 software, supplies, and services and the payment of salaries, wages,  
9 and other costs incidental to the acquisition, development, operation,  
10 and administration of information services, telecommunications,  
11 systems, software, supplies and equipment, including the payment of  
12 principal and interest on bonds issued for capital projects, by the  
13 department, Washington State University's computer services center, the  
14 department of personnel's personnel information systems division, the  
15 office of financial management's financial systems management group,  
16 and other users as jointly determined by the department and the office  
17 of financial management. The revolving fund is subject to the  
18 allotment procedure provided under chapter 43.88 RCW. Disbursements  
19 from the revolving fund for the services component of the department  
20 are not subject to appropriation. Disbursements for the strategic  
21 planning and policy component of the department are subject to  
22 appropriation. All disbursements from the fund are subject to the  
23 allotment procedures provided under chapter 43.88 RCW. The department  
24 shall establish and implement a billing structure to assure all  
25 agencies pay an equitable share of the costs.

26 During the 2009-2011 fiscal biennium, the legislature may transfer  
27 from the data processing revolving account to the state general fund  
28 such amounts as reflect the excess fund balance associated with the  
29 information technology pool.

30 As used in this section, the word "supplies" shall not be  
31 interpreted to delegate or abrogate the division of purchasing's  
32 responsibilities and authority to purchase supplies as described in RCW  
33 43.19.190 and 43.19.200.

34 **Sec. 932.** RCW 43.155.050 and 2009 c 564 s 940 are each amended to  
35 read as follows:

36 (1) The public works assistance account is hereby established in

1 the state treasury. Money may be placed in the public works assistance  
2 account from the proceeds of bonds when authorized by the legislature  
3 or from any other lawful source. Money in the public works assistance  
4 account shall be used to make loans and to give financial guarantees to  
5 local governments for public works projects. Moneys in the account may  
6 also be appropriated to provide for state match requirements under  
7 federal law for projects and activities conducted and financed by the  
8 board under the drinking water assistance account. Not more than  
9 fifteen percent of the biennial capital budget appropriation to the  
10 public works board from this account may be expended or obligated for  
11 preconstruction loans, emergency loans, or loans for capital facility  
12 planning under this chapter; of this amount, not more than ten percent  
13 of the biennial capital budget appropriation may be expended for  
14 emergency loans and not more than one percent of the biennial capital  
15 budget appropriation may be expended for capital facility planning  
16 loans. During the 2009-2011 fiscal biennium, the legislature may  
17 transfer from the public works assistance account to the general fund  
18 and the city-county assistance account such amounts as reflect the  
19 excess fund balance of the account.

20 (2) The job development fund is hereby established in the state  
21 treasury. Moneys in the job development fund may be spent only after  
22 appropriation. During the 2009-2011 fiscal biennium, the legislature  
23 may transfer from the job development fund to the general fund such  
24 amounts as reflect the excess fund balance of the fund.

25 NEW SECTION. Sec. 933. A new section is added to chapter 43.215  
26 RCW to read as follows:

27 (1)(a) The home visiting services account is created in the custody  
28 of the state treasurer. Revenues to the account shall consist of  
29 appropriations by the legislature and all other sources deposited in  
30 the account.

31 (b) Expenditures from the account shall be used for state matching  
32 funds for the purposes of the program established in this section  
33 including administrative expenses. Only the director or the director's  
34 designee may authorize expenditures from the account. Authorizations  
35 for expenditures may be given only after private funds are committed  
36 and available.

1 (c) Expenditures from the account are exempt from the  
2 appropriations and allotment provisions of chapter 43.88 RCW. However,  
3 amounts used for program administration by the department are subject  
4 to the allotment and budgetary controls of chapter 43.88 RCW, and an  
5 appropriation is required for these expenditures.

6 (2) The department must expend moneys from the account to provide  
7 state matching funds for partnership activities to implement home  
8 visiting services and administer the infrastructure necessary to  
9 develop, support, and evaluate evidence-based, research-based, and  
10 promising home visiting programs.

11 (3) Activities eligible for funding through the account include,  
12 but are not limited to:

13 (a) Home visiting services that achieve one or more of the  
14 following: (i) Enhancing child development and well-being by  
15 alleviating the effects on child development of poverty and other known  
16 risk factors; (ii) reducing the incidence of child abuse and neglect;  
17 or (iii) promoting school readiness for young children and their  
18 families; and

19 (b) Development and maintenance of the infrastructure for home  
20 visiting programs, including training, quality improvement, and  
21 evaluation.

22 (4) Beginning July 1, 2010, the department shall contract with the  
23 nongovernmental private-public partnership designated in RCW 43.215.070  
24 to administer programs funded through the home visiting services  
25 account. The department shall monitor performance and provide periodic  
26 reports on the use outcomes of the home visiting services account.

27 (5) The nongovernmental private-public partnership shall, in the  
28 administration of the programs:

29 (a) Fund programs through a competitive bid process; and

30 (b) Convene an advisory committee of early learning and home  
31 visiting experts, including one representative from the department, to  
32 advise the partnership regarding research and the distribution of funds  
33 from the account to eligible programs.

34 (6) To promote continuity for families receiving home visiting  
35 services through programs funded on the effective date of this section,  
36 those programs funded under chapter 43.121 RCW shall be funded through  
37 June 30, 2012, based on availability of funds and the achievement of  
38 stated performance goals. This section does not require any program to

1 receive continuous funding beyond June 30, 2012. Organizations that  
2 may receive program funding include local health departments;  
3 nonprofit, neighborhood-based, community, regional, or statewide  
4 organizations; and federally recognized Indian tribes located in the  
5 state.

6 **Sec. 934.** RCW 43.320.110 and 2005 c 518 s 932 are each amended to  
7 read as follows:

8 There is created a local fund known as the "financial services  
9 regulation fund" which shall consist of all moneys received by the  
10 divisions of the department of financial institutions, except for the  
11 division of securities which shall deposit thirteen percent of all  
12 moneys received, except as provided in RCW 43.320.115, and which shall  
13 be used for the purchase of supplies and necessary equipment; the  
14 payment of salaries, wages, and utilities; the establishment of  
15 reserves; and other incidental costs required for the proper regulation  
16 of individuals and entities subject to regulation by the department.  
17 The state treasurer shall be the custodian of the fund. Disbursements  
18 from the fund shall be on authorization of the director of financial  
19 institutions or the director's designee. In order to maintain an  
20 effective expenditure and revenue control, the fund shall be subject in  
21 all respects to chapter 43.88 RCW, but no appropriation is required to  
22 permit expenditures and payment of obligations from the fund.

23 During the ((2005-2007)) 2009-2011 fiscal biennium, the legislature  
24 may transfer from the financial services regulation fund to the state  
25 general fund such amounts as reflect the excess fund balance of the  
26 fund.

27 **Sec. 935.** RCW 43.320.165 and 2009 c 386 s 2 are each amended to  
28 read as follows:

29 The prevent or reduce owner-occupied foreclosure program account is  
30 created in the custody of the state treasurer. All receipts from the  
31 appropriation in section 4, chapter 322, Laws of 2008 as well as  
32 receipts from private contributions and all other sources that are  
33 specifically designated for the prevent or reduce owner-occupied  
34 foreclosure program must be deposited into the account. Expenditures  
35 from the account may be used solely for the purpose of preventing or  
36 reducing owner-occupied foreclosures through the prevent or reduce

1 owner-occupied foreclosure program as described in RCW 43.320.160.  
2 Only the director of the department or the director's designee may  
3 authorize expenditures from the account. The account is subject to  
4 allotment procedures under chapter 43.88 RCW, but an appropriation is  
5 not required for expenditures. During the 2009-2011 fiscal biennium,  
6 the legislature may transfer from the prevent or reduce owner-occupied  
7 foreclosure program account to the financial education public-private  
8 partnership account such amounts as reflect the excess fund balance of  
9 the account.

10 **Sec. 936.** RCW 46.09.170 and 2009 c 564 s 944 and 2009 c 187 s 2  
11 are each reenacted and amended to read as follows:

12 (1) From time to time, but at least once each year, the state  
13 treasurer shall refund from the motor vehicle fund one percent of the  
14 motor vehicle fuel tax revenues collected under chapter 82.36 RCW,  
15 based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle  
16 fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per  
17 gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007;  
18 (c) twenty-one cents per gallon of motor vehicle fuel from July 1,  
19 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor  
20 vehicle fuel from July 1, 2009, through June 30, 2011; and (e) twenty-  
21 three cents per gallon of motor vehicle fuel beginning July 1, 2011,  
22 and thereafter, less proper deductions for refunds and costs of  
23 collection as provided in RCW 46.68.090.

24 (2) The treasurer shall place these funds in the general fund as  
25 follows:

26 (a) Thirty-six percent shall be credited to the ORV and nonhighway  
27 vehicle account and administered by the department of natural resources  
28 solely for acquisition, planning, development, maintenance, and  
29 management of ORV, nonmotorized, and nonhighway road recreation  
30 facilities, and information programs and maintenance of nonhighway  
31 roads;

32 (b) Three and one-half percent shall be credited to the ORV and  
33 nonhighway vehicle account and administered by the department of fish  
34 and wildlife solely for the acquisition, planning, development,  
35 maintenance, and management of ORV, nonmotorized, and nonhighway road  
36 recreation facilities and the maintenance of nonhighway roads;

1 (c) Two percent shall be credited to the ORV and nonhighway vehicle  
2 account and administered by the parks and recreation commission solely  
3 for the acquisition, planning, development, maintenance, and management  
4 of ORV, nonmotorized, and nonhighway road recreation facilities; and

5 (d) Fifty-eight and one-half percent shall be credited to the  
6 nonhighway and off-road vehicle activities program account to be  
7 administered by the board for planning, acquisition, development,  
8 maintenance, and management of ORV, nonmotorized, and nonhighway road  
9 recreation facilities and for education, information, and law  
10 enforcement programs. The funds under this subsection shall be  
11 expended in accordance with the following limitations:

12 (i) Not more than thirty percent may be expended for education,  
13 information, and law enforcement programs under this chapter;

14 (ii) Not less than seventy percent may be expended for ORV,  
15 nonmotorized, and nonhighway road recreation facilities. Except as  
16 provided in (d)(iii) of this subsection, of this amount:

17 (A) Not less than thirty percent, together with the funds the board  
18 receives under RCW 46.09.110, may be expended for ORV recreation  
19 facilities;

20 (B) Not less than thirty percent may be expended for nonmotorized  
21 recreation facilities. Funds expended under this subsection  
22 (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation  
23 facilities funds; and

24 (C) Not less than thirty percent may be expended for nonhighway  
25 road recreation facilities;

26 (iii) The board may waive the minimum percentage cited in (d)(ii)  
27 of this subsection due to insufficient requests for funds or projects  
28 that score low in the board's project evaluation. Funds remaining  
29 after such a waiver must be allocated in accordance with board policy.

30 (3) On a yearly basis an agency may not, except as provided in RCW  
31 46.09.110, expend more than ten percent of the funds it receives under  
32 this chapter for general administration expenses incurred in carrying  
33 out this chapter.

34 (4) During the 2009-2011 fiscal biennium, the legislature may  
35 appropriate such amounts as reflect the excess fund balance in the NOVA  
36 account to the department of natural resources to install consistent  
37 off-road vehicle signage at department-managed recreation sites, and to  
38 implement the recreation opportunities on department-managed lands in

1 the Reiter block and Ahtanum state forest, and to the state parks and  
2 recreation commission. The legislature finds that the appropriation of  
3 funds from the NOVA account during the 2009-2011 fiscal biennium for  
4 maintenance and operation of state parks ((and)) or to improve  
5 accessibility for boaters and off-road vehicle users at state parks  
6 will benefit boaters and off-road vehicle users and others who use  
7 nonhighway and nonmotorized recreational facilities. ((This  
8 appropriation is)) The appropriations under this subsection are not

9 required to follow the specific distribution specified in subsection  
10 (2) of this section.

11 **Sec. 937.** RCW 48.02.190 and 2009 c 161 s 1 are each amended to  
12 read as follows:

13 (1) As used in this section:

14 (a) "Organization" means every insurer, as defined in RCW  
15 48.01.050, having a certificate of authority to do business in this  
16 state, every health care service contractor, as defined in RCW  
17 48.44.010, every health maintenance organization, as defined in RCW  
18 48.46.020, or self-funded multiple employer welfare arrangement, as  
19 defined in RCW 48.125.010, registered to do business in this state.  
20 "Class one" organizations shall consist of all insurers as defined in  
21 RCW 48.01.050. "Class two" organizations shall consist of all  
22 organizations registered under provisions of chapters 48.44 and 48.46  
23 RCW. "Class three" organizations shall consist of self-funded multiple  
24 employer welfare arrangements as defined in RCW 48.125.010.

25 (b)(i) "Receipts" means (A) net direct premiums consisting of  
26 direct gross premiums, as defined in RCW 48.18.170, paid for insurance  
27 written or renewed upon risks or property resident, situated, or to be  
28 performed in this state, less return premiums and premiums on policies  
29 not taken, dividends paid or credited to policyholders on direct  
30 business, and premiums received from policies or contracts issued in  
31 connection with qualified plans as defined in RCW 48.14.021, and (B)  
32 prepayments to health care service contractors, as defined in RCW  
33 48.44.010, health maintenance organizations, as defined in RCW  
34 48.46.020, or participant contributions to self-funded multiple  
35 employer welfare arrangements, as defined in RCW 48.125.010, less  
36 experience rating credits, dividends, prepayments returned to  
37 subscribers, and payments for contracts not taken.

1 (ii) Participant contributions, under chapter 48.125 RCW, used to  
2 determine the receipts in this state under this section shall be  
3 determined in the same manner as premiums taxable in this state are  
4 determined under RCW 48.14.090.

5 (c) "Regulatory surcharge" means the fees imposed by this section.

6 (2) The annual cost of operating the office of insurance  
7 commissioner shall be determined by legislative appropriation. A pro  
8 rata share of the cost shall be charged to all organizations as a  
9 regulatory surcharge. Each class of organization shall contribute a  
10 sufficient amount to the insurance commissioner's regulatory account to  
11 pay the reasonable costs, including overhead, of regulating that class  
12 of organization.

13 (3) The regulatory surcharge shall be calculated separately for  
14 each class of organization. The regulatory surcharge collected from  
15 each organization shall be that portion of the cost of operating the  
16 insurance commissioner's office, for that class of organization, for  
17 the ensuing fiscal year that is represented by the organization's  
18 portion of the receipts collected or received by all organizations  
19 within that class on business in this state during the previous  
20 calendar year. However, the regulatory surcharge must not exceed one-  
21 eighth of one percent of receipts and the minimum regulatory surcharge  
22 shall be one thousand dollars.

23 (4) The commissioner shall annually, on or before June 1st,  
24 calculate and bill each organization for the amount of the regulatory  
25 surcharge. The regulatory surcharge shall be due and payable no later  
26 than June 15th of each year. However, if the necessary financial  
27 records are not available or if the amount of the legislative  
28 appropriation is not determined in time to carry out such calculations  
29 and bill such regulatory surcharge within the time specified, the  
30 commissioner may use the regulatory surcharge factors for the prior  
31 year as the basis for the regulatory surcharge and, if necessary, the  
32 commissioner may impose supplemental fees to fully and properly charge  
33 the organizations. Any organization failing to pay the regulatory  
34 surcharges by June 30th shall pay the same penalties as the penalties  
35 for failure to pay taxes when due under RCW 48.14.060. The regulatory  
36 surcharge required by this section is in addition to all other taxes  
37 and fees now imposed or that may be subsequently imposed.



1 (5) All moneys collected shall be deposited in the insurance  
2 commissioner's regulatory account in the state treasury which is hereby  
3 created.

4 (6) Unexpended funds in the insurance commissioner's regulatory  
5 account at the close of a fiscal year shall be carried forward in the  
6 insurance commissioner's regulatory account to the succeeding fiscal  
7 year and shall be used to reduce future regulatory surcharges.

8 (7)(a) Each insurer may annually collect regulatory surcharges  
9 remitted in preceding years by means of a policyholder surcharge on  
10 premiums charged for all kinds of insurance. The recoupment shall be  
11 at a uniform rate reasonably calculated to collect the regulatory  
12 surcharge remitted by the insurer.

13 (b) If an insurer fails to collect the entire amount of the  
14 recoupment in the first year under this section, it may repeat the  
15 recoupment procedure provided for in this subsection (7) in succeeding  
16 years until the regulatory surcharge is fully collected or a de minimis  
17 amount remains uncollected. Any such de minimis amount may be  
18 collected as provided in (d) of this subsection.

19 (c) The amount and nature of any recoupment shall be separately  
20 stated on either a billing or policy declaration sent to an insured.  
21 The amount of the recoupment must not be considered a premium for any  
22 purpose, including the premium tax or agents' commissions.

23 (d) An insurer may elect not to collect the regulatory surcharge  
24 from its insured. In such a case, the insurer may recoup the  
25 regulatory surcharge through its rates, if the following requirements  
26 are met:

27 (i) The insurer remits the amount of surcharge not collected by  
28 election under this subsection; and

29 (ii) The surcharge is not considered a premium for any purpose,  
30 including the premium tax or agents' commission.

31 (8) During the 2009-2011 fiscal biennium, the legislature may  
32 transfer from the insurance commissioner's regulatory account to the  
33 state general fund such amounts as reflect the excess fund balance in  
34 the account.

35 **Sec. 938.** RCW 67.40.040 and 2008 c 329 s 917 and 2008 c 328 s 6011  
36 are each reenacted and amended to read as follows:

37 (1) The proceeds from the sale of the bonds authorized in RCW

1 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and  
2 67.40.130, and all other moneys received by the state convention and  
3 trade center from any public or private source which are intended to  
4 fund the acquisition, design, construction, expansion, exterior cleanup  
5 and repair of the Eagles building, conversion of various retail and  
6 other space to meeting rooms, purchase of the land and building known  
7 as the McKay Parcel, development of low-income housing, or renovation  
8 of the center, and those expenditures authorized under RCW 67.40.170  
9 shall be deposited in the state convention and trade center account  
10 hereby created in the state treasury and in such subaccounts as are  
11 deemed appropriate by the directors of the corporation.

12 (2) Moneys in the account, including unanticipated revenues under  
13 RCW 43.79.270, shall be used exclusively for the following purposes in  
14 the following priority:

15 (a) For reimbursement of the state general fund under RCW  
16 67.40.060;

17 (b) After appropriation by statute:

18 (i) For payment of expenses incurred in the issuance and sale of  
19 the bonds issued under RCW 67.40.030;

20 (ii) For expenditures authorized in RCW 67.40.170, and during the  
21 ~~((2007-2009))~~ 2009-2011 fiscal biennium, ~~((the legislature may transfer~~  
22 ~~from the state convention and trade center account to the Washington~~  
23 ~~housing trust account such amounts as reflect the excess fund balance~~  
24 ~~in the account; and during the 2007-2009 biennium,))~~ the legislature  
25 may transfer from the state convention and trade center account to the  
26 general fund such amounts as reflect the excess fund balance in the  
27 account;

28 (iii) For acquisition, design, and construction of the state  
29 convention and trade center;

30 (iv) For debt service for the acquisition, design, and construction  
31 and retrofit of the museum of history and industry museum property or  
32 other future expansions of the convention center as approved by the  
33 legislature; and

34 (v) For reimbursement of any expenditures from the state general  
35 fund in support of the state convention and trade center; and

36 (c) For transfer to the state convention and trade center  
37 operations account.

1 (3) The corporation shall identify with specificity those  
2 facilities of the state convention and trade center that are to be  
3 financed with proceeds of general obligation bonds, the interest on  
4 which is intended to be excluded from gross income for federal income  
5 tax purposes. The corporation shall not permit the extent or manner of  
6 private business use of those bond-financed facilities to be  
7 inconsistent with treatment of such bonds as governmental bonds under  
8 applicable provisions of the Internal Revenue Code of 1986, as amended.

9 (4) In order to ensure consistent treatment of bonds authorized  
10 under RCW 67.40.030 with applicable provisions of the Internal Revenue  
11 Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment  
12 earnings on bond proceeds deposited in the state convention and trade  
13 center account in the state treasury shall be retained in the account,  
14 and shall be expended by the corporation for the purposes authorized  
15 under chapter 386, Laws of 1995 and in a manner consistent with  
16 applicable provisions of the Internal Revenue Code of 1986, as amended.

17 (5) Subject to the conditions in subsection (6) of this section,  
18 starting in fiscal year 2008, and except for the 2009-2011 fiscal  
19 biennium in which no transfers shall be made, the state treasurer shall  
20 transfer:

21 (a) The sum of four million dollars, or as much as may be available  
22 pursuant to conditions set forth in this section, from the state  
23 convention and trade center account to the tourism enterprise account,  
24 with the maximum transfer being four million dollars per fiscal year;  
25 and

26 (b) The sum of five hundred thousand dollars, or as much as may be  
27 available pursuant to conditions set forth in this section, from the  
28 state convention and trade center account to the tourism development  
29 and promotion account, with the maximum transfer being five hundred  
30 thousand dollars per fiscal year.

31 (6)(a) Funds required for debt service payments and reserves for  
32 bonds issued under RCW 67.40.030; for debt service authorized under RCW  
33 67.40.170; and for the issuance and sale of financial instruments  
34 associated with the acquisition, design, construction, and retrofit of  
35 the museum of history and industry museum property or for other future  
36 expansions of the center, as approved by the legislature, shall be  
37 maintained within the state convention and trade center account.

1           (b) Except for during the 2009-2011 fiscal biennium, during which  
2 no reserve shall be retained, no less than six million one hundred  
3 fifty thousand dollars per year shall be retained in the state  
4 convention and trade center account for funding capital maintenance as  
5 required by the center's long-term capital plan, facility enhancements,  
6 unanticipated replacements, and operating reserves for the convention  
7 center operation. This amount shall be escalated annually as follows:

8           (i) Four percent for annual inflation for capital maintenance,  
9 repairs, and replacement;

10           (ii) An additional two percent for enhancement to the facility; and

11           (iii) An additional three percent for growth in expenditure due to  
12 aging of the facility and the need to maintain an operating reserve.

13           (c) Sufficient funds shall be reserved within the state convention  
14 and trade center account to fund operating appropriations for the  
15 annual operation of the convention center.

16           **Sec. 939.** RCW 66.08.170 and 2009 c 564 s 947 are each amended to  
17 read as follows:

18           There shall be a fund, known as the "liquor revolving fund", which  
19 shall consist of all license fees, permit fees, penalties, forfeitures,  
20 and all other moneys, income, or revenue received by the board. The  
21 state treasurer shall be custodian of the fund. All moneys received by  
22 the board or any employee thereof, except for change funds and an  
23 amount of petty cash as fixed by the board within the authority of law  
24 shall be deposited each day in a depository approved by the state  
25 treasurer and transferred to the state treasurer to be credited to the  
26 liquor revolving fund. During the 2009-2011 fiscal biennium, the  
27 legislature may transfer funds from the liquor revolving (~~account~~  
28 ~~{fund}~~) fund to the state general fund and may direct an additional  
29 amount of liquor profits to be distributed to local governments.  
30 Neither the transfer of funds nor the additional distribution of liquor  
31 profits to local governments during the 2009-2011 fiscal biennium may  
32 reduce the excess fund distributions that otherwise would occur under  
33 RCW 66.08.190. Licensee sales are exempt from any increases to the  
34 price of liquor made by the board during the 2009-2011 fiscal biennium  
35 for the purpose of implementing any transfers to the state general fund  
36 or additional distribution of liquor profits. This exemption includes  
37 price increases implemented for such purposes during the 2009-2011

1 fiscal biennium prior to the effective date of this section but applies  
2 only to sales made on or after July 1, 2010. Disbursements from the  
3 revolving fund shall be on authorization of the board or a duly  
4 authorized representative thereof. In order to maintain an effective  
5 expenditure and revenue control the liquor revolving fund shall be  
6 subject in all respects to chapter 43.88 RCW but no appropriation shall  
7 be required to permit expenditures and payment of obligations from such  
8 fund.

9 **Sec. 940.** RCW 67.70.044 and 2009 c 576 s 1 are each amended to  
10 read as follows:

11 (1) Pursuant to RCW 67.70.040(1)(a), the commission may enter into  
12 the multistate agreement establishing a shared game lottery known as  
13 "The Big Game," that was entered into by party state lotteries in  
14 August 1996 and subsequently amended and a shared game lottery known as  
15 "Powerball."

16 (2) The shared game lottery account is created as a separate  
17 account outside the state treasury. The account is managed,  
18 maintained, and controlled by the commission and consists of all  
19 revenues received from the sale of shared game lottery tickets or  
20 shares, and all other moneys credited or transferred to it from any  
21 other fund or source under law. The account is allotted according to  
22 chapter 43.88 RCW. During the 2009-2011 fiscal biennium, the  
23 legislature may transfer from the shared game lottery account to the  
24 education legacy trust account such amounts as reflect the excess fund  
25 balance of the account.

26 **Sec. 941.** RCW 67.70.230 and 1985 c 375 s 4 are each amended to  
27 read as follows:

28 There is hereby created and established a separate account, to be  
29 known as the state lottery account. Such account shall be managed,  
30 maintained, and controlled by the commission and shall consist of all  
31 revenues received from the sale of lottery tickets or shares, and all  
32 other moneys credited or transferred thereto from any other fund or  
33 source pursuant to law. The account shall be a separate account  
34 outside the state treasury. No appropriation is required to permit  
35 expenditures and payment of obligations from the account. During the

1 2009-2011 fiscal biennium, the legislature may transfer from the state  
2 lottery account to the education legacy trust account such amounts as  
3 reflect the excess fund balance of the account.

4 **Sec. 942.** RCW 70.105D.070 and 2009 c 564 s 951 are each amended to  
5 read as follows:

6 (1) The state toxics control account and the local toxics control  
7 account are hereby created in the state treasury.

8 (2) The following moneys shall be deposited into the state toxics  
9 control account: (a) Those revenues which are raised by the tax  
10 imposed under RCW 82.21.030 and which are attributable to that portion  
11 of the rate equal to thirty-three one-hundredths of one percent; (b)  
12 the costs of remedial actions recovered under this chapter or chapter  
13 70.105A RCW; (c) penalties collected or recovered under this chapter;  
14 and (d) any other money appropriated or transferred to the account by  
15 the legislature. Moneys in the account may be used only to carry out  
16 the purposes of this chapter, including but not limited to the  
17 following activities:

18 (i) The state's responsibility for hazardous waste planning,  
19 management, regulation, enforcement, technical assistance, and public  
20 education required under chapter 70.105 RCW;

21 (ii) The state's responsibility for solid waste planning,  
22 management, regulation, enforcement, technical assistance, and public  
23 education required under chapter 70.95 RCW;

24 (iii) The hazardous waste cleanup program required under this  
25 chapter;

26 (iv) State matching funds required under the federal cleanup law;

27 (v) Financial assistance for local programs in accordance with  
28 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

29 (vi) State government programs for the safe reduction, recycling,  
30 or disposal of hazardous wastes from households, small businesses, and  
31 agriculture;

32 (vii) Hazardous materials emergency response training;

33 (viii) Water and environmental health protection and monitoring  
34 programs;

35 (ix) Programs authorized under chapter 70.146 RCW;

36 (x) A public participation program, including regional citizen  
37 advisory committees;

1 (xi) Public funding to assist potentially liable persons to pay for  
2 the costs of remedial action in compliance with cleanup standards under  
3 RCW 70.105D.030(2)(e) but only when the amount and terms of such  
4 funding are established under a settlement agreement under RCW  
5 70.105D.040(4) and when the director has found that the funding will  
6 achieve both (A) a substantially more expeditious or enhanced cleanup  
7 than would otherwise occur, and (B) the prevention or mitigation of  
8 unfair economic hardship;

9 (xii) Development and demonstration of alternative management  
10 technologies designed to carry out the hazardous waste management  
11 priorities of RCW 70.105.150; ~~((and))~~

12 (xiii) During the 2009-2011 fiscal biennium, shoreline update  
13 technical assistance; and

14 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional  
15 permitting teams.

16 (3) The following moneys shall be deposited into the local toxics  
17 control account: Those revenues which are raised by the tax imposed  
18 under RCW 82.21.030 and which are attributable to that portion of the  
19 rate equal to thirty-seven one-hundredths of one percent.

20 (a) Moneys deposited in the local toxics control account shall be  
21 used by the department for grants or loans to local governments for the  
22 following purposes in descending order of priority:

23 (i) Remedial actions;

24 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

25 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,  
26 70.95I, and 70.105 RCW;

27 (iv) Funds for a program to assist in the assessment and cleanup of  
28 sites of methamphetamine production, but not to be used for the initial  
29 containment of such sites, consistent with the responsibilities and  
30 intent of RCW 69.50.511; and

31 (v) Cleanup and disposal of hazardous substances from abandoned or  
32 derelict vessels, defined for the purposes of this section as vessels  
33 that have little or no value and either have no identified owner or  
34 have an identified owner lacking financial resources to clean up and  
35 dispose of the vessel, that pose a threat to human health or the  
36 environment.

37 (b) Funds for plans and programs shall be allocated consistent with  
38 the priorities and matching requirements established in chapters

1 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that  
2 is a Puget Sound partner, as defined in RCW 90.71.010, along with any  
3 project that is referenced in the action agenda developed by the Puget  
4 Sound partnership under RCW 90.71.310, shall, except as conditioned by  
5 RCW 70.105D.120, receive priority for any available funding for any  
6 grant or funding programs or sources that use a competitive bidding  
7 process. During the 2007-2009 fiscal biennium, moneys in the account  
8 may also be used for grants to local governments to retrofit public  
9 sector diesel equipment and for storm water planning and implementation  
10 activities.

11 (c) To expedite cleanups throughout the state, the department shall  
12 partner with local communities and liable parties for cleanups. The  
13 department is authorized to use the following additional strategies in  
14 order to ensure a healthful environment for future generations:

15 (i) The director may alter grant-matching requirements to create  
16 incentives for local governments to expedite cleanups when one of the  
17 following conditions exists:

18 (A) Funding would prevent or mitigate unfair economic hardship  
19 imposed by the clean-up liability;

20 (B) Funding would create new substantial economic development,  
21 public recreational, or habitat restoration opportunities that would  
22 not otherwise occur; or

23 (C) Funding would create an opportunity for acquisition and  
24 redevelopment of vacant, orphaned, or abandoned property under RCW  
25 70.105D.040(5) that would not otherwise occur;

26 (ii) The use of outside contracts to conduct necessary studies;

27 (iii) The purchase of remedial action cost-cap insurance, when  
28 necessary to expedite multiparty clean-up efforts.

29 (d) To facilitate and expedite cleanups using funds from the local  
30 toxics control account, during the 2009-2011 fiscal biennium the  
31 director may establish grant-funded accounts to hold and disperse local  
32 toxics control account funds and funds from local governments to be  
33 used for remedial actions.

34 (4) Except for unanticipated receipts under RCW 43.79.260 through  
35 43.79.282, moneys in the state and local toxics control accounts may be  
36 spent only after appropriation by statute.

37 (5) Except during the 2009-2011 fiscal biennium, one percent of the  
38 moneys deposited into the state and local toxics control accounts shall



1 be allocated only for public participation grants to persons who may be  
2 adversely affected by a release or threatened release of a hazardous  
3 substance and to not-for-profit public interest organizations. The  
4 primary purpose of these grants is to facilitate the participation by  
5 persons and organizations in the investigation and remedying of  
6 releases or threatened releases of hazardous substances and to  
7 implement the state's solid and hazardous waste management priorities.  
8 No grant may exceed sixty thousand dollars. Grants may be renewed  
9 annually. Moneys appropriated for public participation from either  
10 account which are not expended at the close of any biennium shall  
11 revert to the state toxics control account.

12 (6) No moneys deposited into either the state or local toxics  
13 control account may be used for solid waste incinerator feasibility  
14 studies, construction, maintenance, or operation, or, after January 1,  
15 2010, for projects designed to address the restoration of Puget Sound,  
16 funded in a competitive grant process, that are in conflict with the  
17 action agenda developed by the Puget Sound partnership under RCW  
18 90.71.310.

19 (7) The department shall adopt rules for grant or loan issuance and  
20 performance.

21 (8) During the 2007-2009 and 2009-2011 fiscal biennia, the  
22 legislature may transfer from the local toxics control account to  
23 either the state general fund or the oil spill prevention account, or  
24 both such amounts as reflect excess fund balance in the account.

25 (9) During the 2009-2011 fiscal biennium, the local toxics control  
26 account may also be used for a standby rescue tug at Neah Bay, local  
27 government shoreline update grants, private and public sector diesel  
28 equipment retrofit, and oil spill prevention, preparedness, and  
29 response activities.

30 (10) During the 2009-2011 fiscal biennium, the legislature may  
31 transfer from the state toxics control account to the state general  
32 fund such amounts as reflect the excess fund balance in the account.

33 **Sec. 943.** RCW 74.31.030 and 2007 c 356 s 4 are each amended to  
34 read as follows:

35 (1) By July 30, 2007, the department shall designate a staff person  
36 who shall be responsible for the following:

1 (a) Coordinating policies, programs, and services for individuals  
2 with traumatic brain injuries; and

3 (b) Providing staff support to the council created in RCW  
4 74.31.020.

5 (2) The department shall provide data and information to the  
6 council established under RCW 74.31.020 that is requested by the  
7 council and is in the possession or control of the department.

8 (3) By December 1, 2007, the department shall provide a preliminary  
9 report to the legislature and the governor, and shall provide a final  
10 report by December 1, 2008, containing recommendations for a  
11 comprehensive statewide plan to address the needs of individuals with  
12 traumatic brain injuries, including the use of public-private  
13 partnerships and a public awareness campaign. The comprehensive plan  
14 should be created in collaboration with the council and should consider  
15 the following:

16 (a) Building provider capacity and provider training;

17 (b) Improving the coordination of services;

18 (c) The feasibility of establishing agreements with private sector  
19 agencies to develop services for individuals with traumatic brain  
20 injuries; and

21 (d) Other areas the council deems appropriate.

22 (4) By December 1, 2007, the department shall:

23 (a) Provide information and referral services to individuals with  
24 traumatic brain injuries until the statewide referral and information  
25 network is developed. The referral services may be funded from the  
26 traumatic brain injury account established under RCW 74.31.060; ~~((and))~~

27 (b) Encourage and facilitate the following:

28 (i) Collaboration among state agencies that provide services to  
29 individuals with traumatic brain injuries;

30 (ii) Collaboration among organizations and entities that provide  
31 services to individuals with traumatic brain injuries; and

32 (iii) Community participation in program implementation; and

33 (c) During the 2009-2011 fiscal biennium:

34 (i) Secure funding to develop housing specifically for traumatic  
35 brain injured individuals by leveraging federal and private fund  
36 sources;

37 (ii) Expand support group services with an emphasis on persons

1 returning from active military duty with traumatic brain injury and  
2 their families;

3 (iii) Establish training and outreach to first responders and  
4 emergency medical staff for care related to traumatic brain injury; and

5 (iv) Improve awareness of health insurance coverage options and  
6 promote best practices in private health insurance coverage.

7 (5) By December 1, 2007, and by December 1st each year thereafter,  
8 the department shall issue a report to the governor and the legislature  
9 containing the following:

10 (a) A summary of action taken by the department to meet the needs  
11 of individuals with traumatic brain injuries; and

12 (b) Recommendations for improvements in services to address the  
13 needs of individuals with traumatic brain injuries.

14 **Sec. 944.** RCW 74.31.060 and 2007 c 356 s 7 are each amended to  
15 read as follows:

16 The traumatic brain injury account is created in the state  
17 treasury. Two dollars of the fee imposed under RCW 46.63.110(7)(c)  
18 must be deposited into the account. Moneys in the account may be spent  
19 only after appropriation, and may be used only to provide a public  
20 awareness campaign and services relating to traumatic brain injury  
21 under RCW 74.31.040 and 74.31.050, for information and referral  
22 services, and for costs of required department staff who are providing  
23 support for the council and information and referral services under RCW  
24 74.31.020 and 74.31.030. During the 2009-2011 fiscal biennium, money  
25 in the account may also be spent on long-term care services and the  
26 services authorized in RCW 74.31.030(4)(c). The secretary of the  
27 department of social and health services has the authority to  
28 administer the funds.

29 **Sec. 945.** RCW 70.93.180 and 2009 c 564 s 950 are each amended to  
30 read as follows:

31 (1) There is hereby created an account within the state treasury to  
32 be known as the "waste reduction, recycling, and litter control  
33 account". Moneys in the account may be spent only after appropriation.  
34 Expenditures from the waste reduction, recycling, and litter control  
35 account shall be used as follows:

1 (a) Fifty percent to the department of ecology, for use by the  
2 departments of ecology, natural resources, revenue, transportation, and  
3 corrections, and the parks and recreation commission, for use in litter  
4 collection programs, to be distributed under RCW 70.93.220. The amount  
5 to the department of ecology shall also be used for a central  
6 coordination function for litter control efforts statewide, for the  
7 biennial litter survey under RCW 70.93.200(8), and for statewide public  
8 awareness programs under RCW 70.93.200(7). The amount to the  
9 department shall also be used to defray the costs of administering the  
10 funding, coordination, and oversight of local government programs for  
11 waste reduction, litter control, and recycling, so that local  
12 governments can apply one hundred percent of their funding to achieving  
13 program goals. The amount to the department of revenue shall be used  
14 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

15 (b) Twenty percent to the department for local government funding  
16 programs for waste reduction, litter control, and recycling activities  
17 by cities and counties under RCW 70.93.250, to be administered by the  
18 department of ecology; and

19 (c) Thirty percent to the department of ecology for waste reduction  
20 and recycling efforts.

21 (2) All taxes imposed in RCW 82.19.010 and fines and bail  
22 forfeitures collected or received pursuant to this chapter shall be  
23 deposited in the waste reduction, recycling, and litter control account  
24 and used for the programs under subsection (1) of this section.

25 (3) Not less than five percent and no more than ten percent of the  
26 amount appropriated into the waste reduction, recycling, and litter  
27 control account every biennium shall be reserved for capital needs,  
28 including the purchase of vehicles for transporting crews and for  
29 collecting litter and solid waste. Capital funds shall be distributed  
30 among state agencies and local governments according to the same  
31 criteria provided in RCW 70.93.220 for the remainder of the funds, so  
32 that the most effective waste reduction, litter control, and recycling  
33 programs receive the most funding. The intent of this subsection is to  
34 provide funds for the purchase of equipment that will enable the  
35 department to account for the greatest return on investment in terms of  
36 reaching a zero litter goal.

37 (4) During the 2009-2011 fiscal biennium, the legislature may  
38 transfer from the waste reduction, recycling, and litter control

1 account to the state general fund such amounts as reflect the excess  
2 fund balance of the account. (~~For purposes of subsection (1) of this~~  
3 ~~section, this transfer shall be treated as an expenditure for litter~~  
4 ~~collection.)) Additionally, during the 2009-2011 fiscal biennium,  
5 subsection (1)(a), (b), and (c) of this section is suspended.~~

6 NEW SECTION. Sec. 946. A new section is added to chapter 43.79  
7 RCW to read as follows:

8 The legislature recognizes that efforts to restructure state  
9 operations to achieve greater efficiency are often impeded by the lack  
10 of a financing tool to support the transition and phase-down of state  
11 operations. The state efficiency and restructuring account is  
12 established in the state treasury to finance efforts to restructure  
13 state operations and achieve budget savings. Moneys from the account  
14 may be expended only after appropriation. As directed by the  
15 legislature, the state treasurer must transfer funds from specified  
16 accounts into the state efficiency and restructuring account to support  
17 appropriations from that account. The state treasurer must maintain a  
18 record of such transfers and must calculate repayment obligations to  
19 any accounts providing surplus funds for a term of eight years at an  
20 interest rate that is five tenths of a percent higher than the interest  
21 rate that the account would have earned without the transfer. The  
22 state treasurer must submit a report of all such repayment obligations  
23 to the office of financial management by September 1st of each year.  
24 The governor's budget request under RCW 43.88.060 must include  
25 sufficient funds to meet the biennial repayment obligation.

26 **Sec. 947.** RCW 70.105D.130 and 2008 c 106 s 1 are each amended to  
27 read as follows:

28 (1) The cleanup settlement account is created in the state  
29 treasury. The account is not intended to replace the state toxics  
30 control account established under RCW 70.105D.070. All receipts from  
31 the sources identified in subsection (2) of this section must be  
32 deposited into the account. Moneys in the account may be spent only  
33 after appropriation. Expenditures from the account may be used only as  
34 identified in subsection (4) of this section.

35 (2) The following receipts must be deposited into the cleanup  
36 settlement account:

1 (a) Receipts from settlements or court orders that direct payment  
2 to the account and resolve a person's liability or potential liability  
3 under this chapter for either or both of the following:

4 (i) Conducting future remedial action at a specific facility, if it  
5 is not feasible to require the person to conduct the remedial action  
6 based on the person's financial insolvency, limited ability to pay, or  
7 insignificant contribution under RCW 70.105D.040(4)(a);

8 (ii) Assessing or addressing the injury to natural resources caused  
9 by the release of a hazardous substance from a specific facility; and

10 (b) Receipts from investment of the moneys in the account.

11 (3) If a settlement or court order does not direct payment of  
12 receipts described in subsection (2)(a) of this section into the  
13 cleanup settlement account, then the receipts from any payment to the  
14 state must be deposited into the state toxics control account.

15 (4) Expenditures from the cleanup settlement account may only be  
16 used to conduct remedial actions at the specific facility or to assess  
17 or address the injury to natural resources caused by the release of  
18 hazardous substances from that facility for which the moneys were  
19 deposited in the account. Conducting remedial actions or assessing or  
20 addressing injury to natural resources includes direct expenditures and  
21 indirect expenditures such as department oversight costs. During the  
22 2009-2011 fiscal biennium, the legislature may transfer excess fund  
23 balances in the account into the state efficiency and restructuring  
24 account. Transfers of excess fund balances made under this section  
25 shall be made only to the extent amounts transferred with required  
26 repayments do not impair the ten-year spending plan administered by the  
27 department of ecology for environmental remedial actions dedicated for  
28 any designated clean-up site associated with the Everett smelter and  
29 Tacoma smelter, including plumes, or former Asarco mine sites. The  
30 cleanup settlement account must be repaid with interest under  
31 provisions of the state efficiency and restructuring account.

32 (5) The department shall track moneys received, interest earned,  
33 and moneys expended separately for each facility.

34 (6) After the department determines that all remedial actions at a  
35 specific facility, and all actions assessing or addressing injury to  
36 natural resources caused by the release of hazardous substances from  
37 that facility, are completed, including payment of all related costs,

1 any moneys remaining for the specific facility must be transferred to  
2 the state toxics control account established under RCW 70.105D.070.

3 (7) The department shall provide the office of financial management  
4 and the fiscal committees of the legislature with a report by October  
5 31st of each year regarding the activity within the cleanup settlement  
6 account during the previous fiscal year.

7 **Sec. 948.** RCW 70.146.100 and 2007 c 233 s 1 are each amended to  
8 read as follows:

9 (1) The water quality capital account is created in the state  
10 treasury. Moneys in the water quality capital account may be spent  
11 only after appropriation.

12 (2) Expenditures from the water quality capital account may only be  
13 used: (a) To make grants or loans to public bodies, including grants  
14 to public bodies as cost-sharing moneys in any case where federal,  
15 local, or other moneys are made available on a cost-sharing basis, for  
16 the capital component of water pollution control facilities and  
17 activities; (b) for purposes of assisting a public body to obtain an  
18 ownership interest in water pollution control facilities; or (c) to  
19 defray any part of the capital component of the payments made by a  
20 public body to a service provider under a service agreement entered  
21 into under RCW 70.150.060. During the 2009-2011 fiscal biennium, the  
22 legislature may transfer from the water quality capital account to the  
23 state general fund such amounts as reflect the excess fund balance of  
24 the account.

25 **Sec. 949.** RCW 79.105.150 and 2009 c 564 s 959 are each amended to  
26 read as follows:

27 (1) After deduction for management costs as provided in RCW  
28 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys  
29 received by the state from the sale or lease of state-owned aquatic  
30 lands and from the sale of valuable material from state-owned aquatic  
31 lands shall be deposited in the aquatic lands enhancement account which  
32 is hereby created in the state treasury. After appropriation, these  
33 funds shall be used solely for aquatic lands enhancement projects; for  
34 the purchase, improvement, or protection of aquatic lands for public  
35 purposes; for providing and improving access to the lands; and for  
36 volunteer cooperative fish and game projects. During the 2009-2011

1 fiscal biennium, the aquatic lands enhancement account may also be used  
2 for scientific research as part of the adaptive management process.

3 During the 2009-11 fiscal biennium, the legislature may transfer from  
4 the aquatic lands enhancement account to the state general fund such  
5 amounts as reflect excess fund balance of the account.

6 (2) In providing grants for aquatic lands enhancement projects, the  
7 recreation and conservation funding board shall:

8 (a) Require grant recipients to incorporate the environmental  
9 benefits of the project into their grant applications;

10 (b) Utilize the statement of environmental benefits, consideration,  
11 except as provided in RCW 79.105.610, of whether the applicant is a  
12 Puget Sound partner, as defined in RCW 90.71.010, whether a project is  
13 referenced in the action agenda developed by the Puget Sound  
14 partnership under RCW 90.71.310, and except as otherwise provided in  
15 RCW 79.105.630, and effective one calendar year following the  
16 development and statewide availability of model evergreen community  
17 management plans and ordinances under RCW 35.105.050, whether the  
18 applicant is an entity that has been recognized, and what gradation of  
19 recognition was received, in the evergreen community recognition  
20 program created in RCW 35.105.030 in its prioritization and selection  
21 process; and

22 (c) Develop appropriate outcome-focused performance measures to be  
23 used both for management and performance assessment of the grants.

24 (3) To the extent possible, the department should coordinate its  
25 performance measure system with other natural resource-related agencies  
26 as defined in RCW 43.41.270.

27 (4) The department shall consult with affected interest groups in  
28 implementing this section.

29 (5) After January 1, 2010, any project designed to address the  
30 restoration of Puget Sound may be funded under this chapter only if the  
31 project is not in conflict with the action agenda developed by the  
32 Puget Sound partnership under RCW 90.71.310.

33 **Sec. 950.** RCW 80.01.080 and 2006 c 3 s 2 are each amended to read  
34 as follows:

35 There is created in the state treasury a public service revolving  
36 fund. Regulatory fees payable by all types of public service companies  
37 shall be deposited to the credit of the public service revolving fund.



1 Except for expenses payable out of the pipeline safety account, all  
2 expense of operation of the Washington utilities and transportation  
3 commission shall be payable out of the public service revolving fund.

4 During the ~~((2003-2005))~~ 2009-2011 fiscal biennium, the legislature  
5 may transfer from the public service revolving fund to the state  
6 general fund such amounts as reflect the excess fund balance of the  
7 fund.

8 ~~((Due to the extraordinarily high winter energy costs, during the  
9 2005-2007 fiscal biennium, no more than seven million six hundred  
10 thousand dollars, as appropriated in section 1, chapter 3, Laws of  
11 2006, shall be payable out of the public service revolving fund to  
12 provide energy assistance to customers in accordance with the  
13 low-income energy assistance program.))~~

14 **Sec. 951.** RCW 80.36.430 and 2009 c 564 s 960 are each amended to  
15 read as follows:

16 (1) The Washington telephone assistance program shall be funded by  
17 a telephone assistance excise tax on all switched access lines and by  
18 funds from any federal government or other programs for this purpose.  
19 Switched access lines are defined in RCW 82.14B.020. The telephone  
20 assistance excise tax shall be applied equally to all residential and  
21 business access lines not to exceed fourteen cents per month. The  
22 department shall submit an approved annual budget for the Washington  
23 telephone assistance program to the department of revenue no later than  
24 March 1st prior to the beginning of each fiscal year. The department  
25 of revenue shall then determine the amount of telephone assistance  
26 excise tax to be placed on each switched access line and shall inform  
27 local exchange companies and the utilities and transportation  
28 commission of this amount no later than May 1st. The department of  
29 revenue shall determine the amount of telephone assistance excise tax  
30 by dividing the total of the program budget funded by the telephone  
31 assistance excise tax, as submitted by the department, by the total  
32 number of switched access lines in the prior calendar year. The  
33 telephone assistance excise tax shall be separately identified on each  
34 ratepayer's bill as the "Washington telephone assistance program." All  
35 money collected from the telephone assistance excise tax shall be  
36 transferred to a telephone assistance fund administered by the  
37 department.

1 (2) Local exchange companies shall bill the fund for their expenses  
2 incurred in offering the telephone assistance program, including  
3 administrative and program expenses. The department shall disburse the  
4 money to the local exchange companies. The department is exempted from  
5 having to conclude a contract with local exchange companies in order to  
6 effect this reimbursement. The department shall recover its  
7 administrative costs from the fund. The department may specify by rule  
8 the range and extent of administrative and program expenses that will  
9 be reimbursed to local exchange companies.

10 (3) The department shall enter into an agreement with the  
11 department of (~~community, trade, and economic development~~) commerce  
12 for an amount not to exceed eight percent of the prior fiscal year's  
13 total revenue for the administrative and program expenses of providing  
14 community service voice mail services. The community service voice  
15 mail service may include toll-free lines in community action agencies  
16 through which recipients can access their community service voice  
17 mailboxes at no charge.

18 (4) During the 2009-2011 biennium, the department shall enter into  
19 an agreement with the (~~military department~~) WIN 211 organization for  
20 (~~one million dollars to~~) operational support (~~the WIN 211 program~~).

21 **Sec. 952.** RCW 82.14.495 and 2009 c 4 s 907 are each amended to  
22 read as follows:

23 (1) The streamlined sales and use tax mitigation account is created  
24 in the state treasury. The state treasurer shall transfer into the  
25 account from the general fund amounts as directed in RCW 82.14.500.  
26 Expenditures from the account may be used only for the purpose of  
27 mitigating the negative fiscal impacts to local taxing jurisdictions as  
28 a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to  
29 RCW 82.14.020. During the (~~2007-2009~~) 2009-2011 fiscal biennium, the  
30 legislature may transfer from the streamlined sales and use tax  
31 mitigation account to the state general fund such amounts as reflect  
32 the excess fund balance of the account.

33 (2) Beginning July 1, 2008, the state treasurer, as directed by the  
34 department, shall distribute the funds in the streamlined sales and use  
35 tax mitigation account to local taxing jurisdictions in accordance with  
36 RCW 82.14.500.

1 (3) The definitions in this subsection apply throughout this  
2 section and RCW 82.14.390 and 82.14.500.

3 (a) "Agreement" means the same as in RCW 82.32.020.

4 (b) "Local taxing jurisdiction" means counties, cities,  
5 transportation authorities under RCW 82.14.045, public facilities  
6 districts under chapters 36.100 and 35.57 RCW, public transportation  
7 benefit areas under RCW 82.14.440, and regional transit authorities  
8 under chapter 81.112 RCW, that impose a sales and use tax.

9 (c) "Loss" or "losses" means the local sales and use tax revenue  
10 reduction to a local taxing jurisdiction resulting from the sourcing  
11 provisions in RCW 82.14.490 and the chapter 6, Laws of 2007 amendments  
12 to RCW 82.14.020.

13 (d) "Net loss" or "net losses" means a loss offset by any voluntary  
14 compliance revenue.

15 (e) "Voluntary compliance revenue" means the local sales tax  
16 revenue gain to each local taxing jurisdiction reported to the  
17 department from persons registering through the central registration  
18 system authorized under the agreement.

19 (f) "Working day" has the same meaning as in RCW 82.45.180.

20 **Sec. 953.** RCW 83.100.230 and 2008 c 329 s 924 are each amended to  
21 read as follows:

22 The education legacy trust account is created in the state  
23 treasury. Money in the account may be spent only after appropriation.  
24 Expenditures from the account may be used only for deposit into the  
25 student achievement fund and for expanding access to higher education  
26 through funding for new enrollments and financial aid, and other  
27 educational improvement efforts. During the ((2007-2009)) 2009-2011  
28 fiscal biennium, moneys in the account may also be transferred into the  
29 state general fund.

30 NEW SECTION. **Sec. 954.** A new section is added to 2009 c 564  
31 (uncodified) to read as follows:

32 **JOINT LEGISLATIVE SELECT COMMITTEE ON HEALTH REFORM**  
33 **IMPLEMENTATION.**

34 The joint legislative select committee on health reform implementation  
35 is established. The joint legislative select committee on health  
36 reform implementation shall be co-chaired by the chairs of the health

1 committees of the senate and the house of representatives, and  
2 leadership of the two largest caucuses in the senate and the house of  
3 representatives shall each appoint two additional legislators to serve  
4 on the committee. The co-chairs may direct the formation of advisory  
5 committees, if desired, to focus on specific topic areas, such as  
6 insurance regulation, access and expansion of public and private  
7 programs, and workforce issues, and may invite interested stakeholders  
8 and additional experts to advise the committee. All participation in  
9 the joint select committee and any advisory committees is without  
10 compensation.

11 This section expires June 30, 2011.

12 NEW SECTION. **Sec. 955.** If any provision of this act or its  
13 application to any person or circumstance is held invalid, the  
14 remainder of the act or the application of the provision to other  
15 persons or circumstances is not affected.

16 NEW SECTION. **Sec. 956.** Section 910 of this act expires June 30,  
17 2011.

18 NEW SECTION. **Sec. 957.** Section 935 of this act expires June 30,  
19 2011.

20 NEW SECTION. **Sec. 958.** This act is necessary for the immediate  
21 preservation of the public peace, health, or safety, or support of the  
22 state government and its existing public institutions, and takes effect  
23 immediately.

(End of part)

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