

**2ESHB 2127 - H AMD 1441**  
By Representative Hunter

ADOPTED 04/11/2012

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

3 "PART I  
4 GENERAL GOVERNMENT

5 **Sec. 101.** 2011 2nd sp.s. c 9 s 101 (uncodified) is amended to read  
6 as follows:

7 **FOR THE HOUSE OF REPRESENTATIVES**

8	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$29,934,000</del> ))
9		<u>\$29,734,000</u>
10	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$30,465,000</del> ))
11		<u>\$28,205,000</u>
12	Motor Vehicle Account--State Appropriation . . . . .	(( <del>\$1,316,000</del> ))
13		<u>\$1,491,000</u>
14	TOTAL APPROPRIATION . . . . .	(( <del>\$61,715,000</del> ))
15		<u>\$59,430,000</u>

16 The appropriations in this section are subject to the following  
17 conditions and limitations: \$50,000 of the general fund--state  
18 appropriation for fiscal year 2013 is provided solely for a joint  
19 select committee on junior taxing districts, municipal corporations,  
20 and local government finance. The joint select committee will be  
21 composed of two members from each caucus from the house and from the  
22 senate. The joint select committee shall review junior taxing  
23 districts and municipal corporations for the purpose of evaluating  
24 their provided services and making recommendations on the  
25 appropriateness of consolidating services into a general purpose local  
26 government. The joint select committee shall also examine new revenue  
27 options for local governments. The joint select committee shall also  
28 review the impact of the passage of Initiative Measure No. 1183 on  
29 public safety needs, and provide a sustainable plan for the use and

1 disbursement of excess liquor revenues. In completing its review and  
2 recommendations, the joint select committee shall seek pertinent  
3 information and advice from: (a) Organizations representing counties,  
4 cities, and junior taxing districts; (b) counties, cities, and junior  
5 taxing districts; (c) the department of revenue; and (d) the state  
6 auditor.

7 **Sec. 102.** 2011 2nd sp.s. c 9 s 102 (uncodified) is amended to read  
8 as follows:

9 **FOR THE SENATE**

10	General Fund--State Appropriation (FY 2012) . . . . .	(( \$21,770,000 ))
11		\$21,455,000
12	General Fund--State Appropriation (FY 2013) . . . . .	(( \$23,864,000 ))
13		\$21,791,000
14	Motor Vehicle Account--State Appropriation . . . . .	(( \$1,400,000 ))
15		\$1,421,000
16	TOTAL APPROPRIATION . . . . .	(( \$47,034,000 ))
17		\$44,667,000

18 The appropriations in this section are subject to the following  
19 conditions and limitations: \$50,000 of the general fund--state  
20 appropriation for fiscal year 2013 is provided solely for a joint  
21 select committee on junior taxing districts, municipal corporations,  
22 and local government finance. The joint select committee will be  
23 composed of two members from each caucus from the house and from the  
24 senate. The joint select committee shall review junior taxing  
25 districts and municipal corporations for the purpose of evaluating  
26 their provided services and making recommendations on the  
27 appropriateness of consolidating services into a general purpose local  
28 government. The joint select committee shall also examine new revenue  
29 options for local governments. The joint select committee shall also  
30 review the impact of the passage of Initiative Measure No. 1183 on  
31 public safety needs, and provide a sustainable plan for the use and  
32 disbursement of excess liquor revenues. In completing its review and  
33 recommendations, the joint select committee shall seek pertinent  
34 information and advice from: (a) Organizations representing counties,  
35 cities, and junior taxing districts; (b) counties, cities, and junior  
36 taxing districts; (c) the department of revenue; and (d) the state  
37 auditor.



1 (b) A description of how the employee incentive payment program at  
2 the state lottery commission operates, and comparison to best practices  
3 for outcome-based performance payments.

4 (4) \$85,000 of the medical aid account--state appropriation and  
5 \$85,000 of the accident account--state appropriation are provided  
6 solely for the purposes of House Bill No. 2123 (workers' compensation).  
7 If the bill is not enacted by June 30, 2011, the amounts provided in  
8 this subsection shall lapse.

9 (5) The joint legislative audit and review committee shall review  
10 and provide an update on the extent to which the Puget Sound  
11 partnership's 2012 action agenda, state of the sound report, and other  
12 activities implement the recommendations of the joint legislative audit  
13 and review committee's 2011 audit entitled "Processes required to  
14 measure Puget Sound restoration are not yet in place." The update must  
15 be provided to the relevant policy committees of the senate and house  
16 of representatives by January 1, 2013.

17 (6) The joint legislative audit and review committee will assess  
18 the costs of the department of fish and wildlife to produce trout to  
19 achieve the department's desired freshwater stocking objectives and  
20 compare these costs to the costs of the alternatives for producing  
21 trout such as contracting for services. As part of its assessment, the  
22 committee will consider the following:

23 (a) The total costs to the department for producing trout at  
24 department trout production facilities, by category of trout  
25 production, to achieve the department's desired freshwater stocking  
26 objectives;

27 (b) The availability of alternative approaches to trout production,  
28 including opportunities to contract with registered aquatic farmers,  
29 and the costs of these alternative approaches; and

30 (c) A review of the experience of other states in contracting or  
31 other alternative approaches to trout production.

32 (d) The committee will complete its assessment and report to the  
33 legislature by December 1, 2012.

34 **Sec. 104.** 2011 1st sp.s. c 50 s 104 (uncodified) is amended to  
35 read as follows:

36 **FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**  
37 General Fund--State Appropriation (FY 2012) . . . . . ((\$2,027,000))

1 \$2,025,000  
 2 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$2,193,000~~))  
 3 \$1,720,000  
 4 TOTAL APPROPRIATION . . . . . ((~~\$4,220,000~~))  
 5 \$3,745,000

6 **Sec. 105.** 2011 1st sp.s. c 50 s 106 (uncodified) is amended to  
 7 read as follows:

8 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**  
 9 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$8,016,000~~))  
 10 \$8,013,000  
 11 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$7,911,000~~))  
 12 \$7,666,000  
 13 TOTAL APPROPRIATION . . . . . ((~~\$15,927,000~~))  
 14 \$15,679,000

15 **Sec. 106.** 2011 1st sp.s. c 50 s 105 (uncodified) is amended to  
 16 read as follows:

17 **FOR THE OFFICE OF THE STATE ACTUARY**  
 18 (~~General Fund--State Appropriation (FY 2012) . . . . . \$24,000~~  
 19 ~~General Fund--State Appropriation (FY 2013) . . . . . \$24,000~~)  
 20 Department of Retirement Systems Expense  
 21 Account--State Appropriation . . . . . ((~~\$3,344,000~~))  
 22 \$3,323,000  
 23 (~~(TOTAL APPROPRIATION . . . . . \$3,392,000)~~)

24 The appropriations in this section are subject to the following  
 25 conditions and limitations: \$75,000 of the department of retirement  
 26 services account--state appropriation is for the state actuary to study  
 27 the issue of merging the law enforcement officers' and fire fighters'  
 28 retirement system plans 1 and 2 into a single retirement plan. The  
 29 department of retirement systems shall assist the state actuary by  
 30 providing such information and advice as the state actuary requests,  
 31 and the state actuary may contract for services as needed to conduct  
 32 the study. The results of the study shall be reported to the ways and  
 33 means committees of the house of representatives and the senate by  
 34 December 15, 2011.

35 (1) Among the issues related to the merger of the law enforcement

1 officers' and fire fighters' retirement system plans 1 and 2 into a  
2 single retirement plan that shall be examined:

3 (a) Changes to the assets available to pay for the benefits of each  
4 plan before and after a merger based on a range of possible economic  
5 and demographic experience; and

6 (b) Changes to the projected contributions that might be required  
7 of members, employers, and the state based on a range of possible  
8 economic and demographic experience and a variety of funding policies,  
9 including both continued application of current funding policy to the  
10 benefit obligations of each plan, and application of the law  
11 enforcement officers' and fire fighters' retirement system plan 2  
12 funding policies to the combined benefits of both plans;

13 (2) The state actuary shall solicit the input of the law  
14 enforcement officers' and fire fighters' retirement system plan 2  
15 retirement board and organizations representing members and retirees of  
16 the law enforcement officers' and fire fighters' retirement system plan  
17 1 on the issue of the merger of the two plans, and include  
18 representative submissions of the input of the organizations along with  
19 the report.

20 **Sec. 107.** 2011 2nd sp.s. c 9 s 103 (uncodified) is amended to read  
21 as follows:

22 **FOR THE STATUTE LAW COMMITTEE**

23	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$4,248,000</del> ))
24		<u>\$4,245,000</u>
25	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$4,689,000</del> ))
26		<u>\$4,523,000</u>
27	TOTAL APPROPRIATION . . . . .	(( <del>\$8,937,000</del> ))
28		<u>\$8,768,000</u>

29 **Sec. 108.** 2011 1st sp.s. c 50 s 108 (uncodified) is amended to  
30 read as follows:

31 **FOR THE REDISTRICTING COMMISSION**

32	General Fund--State Appropriation (FY 2012) . . . . .	\$1,627,000
33	General Fund--State Appropriation (FY 2013) . . . . .	\$154,000
34	TOTAL APPROPRIATION . . . . .	\$1,781,000

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







1 **FOR THE ADMINISTRATOR FOR THE COURTS**

2	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$50,692,000</del> ))
3		<u>\$50,725,000</u>
4	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$50,235,000</del> ))
5		<u>\$48,429,000</u>
6	General Fund--Federal Appropriation . . . . .	\$2,532,000
7	General Fund--Private/Local Appropriation . . . . .	\$390,000
8	Judicial Information Systems Account--State	
9	Appropriation . . . . .	(( <del>\$42,414,000</del> ))
10		<u>\$42,362,000</u>
11	Judicial Stabilization Trust Account--State	
12	Appropriation . . . . .	(( <del>\$5,414,000</del> ))
13		<u>\$5,954,000</u>
14	TOTAL APPROPRIATION . . . . .	(( <del>\$151,677,000</del> ))
15		<u>\$150,392,000</u>

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

18 (1) \$1,800,000 of the general fund--state appropriation for fiscal  
19 year 2012 and ((~~\$1,800,000~~)) \$1,399,000 of the general fund--state  
20 appropriation for fiscal year 2013 are provided solely for school  
21 districts for petitions to juvenile court for truant students as  
22 provided in RCW 28A.225.030 and 28A.225.035. The office of the  
23 administrator for the courts shall develop an interagency agreement  
24 with the superintendent of public instruction to allocate the funding  
25 provided in this subsection. Allocation of this money to school  
26 districts shall be based on the number of petitions filed. This  
27 funding includes amounts school districts may expend on the cost of  
28 serving petitions filed under RCW 28A.225.030 by certified mail or by  
29 personal service or for the performance of service of process for any  
30 hearing associated with RCW 28A.225.030.

31 (2)(a) \$8,252,000 of the general fund--state appropriation for  
32 fiscal year 2012 and ((~~\$8,253,000~~)) \$7,313,000 of the general fund--  
33 state appropriation for fiscal year 2013 are provided solely for  
34 distribution to county juvenile court administrators to fund the costs  
35 of processing truancy, children in need of services, and at-risk youth  
36 petitions. The administrator for the courts, in conjunction with the  
37 juvenile court administrators, shall develop an equitable funding

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

4 (b) Each fiscal year during the 2011-2013 fiscal biennium, each  
5 county shall report the number of petitions processed and the total  
6 actual costs of processing truancy, children in need of services, and  
7 at-risk youth petitions. Counties shall submit the reports to the  
8 administrator for the courts no later than 45 days after the end of the  
9 fiscal year. The administrator for the courts shall electronically  
10 transmit this information to the chairs and ranking minority members of  
11 the house of representatives and senate ways and means committees no  
12 later than 60 days after a fiscal year ends. These reports are deemed  
13 informational in nature and are not for the purpose of distributing  
14 funds.

15 (3) The distributions made under this subsection and distributions  
16 from the county criminal justice assistance account made pursuant to  
17 section 801 of this act constitute appropriate reimbursement for costs  
18 for any new programs or increased level of service for purposes of RCW  
19 43.135.060.

20 (4) \$265,000 of the general fund--state appropriation for fiscal  
21 year 2012 is provided solely for the office of public guardianship to  
22 provide guardianship services for low-income incapacitated persons.

23 (5) \$1,178,000 of the judicial information systems account--state  
24 appropriation is provided solely for replacing computer equipment at  
25 state courts and state judicial agencies.

26 (6) No later than September 30, 2011, the judicial information  
27 systems committee shall provide a report to the legislature on the  
28 recommendations of the case management feasibility study, including  
29 plans for a replacement of the superior court management information  
30 system (SCOMIS) and plans for completing the data exchange core system  
31 component consistent with a complete data exchange standard. No later  
32 than December 31, 2011, the judicial information systems committee  
33 shall provide a report to the legislature on the status of the data  
34 exchange, the procurement process for a SCOMIS replacement, and a case  
35 management system that is designed to meet the requirements approved by  
36 the superior courts and county clerks of all thirty-nine counties. The  
37 legislature shall solicit input on both reports from judicial,  
38 legislative, and executive stakeholders.

1 (7) In order to gather better data on juveniles in the criminal  
2 justice system, the administrative office of the courts shall modify  
3 the judgment and sentence form for juvenile and adult sentences to  
4 include one or more check boxes indicating whether (a) the adult  
5 superior court had original jurisdiction for a defendant who was  
6 younger than eighteen years of age at the time the case was filed; (b)  
7 the case was originally filed in juvenile court but transferred to  
8 adult superior court jurisdiction; or (c) the case was originally filed  
9 in adult superior court or transferred to adult superior court but then  
10 returned to the juvenile court.

11 (8) \$540,000 of the judicial stabilization trust account--state  
12 appropriation is provided solely for the office of public guardianship  
13 to continue guardianship services for those low-income incapacitated  
14 persons who were receiving services on June 30, 2012.

15 (9) The Washington association of juvenile court administrators and  
16 the juvenile rehabilitation administration, in consultation with the  
17 community juvenile accountability act advisory committee and the  
18 Washington state institute for public policy, shall analyze and review  
19 data elements available from the administrative office of the courts  
20 for possible integration into the evidence-based program quality  
21 assurance plans and processes. The administrative office of the  
22 courts, the Washington association of juvenile court administrators,  
23 and the juvenile rehabilitation administration shall provide  
24 information necessary to complete the review and analysis. The  
25 Washington association of juvenile court administrators and the  
26 juvenile rehabilitation administration shall report the findings of  
27 their review and analysis, as well as any recommendations, to the  
28 legislature by December 1, 2012.

29 **Sec. 116.** 2011 2nd sp.s. c 9 s 108 (uncodified) is amended to read  
30 as follows:

31 **FOR THE OFFICE OF PUBLIC DEFENSE**

32	General Fund--State Appropriation (FY 2012) . . . . .	(( \$25,030,000 ))
33		<u>\$25,025,000</u>
34	General Fund--State Appropriation (FY 2013) . . . . .	(( \$24,972,000 ))
35		<u>\$29,138,000</u>
36	Judicial Stabilization Trust Account--State	
37	Appropriation . . . . .	(( \$2,490,000 ))

1 \$4,368,000  
2 TOTAL APPROPRIATION . . . . . ((~~\$52,492,000~~))  
3 \$58,531,000

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

6 (1) The amounts provided include funding for expert and  
7 investigative services in death penalty personal restraint petitions.

8 (2) By December 1, 2011, the office of public defense shall submit  
9 to the appropriate policy and fiscal committees of the legislature a  
10 proposal for office of public defense to assume the effective and  
11 efficient administration of defense services for indigent persons  
12 throughout the state who are involved in proceedings under chapter  
13 71.09 RCW. In developing its proposal, the office of public defense  
14 should consult with interested stakeholders, including the King county  
15 public defender, the Washington defender association, the Washington  
16 association of criminal defense lawyers, the administrative office of  
17 the courts, the superior court judges association, the office of the  
18 attorney general, the King county prosecuting attorney, the Washington  
19 association of counties, and the department of social and health  
20 services. At a minimum, the proposal should identify:

21 (a) Procedures to control costs and require accountability,  
22 consistent with the state's obligation to ensure the right to counsel  
23 under both the United States Constitution and the Washington  
24 Constitution;

25 (b) Appropriate practice standards for trial-level defense of  
26 indigent persons involved in proceedings under chapter 71.09 RCW, an  
27 estimated number of attorneys statewide who are qualified to provide  
28 such representation, and reasonable compensation for such defense  
29 services;

30 (c) The total budget necessary to implement the proposal statewide  
31 for fiscal year 2013, including administrative support; and

32 (d) Possible savings to the state and counties that might result  
33 from implementing the proposal.

34 (3) \$6,065,000 of the general fund--state appropriation for fiscal  
35 year 2013 is provided solely to implement Substitute Senate Bill No.  
36 6493 (sexual predator commitment). If the bill is not enacted by June  
37 30, 2012, the amount provided in this subsection shall lapse.

1 **Sec. 117.** 2011 1st sp.s. c 50 s 115 (uncodified) is amended to  
2 read as follows:

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

4 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$11,038,000~~))  
5 \$11,037,000  
6 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$11,048,000~~))  
7 \$10,555,000  
8 Judicial Stabilization Trust Account--State  
9 Appropriation . . . . . ((~~\$1,093,000~~))  
10 \$2,073,000  
11 TOTAL APPROPRIATION . . . . . ((~~\$23,179,000~~))  
12 \$23,665,000

13 The appropriations in this section are subject to the following  
14 conditions and limitations: An amount not to exceed \$40,000 of the  
15 general fund--state appropriation for fiscal year 2012 and an amount  
16 not to exceed \$40,000 of the general fund--state appropriation for  
17 fiscal year 2013 may be used to provide telephonic legal advice and  
18 assistance to otherwise eligible persons who are sixty years of age or  
19 older on matters authorized by RCW 2.53.030(2) (a) through (k)  
20 regardless of household income or asset level.

21 **Sec. 118.** 2011 2nd sp.s. c 9 s 109 (uncodified) is amended to read  
22 as follows:

23 **FOR THE OFFICE OF THE GOVERNOR**

24 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$5,311,000~~))  
25 \$5,102,000  
26 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$5,292,000~~))  
27 \$5,247,000  
28 Economic Development Strategic Reserve Account--State  
29 Appropriation . . . . . \$1,500,000  
30 TOTAL APPROPRIATION . . . . . ((~~\$12,103,000~~))  
31 \$11,849,000

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

34 (1) \$1,500,000 of the economic development strategic reserve  
35 account appropriation is provided solely for efforts to assist with  
36 currently active industrial recruitment efforts that will bring new

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

3 (2) (~~(\$547,000)~~) \$540,000 of the general fund--state appropriation  
4 for fiscal year 2012 and (~~(\$547,000)~~) \$526,000 of the general fund--  
5 state appropriation for fiscal year 2013 are provided solely for the  
6 office of the education ombudsman.

7 **Sec. 119.** 2011 1st sp.s. c 50 s 117 (uncodified) is amended to  
8 read as follows:

9 **FOR THE LIEUTENANT GOVERNOR**

10	General Fund--State Appropriation (FY 2012) . . . . .	( <del>(\$687,000)</del> )
11		<u>\$650,000</u>
12	General Fund--State Appropriation (FY 2013) . . . . .	( <del>(\$698,000)</del> )
13		<u>\$651,000</u>
14	General Fund--Private/Local Appropriation . . . . .	\$90,000
15	TOTAL APPROPRIATION . . . . .	( <del>(\$1,475,000)</del> )
16		<u>\$1,391,000</u>

17 **Sec. 120.** 2011 2nd sp.s. c 9 s 110 (uncodified) is amended to read  
18 as follows:

19 **FOR THE PUBLIC DISCLOSURE COMMISSION**

20	General Fund--State Appropriation (FY 2012) . . . . .	( <del>(\$2,106,000)</del> )
21		<u>\$2,019,000</u>
22	General Fund--State Appropriation (FY 2013) . . . . .	( <del>(\$2,129,000)</del> )
23		<u>\$1,938,000</u>
24	TOTAL APPROPRIATION . . . . .	( <del>(\$4,235,000)</del> )
25		<u>\$3,957,000</u>

26 The appropriations in this section are subject to the following  
27 conditions and limitations: \$43,000 of the general fund--state  
28 appropriation for fiscal year 2012 and \$82,000 of the general fund--  
29 state appropriation for fiscal year 2013 are provided solely for the  
30 implementation of Engrossed Substitute Senate Bill No. 5021 (election  
31 campaign disclosure).

32 **Sec. 121.** 2011 2nd sp.s. c 9 s 111 (uncodified) is amended to read  
33 as follows:

34 **FOR THE SECRETARY OF STATE**

35	General Fund--State Appropriation (FY 2012) . . . . .	( <del>(\$16,014,000)</del> )
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1		<u>\$16,047,000</u>
2	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$12,862,000</del> ))
3		<u>\$8,612,000</u>
4	General Fund--Federal Appropriation . . . . .	(( <del>\$7,338,000</del> ))
5		<u>\$7,326,000</u>
6	Public Records Efficiency, Preservation, and Access	
7	Account--State Appropriation . . . . .	(( <del>\$7,950,000</del> ))
8		<u>\$7,074,000</u>
9	Charitable Organization Education Account--State	
10	Appropriation . . . . .	(( <del>\$452,000</del> ))
11		<u>\$362,000</u>
12	Local Government Archives Account--State	
13	Appropriation . . . . .	(( <del>\$10,557,000</del> ))
14		<u>\$8,516,000</u>
15	Election Account--Federal Appropriation . . . . .	(( <del>\$17,288,000</del> ))
16		<u>\$17,284,000</u>
17	Washington State Heritage Center Account--State	
18	Appropriation . . . . .	(( <del>\$1,028,000</del> ))
19		<u>\$5,028,000</u>
20	TOTAL APPROPRIATION . . . . .	(( <del>\$73,489,000</del> ))
21		<u>\$70,249,000</u>

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

24       (1) \$3,898,000 of the general fund--state appropriation for fiscal  
25 year 2012 is provided solely to reimburse counties for the state's  
26 share of primary and general election costs and the costs of conducting  
27 mandatory recounts on state measures. Counties shall be reimbursed  
28 only for those odd-year election costs that the secretary of state  
29 validates as eligible for reimbursement.

30       (2)(a) \$1,847,000 of the general fund--state appropriation for  
31 fiscal year 2012 and \$1,926,000 of the general fund--state  
32 appropriation for fiscal year 2013 are provided solely for contracting  
33 with a nonprofit organization to produce gavel-to-gavel television  
34 coverage of state government deliberations and other events of  
35 statewide significance during the 2011-2013 biennium. The funding  
36 level for each year of the contract shall be based on the amount  
37 provided in this subsection. The nonprofit organization shall be  
38 required to raise contributions or commitments to make contributions,

1 in cash or in kind, in an amount equal to forty percent of the state  
2 contribution. The office of the secretary of state may make full or  
3 partial payment once all criteria in this subsection have been  
4 satisfactorily documented.

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

10 (c) The nonprofit organization shall prepare an annual independent  
11 audit, an annual financial statement, and an annual report, including  
12 benchmarks that measure the success of the nonprofit organization in  
13 meeting the intent of the program.

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

16 (i) Attempting to influence the passage or defeat of any  
17 legislation by the legislature of the state of Washington, by any  
18 county, city, town, or other political subdivision of the state of  
19 Washington, or by the congress, or the adoption or rejection of any  
20 rule, standard, rate, or other legislative enactment of any state  
21 agency;

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

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

25 (3) Any reductions to funding for the Washington talking book and  
26 Braille library may not exceed in proportion any reductions taken to  
27 the funding for the library as a whole.

28 **Sec. 122.** 2011 1st sp.s. c 50 s 120 (uncodified) is amended to  
29 read as follows:

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

31	General Fund--State Appropriation (FY 2012) . . . . .	(\$259,000)
32		<u>\$257,000</u>
33	General Fund--State Appropriation (FY 2013) . . . . .	(\$267,000)
34		<u>\$260,000</u>
35	TOTAL APPROPRIATION . . . . .	(\$526,000)
36		<u>\$517,000</u>



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

12 **Sec. 123.** 2011 2nd sp.s. c 9 s 112 (uncodified) is amended to read  
 13 as follows:

14 **FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

15	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$236,000</del> ))
16		<u>\$234,000</u>
17	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$219,000</del> ))
18		<u>\$212,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$455,000</del> ))
20		<u>\$446,000</u>

21 **Sec. 124.** 2011 2nd sp.s. c 9 s 113 (uncodified) is amended to read  
 22 as follows:

23 **FOR THE STATE TREASURER**

24	State Treasurer's Service Account--State	
25	Appropriation . . . . .	(( <del>\$14,994,000</del> ))
26		<u>\$13,706,000</u>

27 **Sec. 125.** 2011 2nd sp.s. c 9 s 114 (uncodified) is amended to read  
 28 as follows:

29 **FOR THE STATE AUDITOR**

30	State Auditing Services Revolving Account--State	
31	Appropriation . . . . .	(( <del>\$10,293,000</del> ))
32		<u>\$9,209,000</u>
33	Performance Audit of Government Account--State	
34	Appropriation . . . . .	\$1,461,000
35	TOTAL APPROPRIATION . . . . .	(( <del>\$11,754,000</del> ))

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

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

(2) \$1,461,000 of the performance audits of government account appropriation is provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

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

Sec. 126. 2011 1st sp.s. c 50 s 124 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2012) . . . . .	(\$158,000)
	<u>\$141,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(\$195,000)
	<u>\$186,000</u>
TOTAL APPROPRIATION . . . . .	(\$353,000)
	<u>\$327,000</u>

Sec. 127. 2011 2nd sp.s. c 9 s 115 (uncodified) is amended to read as follows:



1 the expenditure of each amount. The report shall be distributed  
2 electronically and posted on the attorney general's web site. The  
3 report shall not be printed on paper or distributed physically.

4 (4) The attorney general shall enter into an interagency agreement  
5 with the department of social and health services for expenditure of  
6 the state's proceeds from the *cy pres* settlement in *State of Washington*  
7 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204  
8 and 213 of this act.

9 (5) \$62,000 of the legal services revolving fund--state  
10 appropriation is provided solely to implement House Bill No. 1770  
11 (state purchasing). If the bill is not enacted by June 30, 2011, the  
12 amount provided in this subsection shall lapse.

13 (6) \$5,924,000 of the legal services revolving account--state  
14 appropriation is provided solely to implement House Bill No. 2123  
15 (workers' compensation). If the bill is not enacted by June 30, 2011,  
16 the amount provided in this subsection shall lapse.

17 (7) The office of the attorney general is authorized to expend  
18 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer  
19 protection costs in accordance with uses authorized in the court  
20 orders.

21 (8) \$96,000 of the legal services revolving fund--state  
22 appropriation is provided solely to implement Senate Bill No. 5076  
23 (financial institutions). If the bill is not enacted by June 30, 2011,  
24 the amount provided in this subsection shall lapse.

25 (9) \$99,000 of the legal services revolving fund--state  
26 appropriation is provided solely to implement Engrossed Second  
27 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill  
28 is not enacted by June 30, 2011, the amount provided in this subsection  
29 shall lapse.

30 (10) \$416,000 of the legal services revolving fund--state  
31 appropriation is provided solely to implement Substitute Senate Bill  
32 No. 5801 (industrial insurance system). If the bill is not enacted by  
33 June 30, 2011, the amount provided in this subsection shall lapse.

34 (11) \$31,000 of the legal services revolving fund--state  
35 appropriation is provided solely to implement Engrossed Substitute  
36 Senate Bill No. 5021 (election campaign disclosure). If the bill is  
37 not enacted by June 30, 2011, the amount provided in this subsection  
38 shall lapse.

1 (12) The executive ethics board shall: (a) Develop a statewide  
2 plan, with performance measures, to provide overall direction and  
3 accountability in all executive branch agencies and statewide elected  
4 offices; (b) coordinate and work with the commission on judicial  
5 conduct and the legislative ethics board; (c) assess and evaluate each  
6 agency's ethical culture through employee and stakeholder surveys,  
7 review Washington state quality award feedback reports, and publish an  
8 annual report on the results to the public; and (d) solicit outside  
9 evaluations, studies, and recommendations for improvements from  
10 academics, nonprofit organizations, the public disclosure commission,  
11 or other entities with expertise in ethics, integrity, and the public  
12 sector.

13 (13) \$11,000 of the legal services revolving fund--state  
14 appropriation is provided solely to implement House Bill No. 2301  
15 (boxing, martial arts, wrestling). If the bill is not enacted by June  
16 30, 2012, the amount provided in this subsection shall lapse.

17 (14) \$56,000 of the legal services revolving fund--state  
18 appropriation is provided solely to implement House Bill No. 2319  
19 (affordable care act). If the bill is not enacted by June 30, 2012,  
20 the amount provided in this subsection shall lapse.

21 (15) \$5,743,000 of the general fund--state appropriation for fiscal  
22 year 2013 is provided solely for the legal costs associated with the  
23 evaluation, filing, prosecution, response to petitions for release, and  
24 appeal of sexually violent predator civil commitment cases, as provided  
25 in chapter 71.09 RCW. Within the amount provided in this subsection,  
26 the attorney general may enter into an interagency agreement with a  
27 county prosecutor to perform prosecution services pursuant to chapter  
28 71.09 RCW.

29 (16) \$94,000 of the legal services revolving fund--state  
30 appropriation is provided solely to implement Senate Bill No. 6103  
31 (reflexology and massage therapy). If the bill is not enacted by June  
32 30, 2012, the amount provided in this subsection shall lapse.

33 (17) \$57,000 of the legal services revolving fund--state  
34 appropriation is provided solely for implementation of Engrossed  
35 Substitute Senate Bill No. 6237 (medical assistants). If the bill is  
36 not enacted by June 30, 2012, the amount provided in this subsection  
37 shall lapse.

1 (18) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)  
2 is not enacted by June 30, 2012, the amounts appropriated in this  
3 section from the medicaid fraud penalty account--state appropriation  
4 shall lapse and an additional \$730,000 shall be appropriated from the  
5 general fund--state for fiscal year 2013 for fraud detection and  
6 prevention activities, recovery of improper payments, and for other  
7 medicaid fraud enforcement activities.

8 (19) \$56,000 of the legal services revolving fund--state  
9 appropriation is provided solely to implement House Bill No. 2592  
10 (extended foster care). If the bill is not enacted by June 30, 2012,  
11 the amount provided in this subsection shall lapse.

12 (20) \$65,000 of the legal services revolving fund--state  
13 appropriation is provided solely for implementation of Second Engrossed  
14 Substitute Senate Bill No. 6406 (state natural resources). If the bill  
15 is not enacted by June 30, 2012, the amount provided in this subsection  
16 shall lapse.

17 **Sec. 128.** 2011 2nd sp.s. c 9 s 116 (uncodified) is amended to read  
18 as follows:

19 **FOR THE CASELOAD FORECAST COUNCIL**

20	General Fund--State Appropriation (FY 2012) . . . . .	(((\$1,310,000))
21		<u>\$1,277,000</u>
22	General Fund--State Appropriation (FY 2013) . . . . .	(((\$1,309,000))
23		<u>\$1,180,000</u>
24	TOTAL APPROPRIATION . . . . .	(((\$2,619,000))
25		<u>\$2,457,000</u>

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

28 (1) The appropriations in this section include funding for  
29 activities transferred from the sentencing guidelines commission to the  
30 caseload forecast council pursuant to Engrossed Substitute Senate Bill  
31 No. 5891 (criminal justice cost savings). Prior to the effective date  
32 of Engrossed Substitute Senate Bill No. 5891, the appropriations in  
33 this section may be expended for the continued operations and expenses  
34 of the sentencing guidelines commission pursuant to the expenditure  
35 authority schedule produced by the office of financial management in  
36 accordance with chapter 43.88 RCW.

1 (2) \$57,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$57,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the implementation of Senate  
4 Bill No. 5304 (college bound scholarship).

5 **Sec. 129.** 2011 2nd sp.s. c 9 s 117 (uncodified) is amended to read  
6 as follows:

7 **FOR THE DEPARTMENT OF COMMERCE**

8	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$57,261,000</del> ))
9		<u>\$51,799,000</u>
10	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$72,459,000</del> ))
11		<u>\$72,839,000</u>
12	General Fund--Federal Appropriation . . . . .	(( <del>\$282,185,000</del> ))
13		<u>\$340,184,000</u>
14	General Fund--Private/Local Appropriation . . . . .	(( <del>\$4,989,000</del> ))
15		<u>\$5,036,000</u>
16	Public Works Assistance Account--State	
17	Appropriation . . . . .	(( <del>\$2,764,000</del> ))
18		<u>\$2,733,000</u>
19	Drinking Water Assistance Administrative	
20	Account--State Appropriation . . . . .	\$437,000
21	Lead Paint Account--State Appropriation . . . . .	\$65,000
22	Building Code Council Account--State Appropriation . . . . .	\$13,000
23	Home Security Fund Account--State Appropriation . . . . .	(( <del>\$16,652,000</del> ))
24		<u>\$21,007,000</u>
25	Affordable Housing for All Account--State	
26	Appropriation . . . . .	(( <del>\$11,902,000</del> ))
27		<u>\$11,899,000</u>
28	County Research Services Account--State	
29	Appropriation . . . . .	(( <del>\$1,081,000</del> ))
30		<u>\$540,000</u>
31	Financial Fraud and Identity Theft Crimes Investigation	
32	and Prosecution Account--State Appropriation . . . . .	\$1,166,000
33	Low-Income Weatherization Assistance Account--State	
34	Appropriation . . . . .	(( <del>\$5,778,000</del> ))
35		<u>\$2,427,000</u>
36	City and Town Research Services Account--State	
37	Appropriation . . . . .	(( <del>\$5,166,000</del> ))

1		<u>\$2,577,000</u>
2	( <del>Manufacturing Innovation and Modernization</del>	
3	<del>Account--State Appropriation . . . . .</del>	<del>(\$61,000)</del> )
4	Community and Economic Development Fee Account--State	
5	Appropriation . . . . .	(( <del>\$6,488,000</del> ))
6		<u>\$6,781,000</u>
7	Washington Housing Trust Account--State	
8	Appropriation . . . . .	(( <del>\$17,498,000</del> ))
9		<u>\$17,444,000</u>
10	Prostitution Prevention and Intervention Account--	
11	State Appropriation . . . . .	\$86,000
12	Public Facility Construction Loan Revolving	
13	Account--State Appropriation . . . . .	(( <del>\$755,000</del> ))
14		<u>\$748,000</u>
15	Washington Community Technology Opportunity Account--	
16	State Appropriation . . . . .	\$713,000
17	<u>Liquor Revolving Account--State Appropriation . . . . .</u>	<u>\$2,802,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$487,519,000</del> ))
19		<u>\$541,296,000</u>

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

22 (1) Repayments of outstanding mortgage and rental assistance  
23 program loans administered by the department under RCW 43.63A.640 shall  
24 be remitted to the department, including any current revolving account  
25 balances. The department shall collect payments on outstanding loans,  
26 and deposit them into the state general fund. Repayments of funds owed  
27 under the program shall be remitted to the department according to the  
28 terms included in the original loan agreements.

29 (2) \$500,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$500,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for a grant to resolution  
32 Washington to building statewide capacity for alternative dispute  
33 resolution centers and dispute resolution programs that guarantee that  
34 citizens have access to low-cost resolution as an alternative to  
35 litigation.

36 (3) \$306,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$306,000 of the general fund--state appropriation for



1 fiscal year 2013 are provided solely for a grant to the retired senior  
2 volunteer program.

3 (4) The department shall administer its growth management act  
4 technical assistance so that smaller cities receive proportionately  
5 more assistance than larger cities or counties.

6 (5) \$1,800,000 of the home security fund--state appropriation is  
7 provided for transitional housing assistance or partial payments for  
8 rental assistance under the independent youth housing program.

9 (6) \$5,000,000 of the home security fund--state appropriation is  
10 for the operation, repair, and staffing of shelters in the homeless  
11 family shelter program.

12 (7) \$198,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$198,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for the Washington new Americans  
15 program.

16 (8) \$2,949,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$2,949,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely for associate development  
19 organizations.

20 (9) \$127,000 of the general fund--federal appropriation is provided  
21 solely for implementation of Substitute House Bill No. 1886  
22 (Ruckelshaus center process). If the bill is not enacted by June 30,  
23 2011, the amount provided in this subsection shall lapse.

24 (10) Up to \$200,000 of the general fund--private/local  
25 appropriation is for a grant to the Washington tourism alliance for the  
26 maintenance of the Washington state tourism web site  
27 [www.experiencewa.com](http://www.experiencewa.com) and its related sub-sites. The department may  
28 transfer ownership of the web site and other tourism promotion assets  
29 and assign obligations to the Washington tourism alliance for purposes  
30 of tourism promotion throughout the state. The alliance may use the  
31 assets only in a manner consistent with the purposes for which they  
32 were created. Any revenue generated from these assets must be used by  
33 the alliance for the sole purposes of statewide Washington tourism  
34 promotion. The legislature finds that the Washington tourism alliance,  
35 a not-for-profit, 501.c.6 organization established, funded, and  
36 governed by Washington tourism industry stakeholders to sustain  
37 destination tourism marketing across Washington, is an appropriate body

1 to receive funding and assets from and assume obligations of the  
2 department for the purposes described in this section.

3 (11) Within the appropriations in this section, specific funding is  
4 provided to implement Substitute Senate Bill No. 5741 (economic  
5 development commission).

6 (12) \$2,000,000 of the community and economic development fee  
7 account appropriation is provided solely for the department of commerce  
8 for services to homeless families through the Washington families fund.

9 (13) (~~(\$260,000)~~) \$234,000 of the general fund--state appropriation  
10 for fiscal year 2012 and (~~(\$259,000)~~) \$233,000 of the general fund--  
11 state appropriation for fiscal year 2013 are provided solely for the  
12 Washington asset building coalitions.

13 (14) \$1,859,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$1,859,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for innovative research teams,  
16 also known as entrepreneurial STARS, at higher education research  
17 institutions, and for entrepreneurs-in-residence programs at higher  
18 education research institutions and entrepreneurial assistance  
19 organizations. Of these amounts no more than \$50,000 in fiscal year  
20 2012 and no more than \$50,000 in fiscal year 2013 may be provided for  
21 the operation of entrepreneurs-in-residence programs at entrepreneurial  
22 assistance organizations external to higher education research  
23 institutions.

24 (15) Up to \$700,000 of the general fund--private/local  
25 appropriation is for pass-through grants to cities in central Puget  
26 Sound to plan for transfer of development rights receiving areas under  
27 the central Puget Sound regional transfer of development rights  
28 program.

29 (16) \$16,000 of the general fund--state appropriation for fiscal  
30 year 2012 is provided solely to implement section 503 of Substitute  
31 House Bill No. 1277 (licensed settings for vulnerable adults). The  
32 long-term care ombudsman shall convene an adult family home quality  
33 assurance panel to review problems concerning the quality of care for  
34 residents in adult family homes. If Substitute House Bill No. 1277  
35 (licensed settings for vulnerable adults) is not enacted by June 30,  
36 2011, the amount provided in this subsection shall lapse.

37 (17) (~~(\$24,605,000)~~) \$19,605,000 of the general fund--state  
38 appropriation for fiscal year 2012 and \$39,527,000 of the general

1 fund--state appropriation for fiscal year 2013 are provided solely for  
2 establishment of the essential needs and housing support program  
3 created in Engrossed Substitute House Bill No. 2082 (essential needs  
4 and assistance program). The department of commerce shall contract for  
5 these services with counties or community-based organizations involved  
6 in providing essential needs and housing supports to low-income persons  
7 who meet eligibility pursuant to Engrossed Substitute House Bill No.  
8 2082. The department shall limit the funding used for administration  
9 of the program to no more than five percent. Counties and community  
10 providers shall limit the funding used for administration of the  
11 program to no more than seven percent.

12 (a) Of the amounts provided in this subsection, \$4,000,000 is  
13 provided solely for essential needs to clients who meet the eligibility  
14 established in Engrossed Substitute House Bill No. 2082. Counties and  
15 community-based organizations shall distribute basic essential products  
16 in a manner that prevents abuse. To the greatest extent possible, the  
17 counties or community-based organizations shall leverage local or  
18 private funds, and volunteer support to acquire and distribute the  
19 basic essential products.

20 (b) Of the amounts provided in this subsection, ~~(((\$30,000,000))~~  
21 \$55,000,000 is provided solely for housing support services to  
22 individuals who are homeless or who may become homeless, and are  
23 eligible for services under this program pursuant to Engrossed  
24 Substitute House Bill No. 2082.

25 ~~((c) Of the amounts provided in this subsection, \$30,000,000 is~~  
26 ~~provided solely as a contingency fund to provide housing support~~  
27 ~~services for individuals who may become homeless and are otherwise~~  
28 ~~eligible for this program pursuant to Engrossed Substitute House Bill~~  
29 ~~No. 2082.))~~

30 (18) \$4,380,000 of the home security fund--state appropriation is  
31 provided solely for the department to provide homeless housing services  
32 in accordance with Engrossed Substitute House Bill No. 2048 (housing  
33 assistance surcharges). If Engrossed Substitute House Bill No. 2048  
34 (housing assistance surcharges) is not enacted by June 30, 2012, the  
35 amounts provided in this subsection shall lapse.

36 (19) \$85,000 of the general fund--state appropriation for fiscal  
37 year 2013 is provided solely for the developmental disabilities council  
38 to contract for a family-to-family mentor program to provide

1 information and support to families and guardians of persons who are  
2 transitioning out of residential habilitation centers. To the maximum  
3 extent allowable under federal law, these funds shall be matched under  
4 medicaid through the department of social and health services and  
5 federal funds shall be transferred to the department for the purposes  
6 stated in this subsection.

7 (20) \$2,802,000 of the liquor revolving account--state  
8 appropriation is provided solely for the department to contract with  
9 the municipal research and services center of Washington.

10 (21) \$1,000,000 of the general fund--state appropriation for fiscal  
11 year 2013 is provided solely for deposit in the shelter to housing  
12 project account, hereby created in the custody of the state treasurer  
13 as a nonappropriated account. The department may expend funds from the  
14 account solely for a two-year pilot project to enable young adults to  
15 move from temporary emergency shelter housing to transitional and  
16 permanent housing throughout King county. The pilot project will be  
17 administered under contract with the YMCA of greater Seattle in  
18 collaboration with the rising out of the shadows young adult shelter.  
19 Funding may be used for case management, housing subsidy,  
20 transportation, shelter services, training and evaluation. The pilot  
21 project and the shelter to housing project account expire December 31,  
22 2014.

23 (22) \$12,000 of the general fund--state appropriation for fiscal  
24 year 2013 is provided solely to implement Engrossed Second Substitute  
25 Senate Bill No. 5292 (irrigation and port districts). If the bill is  
26 not enacted by June 30, 2012, the amount provided in this subsection  
27 shall lapse.

28 (23) \$100,000 of the general fund--private/local appropriation is  
29 provided solely for the department to provide analysis and an advisory  
30 opinion on whether a proposed electric generation project or  
31 conservation resource qualifies to meet mandatory conservation targets  
32 in accordance with Substitute Senate Bill No. 6414 (review  
33 process/utilities). The department is authorized to require an  
34 applicant to pay an application fee to cover the cost of reviewing the  
35 project and preparing an advisory opinion. If Substitute Senate Bill  
36 No. 6414 (review process/utilities) is not enacted by June 30, 2012,  
37 the amount provided in this subsection shall lapse.

1       **Sec. 130.** 2011 1st sp.s. c 50 s 128 (uncodified) is amended to  
 2 read as follows:

3       **FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

4	General Fund--State Appropriation (FY 2012) . . . . .	<del>(\$674,000)</del>
5		<u>\$648,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$728,000)</del>
7		<u>\$789,000</u>
8	Lottery Administrative Account--State Appropriation . . . . .	\$50,000
9	TOTAL APPROPRIATION . . . . .	<del>(\$1,452,000)</del>
10		<u>\$1,487,000</u>

11       The appropriations in this section are subject to the following  
 12 conditions and limitations: \$90,000 of the general fund--state  
 13 appropriation for fiscal year 2013 is provided solely to implement  
 14 Substitute Senate Bill No. 6636 (balanced budget). If the bill is not  
 15 enacted by June 30, 2012, the amount provided in this subsection shall  
 16 lapse.

17       **Sec. 131.** 2011 2nd sp.s. c 9 s 118 (uncodified) is amended to read  
 18 as follows:

19       **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

20	General Fund--State Appropriation (FY 2012) . . . . .	<del>(\$18,627,000)</del>
21		<u>\$18,369,000</u>
22	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$18,851,000)</del>
23		<u>\$18,584,000</u>
24	General Fund--Federal Appropriation . . . . .	<del>(\$31,534,000)</del>
25		<u>\$31,530,000</u>
26	General Fund--Private/Local Appropriation . . . . .	<del>(\$1,270,000)</del>
27		<u>\$1,370,000</u>
28	Performance Audits of Government Account--State	
29	Appropriation . . . . .	<del>(\$25,000)</del>
30		<u>\$198,000</u>
31	Economic Development Strategic Reserve Account--State	
32	Appropriation . . . . .	\$280,000
33	Department of Personnel Services--State	
34	Appropriation . . . . .	<del>(\$7,827,000)</del>
35		<u>\$8,551,000</u>
36	Data Processing Revolving Account--State	
37	Appropriation . . . . .	<del>(\$5,208,000)</del>

1		<u>\$5,910,000</u>
2	Higher Education Personnel Services Account--State	
3	Appropriation . . . . .	\$1,537,000
4	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$100,000
5	TOTAL APPROPRIATION . . . . .	(( <del>\$85,259,000</del> ))
6		<u>\$86,429,000</u>

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

9       (1) \$1,210,000 of the general fund--state appropriation for fiscal  
10 year 2012 and \$1,210,000 of the general fund--state appropriation for  
11 fiscal year 2013 are provided solely for implementation of House Bill  
12 No. 1178 (regulatory assistance office). If the bill is not enacted by  
13 June 30, 2011, the amounts provided in this subsection shall lapse.

14       (2) \$150,000 of the general fund--state appropriation for fiscal  
15 year 2012 is provided solely for the office of financial management to  
16 contract with an independent consultant to evaluate and recommend the  
17 most cost-effective provision of services required to support the  
18 department of social and health services special commitment center on  
19 McNeil Island. The evaluation shall include island operation services  
20 that include, but are not limited to: (a) Marine transport of  
21 passengers and goods; (b) wastewater treatment; (c) fire protection and  
22 suppression; (d) electrical supply; (e) water supply; and (f) road  
23 maintenance.

24       The office of financial management shall solicit the input of  
25 Pierce county, the department of corrections, and the department of  
26 social and health services in developing the request for proposal,  
27 evaluating applications, and directing the evaluation. The consultant  
28 shall report to the governor and legislature by November 15, 2011.

29       (3) \$100,000 of the aquatic lands enhancement account--state  
30 appropriation is provided solely for the office of financial management  
31 to prepare a report to be used to initiate a comprehensive, long-range  
32 planning process for the future of McNeil Island during the 2013-2015  
33 fiscal biennium.

34       (a) The report on the initiation of the process must document:  
35       (i) Ownership issues, including consultation with the federal  
36 government about its current legal requirements associated with the  
37 island;

1 (ii) Federal and state decision-making processes to change use or  
2 ownership;  
3 (iii) Tribal treaty interests;  
4 (iv) Fish and wildlife species and their habitats;  
5 (v) Land use and public safety needs;  
6 (vi) Recreational opportunities for the general public;  
7 (vii) Historic and archaeological resources; and  
8 (viii) Revenue from and necessary to support potential future uses  
9 of the island.

10 (b) The report shall develop and recommend a comprehensive, long-  
11 range planning process for the future of the island and associated  
12 aquatic resources, addressing the items in (a) of this subsection.

13 (c) The office of financial management may use its own staff and  
14 other public agency and tribal staff or contract for services, and may  
15 create a work group of knowledgeable agencies, organizations, and  
16 individuals to assist in preparing the report.

17 (d) The office of financial management shall engage in broad  
18 consultation with interested parties, including, but not limited to:

19 (i) Federal agencies with relevant responsibilities;  
20 (ii) Tribal governments;  
21 (iii) State agencies;  
22 (iv) Local governments and communities in the area, including the  
23 Anderson Island community, Steilacoom, and Pierce county; and  
24 (v) Interested private organizations and individuals.

25 (e) The report must be submitted to the governor and appropriate  
26 committees of the legislature by October 1, 2012.

27 (4) The appropriations in this section include funding for  
28 activities transferred from the sentencing guidelines commission to the  
29 office of financial management pursuant to Engrossed Substitute Senate  
30 Bill No. 5891 (criminal justice cost savings). Prior to the effective  
31 date of Engrossed Substitute Senate Bill No. 5891, the appropriations  
32 in this section may be expended for the continued operations and  
33 expenses of the sentencing guidelines commission pursuant to the  
34 expenditure authority schedule produced by the office of financial  
35 management in accordance with chapter 43.88 RCW.

36 (5) \$23,000 of the general fund--state appropriation for fiscal  
37 year 2013 is provided solely for the office of regulatory assistance to  
38 implement the following:

1       (a) Coordination of an agency small business liaison team to assist  
2 small businesses with permitting and regulatory issues. The small  
3 business liaison team, as part of the biennial report submitted by the  
4 office of regulatory assistance, must provide recommendations for  
5 improvements to inspection and compliance practices and ways to improve  
6 customer service for regulatory agencies. The office must work with  
7 regulatory agencies to: (i) Assure that additional violations or  
8 corrective actions that could have been discovered and noted in the  
9 original violation or correction notice are not subsequently added and  
10 to provide a single list of any violations discovered during the  
11 regulatory visit or inspection; (ii) provide notice about when the  
12 business may expect the results of a technical assistance or regulatory  
13 visit; (iii) provide information about how the business may provide  
14 anonymous feedback regarding a technical assistance or other regulatory  
15 visit; and (iv) provide information regarding the role of the agency's  
16 small business liaison as a neutral party within the agency, as well as  
17 contact information for the liaison.

18       (b) In coordination with regulatory agencies, development of an  
19 anonymous customer service survey that regulated entities may complete  
20 after an inspection or a technical assistance visit under chapter 43.05  
21 RCW, or a consultative visit under RCW 49.17.250. The survey must  
22 include questions addressing the points in this subsection (b) but may  
23 be designed in a way that best serves the needs of the multiple  
24 agencies and customers that will be using the survey. The survey must  
25 provide a way of identifying the agency that performed the inspection,  
26 and if possible within the resources allowed, provide a means of  
27 identifying the inspector who provided services. Questions should  
28 address the following topics:

29       (i) Whether staff were helpful, friendly, listened to the regulated  
30 party, used professional judgment, and communicated clearly;

31       (ii) Whether the inspector viewed the customer as a partner, worked  
32 on a cooperative relationship, and worked on innovative solutions;

33       (iii) Whether the inspector informed the customer why the customer  
34 received a site visit or inspection, described the site visit or  
35 inspection process, answered questions about the process, and explained  
36 regulatory requirements; and

37       (iv) Whether the inspector was knowledgeable about the businesses  
38 operations and provided useful technical information.



1       The survey must be available on the office web site. The results  
2 of the surveys must be summarized, by agency, in a report and forwarded  
3 to the agency director, the governor, and the appropriate committees of  
4 the legislature. Each agency shall receive a copy of all relevant  
5 survey information. No identifying information may be included that  
6 would reveal the identity of the respondent.

7       (6) \$115,000 of the general fund--state appropriation for fiscal  
8 year 2013 is provided solely for implementation of Engrossed Substitute  
9 House Bill No. 2483 (higher education coordination). If the bill is  
10 not enacted by June 30, 2012, the amount provided in this subsection  
11 shall lapse.

12       (7)(a) The office of financial management shall determine if cost  
13 savings can be achieved by the state through contracting for  
14 interpreter services more effectively. The office of financial  
15 management must work with all state agencies that use interpreter  
16 services to determine:

17       (i) How agencies currently procure interpreter services;

18       (ii) To what degree brokers or foreign language agencies are used  
19 in the acquisition of interpreter services; and

20       (iii) The cost of interpreter services as currently provided.

21       (b) The office of financial management, in consultation with the  
22 department of enterprise services, must also examine approaches to  
23 procuring interpreter services, including using the department of  
24 enterprise services' master contract, limiting overhead costs  
25 associated with interpreter contracts, and direct scheduling of  
26 interpreters. The report must include recommendations for the state to  
27 procure services in a more consistent and cost-effective manner.

28       (c) The office of financial management, in consultation with the  
29 department of labor and industries, must determine the impact that any  
30 alternative approach to procuring interpreter services will have on  
31 medical providers.

32       (d) The report must include:

33       (i) Analysis of the current process for procuring interpreter  
34 services;

35       (ii) Recommendations regarding options to make obtaining  
36 interpreter services more consistent and cost-effective; and

37       (iii) Estimates for potential cost savings.

1 (e) The office of financial management must report to the fiscal  
2 committees of the legislature by December 1, 2012.

3 (8) \$25,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$225,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for implementation of House Bill  
6 No. 2824 (education funding). If the bill is not enacted by June 30,  
7 2012, the amount provided in this subsection shall lapse.

8 **Sec. 132.** 2011 2nd sp.s. c 9 s 119 (uncodified) is amended to read  
9 as follows:

10 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

11 Administrative Hearings Revolving Account--State  
12 Appropriation . . . . . ((~~\$34,043,000~~))  
13 \$35,713,000

14 The appropriation in this section is subject to the following  
15 conditions and limitations: \$769,000 of the administrative hearings  
16 revolving account--state appropriation is provided solely to implement  
17 Engrossed Substitute Senate Bill No. 5921 (social services programs).  
18 If the bill is not enacted by June 30, 2011, the amount provided in  
19 this subsection shall lapse.

20 **Sec. 133.** 2011 2nd sp.s. c 9 s 120 (uncodified) is amended to read  
21 as follows:

22 **FOR THE WASHINGTON STATE LOTTERY**

23 Lottery Administrative Account--State  
24 Appropriation . . . . . ((~~\$25,709,000~~))  
25 \$24,664,000

26 **Sec. 134.** 2011 1st sp.s. c 50 s 132 (uncodified) is amended to  
27 read as follows:

28 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

29 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$246,000~~))  
30 \$244,000  
31 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$250,000~~))  
32 \$244,000  
33 TOTAL APPROPRIATION . . . . . ((~~\$496,000~~))  
34 \$488,000

1 **Sec. 135.** 2011 1st sp.s. c 50 s 133 (uncodified) is amended to  
 2 read as follows:

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

4	General Fund--State Appropriation (FY 2012) . . . . .	((<del>\$239,000))
5		<u>\$237,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	((<del>\$238,000))
7		<u>\$232,000</u>
8	TOTAL APPROPRIATION . . . . .	((<del>\$477,000))
9		<u>\$469,000</u>

10 **Sec. 136.** 2011 2nd sp.s. c 9 s 121 (uncodified) is amended to read  
 11 as follows:

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

13	Department of Retirement Systems Expense	
14	Account--State Appropriation . . . . .	((<del>\$47,049,000))
15		<u>\$46,511,000</u>

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

18 (1) \$146,000 of the department of retirement systems--state  
 19 appropriation is provided solely for the administrative costs  
 20 associated with implementation of House Bill No. 2070 (state and local  
 21 government employees). If the bill is not enacted by June 30, 2011,  
 22 the amount provided in this subsection shall lapse.

23 (2) \$65,000 of the department of retirement systems--state  
 24 appropriation is provided solely for the administrative costs  
 25 associated with implementation of House Bill No. 1625 (plan 3 default  
 26 investment option). If the bill is not enacted by June 30, 2011, the  
 27 amount provided in this subsection shall lapse.

28 (3) \$133,000 of the department of retirement systems--state  
 29 appropriation is provided solely for the administrative costs  
 30 associated with implementation of Engrossed House Bill No. 1981 as  
 31 amended (post-retirement employment). If the bill is not enacted by  
 32 June 30, 2011, the amount provided in this subsection shall lapse.

33 (4) \$15,000 of the department of retirement systems expense  
 34 account--state appropriation is provided solely for the administrative  
 35 costs associated with implementation of Substitute House Bill No. 2021  
 36 (plan 1 annual increase amounts). If the bill is not enacted by June  
 37 30, 2011, the amount provided in this section shall lapse.

1 (5) \$32,000 of the department of retirement systems--state  
2 appropriation is provided solely for the administrative costs  
3 associated with implementation of Engrossed Senate Bill No. 5159 (state  
4 patrol retirement system service credit). If the bill is not enacted  
5 by June 30, 2012, the amount provided in this subsection shall lapse.

6 **Sec. 137.** 2011 2nd sp.s. c 9 s 122 (uncodified) is amended to read  
7 as follows:

8 **FOR THE DEPARTMENT OF REVENUE**

9 General Fund--State Appropriation (FY 2012) . . . . . (~~(\$100,927,000)~~)  
10 \$100,691,000  
11 General Fund--State Appropriation (FY 2013) . . . . . (~~(\$100,801,000)~~)  
12 \$99,207,000  
13 Timber Tax Distribution Account--State Appropriation . . (~~(\$5,940,000)~~)  
14 \$5,900,000  
15 Waste Reduction/Recycling/Litter Control--State  
16 Appropriation . . . . . \$129,000  
17 Waste Tire Removal Account--State Appropriation . . . . . \$2,000  
18 State Toxics Control Account--State Appropriation . . . . . \$87,000  
19 Oil Spill Prevention Account--State Appropriation . . . . . \$19,000  
20 Master License Fund--State Appropriation . . . . . (~~(\$14,012,000)~~)  
21 \$13,922,000  
22 Vehicle License Fraud Account--State Appropriation . . . . . \$5,000  
23 Performance Audits of Government Account--State  
24 Appropriation . . . . . \$3,188,000  
25 TOTAL APPROPRIATION . . . . . (~~(\$225,110,000)~~)  
26 \$223,150,000

27 **Sec. 138.** 2011 1st sp.s. c 50 s 137 (uncodified) is amended to  
28 read as follows:

29 **FOR THE BOARD OF TAX APPEALS**

30 General Fund--State Appropriation (FY 2012) . . . . . (~~(\$1,241,000)~~)  
31 \$1,189,000  
32 General Fund--State Appropriation (FY 2013) . . . . . (~~(\$1,219,000)~~)  
33 \$1,150,000  
34 TOTAL APPROPRIATION . . . . . (~~(\$2,460,000)~~)  
35 \$2,339,000

1 **Sec. 139.** 2011 2nd sp.s. c 9 s 123 (uncodified) is amended to read  
 2 as follows:

3 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**  
 4 OMWBE Enterprises Account--State Appropriation . . . . . ((~~\$3,264,000~~)  
 5 \$3,654,000)

6 **Sec. 140.** 2011 2nd sp.s. c 9 s 125 (uncodified) is amended to read  
 7 as follows:

8 **FOR THE INSURANCE COMMISSIONER**  
 9 General Fund--State Appropriation (FY 2013) . . . . . \$650,000  
 10 General Fund--Federal Appropriation . . . . . ((~~\$4,452,000~~)  
 11 \$4,450,000)  
 12 Insurance Commissioners Regulatory Account--State  
 13 Appropriation . . . . . ((~~\$47,514,000~~)  
 14 \$47,987,000)  
 15 TOTAL APPROPRIATION . . . . . ((~~\$51,966,000~~)  
 16 \$53,087,000)

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

19 (1) \$75,000 of the insurance commissioner's regulatory  
 20 account--state appropriation is provided solely for the implementation  
 21 of Substitute Senate Bill No. 5445 (health benefit exchange).

22 (2) \$42,000 of the insurance commissioner's regulatory  
 23 account--state appropriation is provided solely for the implementation  
 24 of Senate Bill No. 5213 (insurance statutes).

25 (3) \$758,000 of the insurance commissioners regulatory account--  
 26 state appropriation is provided solely to implement Engrossed Second  
 27 Substitute House Bill No. 2319 (affordable care act). If the bill is  
 28 not enacted by June 30, 2012, the amount provided in this subsection  
 29 shall lapse.

30 (4) \$650,000 of the general fund--state appropriation for fiscal  
 31 year 2013 is provided solely to implement House Bill No. 2829 or Senate  
 32 Bill No. 5940 (public school employees' insurance benefits). If  
 33 neither bill is enacted by June 30, 2012, the amount provided in this  
 34 subsection shall lapse.

35 **Sec. 141.** 2011 1st sp.s. c 50 s 136 (uncodified) is amended to  
 36 read as follows:

1 **FOR THE STATE INVESTMENT BOARD**

2 State Investment Board Expense Account--State  
3 Appropriation . . . . . ((\$29,256,000))  
4 \$29,075,000

5 **Sec. 142.** 2011 2nd sp.s. c 9 s 128 (uncodified) is amended to read  
6 as follows:

7 **FOR THE LIQUOR CONTROL BOARD**

8 Liquor Control Board Construction and Maintenance  
9 Account--State Appropriation . . . . . ((\$10,081,000))  
10 \$3,063,000  
11 Liquor Revolving Account--State Appropriation . . . . . ((\$176,238,000))  
12 \$171,838,000  
13 General Fund--Federal Appropriation . . . . . ((\$120,000))  
14 \$945,000  
15 General Fund--Private/Local Appropriation . . . . . \$25,000  
16 TOTAL APPROPRIATION . . . . . ((\$186,439,000))  
17 \$175,871,000

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

20 (1) The legislature intends to facilitate the orderly transition of  
21 liquor services as required by Initiative Measure No. 1183. For liquor  
22 control board employees that remain through June 15, 2012, a temporary  
23 opportunity to cash out sick leave is provided to assist the unique  
24 challenges to the liquor control board and its employees posed by this  
25 transition.

26 (2) Within the amounts appropriated in this section from the liquor  
27 revolving account--state appropriation, liquor control board employees  
28 who: (a) Occupy positions in the job classifications provided in  
29 subsection (3)(c) of this section that will be eliminated after the  
30 liquor control board ceases to distribute liquor; and (b) remain as  
31 liquor control board employees through June 15, 2012, and who separate  
32 from service due to lay off by October 1, 2012, may elect to receive  
33 remuneration for their entire sick leave balance at a rate equal to one  
34 day's current monetary compensation of the employee for each four full  
35 days of accrued sick leave.

36 (3) The following conditions apply to sick leave cash out under  
37 this subsection:

(a) The rate of monetary compensation for the purposes of this subsection shall not be reduced by any temporary salary reduction;

(b) Remuneration or benefits received under this subsection shall not be included for the purpose of computing a retirement allowance under any public retirement system in this state;

(c) The following job classifications are eligible:

(i) Liquor store clerk;

(ii) Retail assistant store manager 1;

(iii) Retail assistant store manager 2;

(iv) Retail store manager 3;

(v) Retail store manager 4;

(vi) Retail district manager;

(vii) Retail operations manager;

(viii) Director of retail services;

(ix) Director of distribution center;

(x) Director of purchasing;

(xi) Director of business enterprise;

(xii) Warehouse operator 1;

(xiii) Warehouse operator 2;

(xiv) Warehouse operator 3; and

(xv) Warehouse operator 4; and

(d) Should the legislature revoke any remuneration or benefits granted under this section, an affected employee shall not be entitled thereafter to receive such benefits as a matter of contractual right.

**Sec. 143.** 2011 2nd sp.s. c 9 s 129 (uncodified) is amended to read as follows:

**FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

General Fund--Federal Appropriation . . . . .	\$502,000
General Fund--Private/Local Appropriation . . . . .	(( \$11,175,000 ))
	<u>\$11,166,000</u>
Public Service Revolving Account--State	
Appropriation . . . . .	(( \$30,992,000 ))
	<u>\$30,872,000</u>
Pipeline Safety Account--State Appropriation . . . . .	(( \$3,201,000 ))
	<u>\$3,183,000</u>
Pipeline Safety Account--Federal Appropriation . . . . .	(( \$2,848,000 ))
	<u>\$2,844,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$48,718,000~~))  
2 \$48,567,000

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

5 (1) In accordance with RCW 80.36.610(1), the utilities and  
6 transportation commission is authorized to establish federal  
7 telecommunications act services fees in fiscal year 2012 as necessary  
8 to meet the actual costs of conducting business and the appropriation  
9 levels in this section.

10 (2) \$15,000 of the pipeline safety account--state appropriation is  
11 provided solely for the implementation of Engrossed Second Substitute  
12 House Bill No. 1634 (underground utilities).

13 (3) \$182,000 of the public service revolving account--state  
14 appropriation is provided solely for the implementation of Engrossed  
15 Second Substitute Senate Bill No. 5769 (coal-fired generation).

16 (4) \$169,000 of the public service revolving account--state  
17 appropriation is provided solely for the implementation of Second  
18 Substitute Senate Bill No. 5034 (private infrastructure).

19 **Sec. 144.** 2011 2nd sp.s. c 9 s 130 (uncodified) is amended to read  
20 as follows:

21 **FOR THE MILITARY DEPARTMENT**

22 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$7,175,000~~))  
23 \$7,116,000

24 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$7,175,000~~))  
25 \$6,872,000

26 General Fund--Federal Appropriation . . . . . ((~~\$159,181,000~~))  
27 \$159,075,000

28 Enhanced 911 Account--State Appropriation . . . . . ((~~\$46,556,000~~))  
29 \$48,620,000

30 Disaster Response Account--State Appropriation . . . . . ((~~\$17,933,000~~))  
31 \$23,119,000

32 Disaster Response Account--Federal Appropriation . . . . . ((~~\$66,266,000~~))  
33 \$91,368,000

34 Military Department Rent and Lease Account--State  
35 Appropriation . . . . . \$615,000

36 Worker and Community Right-to-Know Account--State  
37 Appropriation . . . . . ((~~\$2,165,000~~))



1 \$2,163,000  
 2 TOTAL APPROPRIATION . . . . . ((~~\$307,066,000~~))  
 3 \$338,948,000

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

6 (1) \$18,018,000 of the disaster response account--state  
 7 appropriation and \$66,266,000 of the disaster response account--federal  
 8 appropriation may be spent only on disasters declared by the governor  
 9 and with the approval of the office of financial management. The  
 10 military department shall submit a report to the office of financial  
 11 management and the legislative fiscal committees on October 1st and  
 12 February 1st of each year detailing information on the disaster  
 13 response account, including: (a) The amount and type of deposits into  
 14 the account; (b) the current available fund balance as of the reporting  
 15 date; and (c) the projected fund balance at the end of the 2011-2013  
 16 biennium based on current revenue and expenditure patterns.

17 (2) \$75,000,000 of the general fund--federal appropriation is  
 18 provided solely for homeland security, subject to the following  
 19 conditions:

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

23 (b) The department shall submit an annual report to the office of  
 24 financial management and the legislative fiscal committees detailing  
 25 the governor's domestic security advisory group recommendations;  
 26 homeland security revenues and expenditures, including estimates of  
 27 total federal funding for the state; and incremental changes from the  
 28 previous estimate.

29 **Sec. 145.** 2011 2nd sp.s. c 9 s 131 (uncodified) is amended to read  
 30 as follows:

31 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**  
 32 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$2,346,000~~))  
 33 \$2,104,000  
 34 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$2,400,000~~))  
 35 \$2,130,000  
 36 Higher Education Personnel Services Account--State  
 37 Appropriation . . . . . ((~~\$251,000~~))

1 \$276,000  
2 Department of Personnel Service Account--State  
3 Appropriation . . . . . (~~(\$3,309,000)~~)  
4 \$3,290,000  
5 TOTAL APPROPRIATION . . . . . (~~(\$8,306,000)~~)  
6 \$7,800,000

7 **Sec. 146.** 2011 2nd sp.s. c 9 s 126 (uncodified) is amended to read  
8 as follows:

9 **FOR THE BOARD OF ACCOUNTANCY**

10 Certified Public Accountants' Account--State  
11 Appropriation . . . . . (~~(\$2,808,000)~~)  
12 \$2,642,000

13 **Sec. 147.** 2011 1st sp.s. c 50 s 142 (uncodified) is amended to  
14 read as follows:

15 **FOR THE FORENSIC INVESTIGATION COUNCIL**

16 Death Investigations Account--State Appropriation . . . . . (~~(\$286,000)~~)  
17 \$490,000

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

- 20 (1) \$250,000 of the death investigations account appropriation is  
21 provided solely for providing financial assistance to local  
22 jurisdictions in multiple death investigations. The forensic  
23 investigation council shall develop criteria for awarding these funds  
24 for multiple death investigations involving an unanticipated,  
25 extraordinary, and catastrophic event or those involving multiple  
26 jurisdictions.  
27 (2) \$210,000 of the death investigations account appropriation is  
28 provided solely for providing financial assistance to local  
29 jurisdictions in identifying human remains.

30 **Sec. 148.** 2011 2nd sp.s. c 9 s 127 (uncodified) is amended to read  
31 as follows:

32 **FOR THE HORSE RACING COMMISSION**

33 Horse Racing Commission Operating Account--State  
34 Appropriation . . . . . (~~(\$4,007,000)~~)  
35 \$3,923,000



1 agencies among the affected revolving funds. The department shall  
2 maintain an interagency agreement with these agencies to establish  
3 performance standards, prioritization of preservation and capital  
4 improvement projects, and quality assurance provisions for the delivery  
5 of services under this subsection. The legislative agencies named in  
6 this subsection shall continue to enjoy all of the same rights of  
7 occupancy and space use on the capitol campus as historically  
8 established.

9 (3) In accordance with RCW 46.08.172 and 43.135.055, the department  
10 is authorized to increase parking fees in fiscal years 2012 and 2013 as  
11 necessary to meet the actual costs of conducting business.

12 (4) The building code council account appropriation is provided  
13 solely for the operation of the state building code council as required  
14 by statute and modified by the standards established by executive order  
15 10-06. The council shall not consider any proposed code amendment or  
16 take any other action not authorized by statute or in compliance with  
17 the standards established in executive order 10-06. No member of the  
18 council may receive compensation, per diem, or reimbursement for  
19 activities other than physical attendance at those meetings of the  
20 state building code council or the council's designated committees, at  
21 which the opportunity for public comment is provided generally and on  
22 all agenda items upon which the council proposes to take action.

23 (5) Specific funding is provided for the purposes of section 3 of  
24 House Bill No. 1770 (state purchasing).

25 (6) The amounts appropriated in this section are for implementation  
26 of Senate Bill No. 5931 (streamlining central service functions).

27 (7) The department of enterprise services shall purchase flags  
28 needed for ceremonial occasions on the capitol campus in order to fully  
29 represent the countries that have an international consulate in  
30 Washington state.

31 (8) Before any agency may purchase a passenger motor vehicle as  
32 defined in RCW 43.19.560, the agency must have written approval from  
33 the director of the department of enterprise services.

34 (9) The department shall adjust billings for self-insurance  
35 premiums to transportation agencies to reflect rate reductions assumed  
36 in this act.



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

3           **Sec. 201.** 2011 2nd sp.s. c 9 s 201 (uncodified) is amended to read  
4 as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

6           (1) The appropriations to the department of social and health  
7 services in this act shall be expended for the programs and in the  
8 amounts specified in this act. Appropriations made in this act to the  
9 department of social and health services shall initially be allotted as  
10 required by this act. Subsequent allotment modifications shall not  
11 include transfers of moneys between sections of this act except as  
12 expressly provided in this act, nor shall allotment modifications  
13 permit moneys that are provided solely for a specified purpose to be  
14 used for other than that purpose.

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

31           (3)(a) The health care authority and the department are authorized  
32 to develop an integrated health care program designed to slow the  
33 progression of illness and disability and better manage medicaid  
34 expenditures for the aged and disabled population. Under (~~(this)~~) the  
35 Washington medicaid integration partnership (WMIP) and the medicare

1 integrated care project (MICP), the health care authority and the  
2 department may combine and transfer such medicaid funds appropriated  
3 under sections 204, 206, 208, and 213 of this act as may be necessary  
4 to finance a unified health care plan for the WMIP and the MICP program  
5 enrollment. The WMIP pilot projects shall not exceed a daily  
6 enrollment of 6,000 persons, nor expand beyond one county during the  
7 2011-2013 fiscal biennium. The amount of funding assigned from each  
8 program may not exceed the average per capita cost assumed in this act  
9 for individuals covered by that program, actuarially adjusted for the  
10 health condition of persons enrolled, times the number of clients  
11 enrolled. In implementing the WMIP and the MICP, the health care  
12 authority and the department may: ~~((a))~~ (i) Withhold from  
13 calculations of "available resources" as set forth in RCW 71.24.025 a  
14 sum equal to the capitated rate for enrolled individuals; and ~~((b))~~  
15 (ii) employ capitation financing and risk-sharing arrangements in  
16 collaboration with health care service contractors licensed by the  
17 office of the insurance commissioner and qualified to participate in  
18 both the medicaid and medicare programs. The health care authority and  
19 the department shall conduct an evaluation of the WMIP~~((r))~~ by October  
20 15, 2012, and of the MICP measuring changes in participant health  
21 outcomes, changes in patterns of service utilization, participant  
22 satisfaction, participant access to services, and the state fiscal  
23 impact.

24 (b) Effective January 1, 2013, if Washington has been selected to  
25 participate in phase two of the federal demonstration project for  
26 persons dually-eligible for both medicare and medicaid, the department  
27 and the authority may initiate the MICP. Participation in the project  
28 shall be limited to persons who are eligible for both medicare and  
29 medicaid and to counties in which the county legislative authority has  
30 agreed to the terms and conditions under which it will operate. The  
31 purpose of the project shall be to demonstrate and evaluate ways to  
32 improve care while reducing state expenditures for persons enrolled  
33 both in medicare and medicaid. To that end, prior to initiating the  
34 project, the department and the authority shall assure that state  
35 expenditures shall be no greater on either a per person or total basis  
36 than the state would otherwise incur. Individuals who are solely  
37 eligible for medicaid may also participate if their participation is

1 agreed to by the health care authority, the department, and the county  
2 legislative authority.

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

13 (5) The department shall to the maximum extent practicable use the  
14 same system for delivery of spoken-language interpreter services for  
15 social services appointments as the one established for medical  
16 appointments in section 213 of this act. When contracting directly  
17 with an individual to deliver spoken language interpreter services, the  
18 department shall only contract with language access providers who are  
19 working at a location in the state and who are state-certified or  
20 state-authorized, except that when such a provider is not available,  
21 the department may use a language access provider who meets other  
22 certifications or standards deemed to meet state standards, including  
23 interpreters in other states.

24 (6)(a) The appropriations to the department of social and health  
25 services in this act shall be expended for the programs and in the  
26 amounts specified in this act. However, after May 1, 2012, unless  
27 specifically prohibited by this act, the department may transfer  
28 general fund--state appropriations for fiscal year 2012 among programs  
29 after approval by the director of financial management. However, the  
30 department shall not transfer state moneys that are provided solely for  
31 a specified purpose except as expressly provided in (b) of this  
32 subsection.

33 (b) To the extent that transfers under (a) of this subsection are  
34 insufficient to fund actual expenditures in excess of fiscal year 2012  
35 caseload forecasts and utilization assumptions in the long-term care,  
36 foster care, adoptions support, medicaid personal care, and child  
37 support programs, the department may transfer state moneys that are  
38 provided solely for a specified purpose. The department shall not



1 transfer funds, and the director of financial management shall not  
2 approve the transfer, unless the transfer is consistent with the  
3 objective of conserving, to the maximum extent possible, the  
4 expenditure of state funds. The director of financial management shall  
5 notify the appropriate fiscal committees of the senate and house of  
6 representatives in writing seven days prior to approving any allotment  
7 modifications or transfers under this subsection. The written  
8 notification shall include a narrative explanation and justification of  
9 the changes, along with expenditures and allotments by budget unit and  
10 appropriation, both before and after any allotment modifications or  
11 transfers.

12 **Sec. 202.** 2011 2nd sp.s. c 9 s 202 (uncodified) is amended to read  
13 as follows:

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

16	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$295,011,000</del> ))
17		<u>\$287,014,000</u>
18	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$294,232,000</del> ))
19		<u>\$285,018,000</u>
20	General Fund--Federal Appropriation . . . . .	(( <del>\$487,912,000</del> ))
21		<u>\$479,315,000</u>
22	General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,358,000</del> ))
23		<u>\$1,354,000</u>
24	Home Security Fund--State Appropriation . . . . .	\$10,741,000
25	Domestic Violence Prevention Account--State	
26	Appropriation . . . . .	(( <del>\$1,154,000</del> ))
27		<u>\$1,240,000</u>
28	Education Legacy Trust Account--State Appropriation . . . . .	\$725,000
29	TOTAL APPROPRIATION . . . . .	(( <del>\$1,091,133,000</del> ))
30		<u>\$1,065,407,000</u>

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

33 (1) Within amounts provided for the foster care and adoption  
34 support programs, the department shall control reimbursement decisions  
35 for foster care and adoption support cases such that the aggregate  
36 average cost per case for foster care and for adoption support does not  
37 exceed the amounts assumed in the projected caseload expenditures.

1 (2) \$668,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$668,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely to contract for the operation of  
4 one pediatric interim care center. The center shall provide  
5 residential care for up to thirteen children through two years of age.  
6 Seventy-five percent of the children served by the center must be in  
7 need of special care as a result of substance abuse by their mothers.  
8 The center shall also provide on-site training to biological, adoptive,  
9 or foster parents. The center shall provide at least three months of  
10 consultation and support to the parents accepting placement of children  
11 from the center. The center may recruit new and current foster and  
12 adoptive parents for infants served by the center. The department  
13 shall not require case management as a condition of the contract. The  
14 department shall collaborate with the pediatric interim care center to  
15 determine if and how the center could be appropriately incorporated  
16 into the performance-based contract model and report its findings to  
17 the legislature by December 1, 2012.

18 (3)(a) (~~(\$85,202,000)~~) \$80,887,000 of the general fund--state  
19 appropriation for fiscal year 2012, (~~(\$85,408,000)~~) \$81,067,000 of the  
20 general fund--state appropriation for fiscal year 2013, and  
21 (~~(\$79,279,000)~~) \$74,800,000 of the general fund--federal appropriation  
22 are provided solely for services for children and families (~~(subject to~~  
23 ~~RCW 74.13.360 and House Bill No. 2122 (child welfare). Prior to~~  
24 ~~approval of contract services pursuant to RCW 74.13.360 and House Bill~~  
25 ~~No. 2122,)).~~ The amounts provided in this section shall be allotted on  
26 a monthly basis and expenditures shall not exceed allotments based on  
27 a three month rolling average without approval of the office of  
28 financial management following notification to the legislative fiscal  
29 committees.

30 (b) The department shall use (~~(performance-based contracts to~~  
31 ~~provide))~~ these services to safely reduce the number of children in  
32 out-of-home care, safely reduce the time spent in out-of-home care  
33 prior to achieving permanency, and safely reduce the number of children  
34 returning to out-of-home care following permanency. The department  
35 shall provide an initial report to the legislature and the governor by  
36 January 15, 2012, regarding the start-up costs associated with  
37 performance-based contracts under RCW 74.13.360 (~~(and House Bill No.~~  
38 ~~2122 (child welfare))~~)).

1        (c) Of the amounts provided in (a) of this subsection, \$579,000 of  
2 the general fund--state appropriation for fiscal year 2013 and \$109,000  
3 of the general fund--federal appropriation are provided solely for a  
4 receiving care center east of the Cascade mountains.

5        (4) \$176,000 of the general fund--state appropriation for fiscal  
6 year 2012, \$177,000 of the general fund--state appropriation for fiscal  
7 year 2013, \$656,000 of the general fund--private/local appropriation,  
8 \$253,000 of the general fund--federal appropriation, and \$725,000 of  
9 the education legacy trust account--state appropriation are provided  
10 solely for children's administration to contract with an educational  
11 advocacy provider with expertise in foster care educational outreach.  
12 The amounts in this subsection are provided solely for contracted  
13 education coordinators to assist foster children in succeeding in K-12  
14 and higher education systems and to assure a focus on education during  
15 the transition to performance based contracts. Funding shall be  
16 prioritized to regions with high numbers of foster care youth and/or  
17 regions where backlogs of youth that have formerly requested  
18 educational outreach services exist. The department shall utilize  
19 private matching funds to maintain educational advocacy services.

20        (5) \$670,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$670,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for services provided through  
23 children's advocacy centers.

24        (6) To ensure expenditures remain within available funds  
25 appropriated in this section as required by RCW 74.13A.005 and  
26 74.13A.020, the secretary shall not set the amount of any adoption  
27 assistance payment or payments, made pursuant to RCW 26.33.320 and  
28 74.13A.005 through 74.13A.080, to more than ninety percent of the  
29 foster care maintenance payment for that child had he or she remained  
30 in a foster family home during the same period. This subsection does  
31 not apply to adoption assistance agreements in existence on the  
32 effective date of this section.

33        (7) \$10,741,000 of the home security fund--state appropriation is  
34 provided solely for the department to contract for services pursuant to  
35 RCW 13.32A.030 and 74.15.220. The department shall contract and  
36 collaborate with service providers in a manner that maintains the  
37 availability and geographic representation of secure and semi-secure  
38 crisis residential centers and HOPE centers. To achieve efficiencies

1 and increase utilization, the department shall allow the co-location of  
2 these centers, except that a youth may not be placed in a secure  
3 facility or the secure portion of a co-located facility except as  
4 specifically authorized by chapter 13.32A RCW. The reductions to  
5 appropriations in this subsection related to semi-secure crisis  
6 residential centers reflect a reduction to the number of beds for semi-  
7 secure crisis residential centers and not a reduction in rates. Any  
8 secure crisis residential center or semi-secure crisis residential  
9 center bed reduction shall not be based solely upon bed utilization.  
10 The department is to exercise its discretion in reducing the number of  
11 beds but to do so in a manner that maintains availability and  
12 geographic representation of semi-secure and secure crisis residential  
13 centers.

14 (8) \$47,000 of the general fund--state appropriation for fiscal  
15 year 2012, \$14,000 of the general fund--state appropriation for fiscal  
16 year 2013, and \$40,000 of the general fund--federal appropriation are  
17 provided solely to implement Substitute House Bill No. 1697 (dependency  
18 system). If the bill is not enacted by June 30, 2011, the amounts  
19 provided in this subsection shall lapse.

20 (9) \$564,000 of the general fund--federal appropriation is provided  
21 solely to implement Second Substitute House Bill No. 1128 (extended  
22 foster care). If the bill is not enacted by June 30, 2011, the amount  
23 provided in this subsection shall lapse.

24 (10) \$799,000 of the general fund--state appropriation for fiscal  
25 year 2013 and \$799,000 of the general fund--federal appropriation are  
26 provided solely for the implementation of Engrossed Second Substitute  
27 House Bill No. 2264 (child welfare/contracting). If the bill is not  
28 enacted by June 30, 2012, the amounts provided in this subsection shall  
29 lapse.

30 (11) \$178,000 of the general fund--federal appropriation is  
31 provided solely for the implementation of Engrossed Second Substitute  
32 House Bill No. 2592 (extended foster care). If the bill is not enacted  
33 by June 30, 2012, the amount provided in this subsection shall lapse.

34 (12) \$616,000 of the general fund--state appropriation for fiscal  
35 year 2013 and \$616,000 of the general fund--federal appropriation are  
36 provided solely for the implementation of Engrossed Substitute Senate  
37 Bill No. 6555 (child protective services). If the bill is not enacted  
38 by June 30, 2012, the amounts provided in this subsection shall lapse.



1 fiscal year 2013 are provided solely to implement community juvenile  
2 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile  
3 code revisions). Funds provided in this subsection may be used solely  
4 for community juvenile accountability grants, administration of the  
5 grants, and evaluations of programs funded by the grants.

6 (4) \$1,130,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$1,130,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely to implement alcohol and substance  
9 abuse treatment programs for locally committed offenders. The juvenile  
10 rehabilitation administration shall award these moneys on a competitive  
11 basis to counties that submitted a plan for the provision of services  
12 approved by the division of alcohol and substance abuse. The juvenile  
13 rehabilitation administration shall develop criteria for evaluation of  
14 plans submitted and a timeline for awarding funding and shall assist  
15 counties in creating and submitting plans for evaluation.

16 (5) \$3,123,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$3,123,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely for grants to county juvenile  
19 courts for the following programs identified by the Washington state  
20 institute for public policy (institute) in its October 2006 report:  
21 "Evidence-Based Public Policy Options to Reduce Future Prison  
22 Construction, Criminal Justice Costs and Crime Rates": Functional  
23 family therapy, multi-systemic therapy, aggression replacement training  
24 and interagency coordination programs, or other programs with a  
25 positive benefit-cost finding in the institute's report. County  
26 juvenile courts shall apply to the juvenile rehabilitation  
27 administration for funding for program-specific participation and the  
28 administration shall provide grants to the courts consistent with the  
29 per-participant treatment costs identified by the institute.

30 (6) \$1,537,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$1,537,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for expansion of the following  
33 treatments and therapies in juvenile rehabilitation administration  
34 programs identified by the Washington state institute for public policy  
35 in its October 2006 report: "Evidence-Based Public Policy Options to  
36 Reduce Future Prison Construction, Criminal Justice Costs and Crime  
37 Rates": Multidimensional treatment foster care, family integrated  
38 transitions, and aggression replacement training, or other programs

1 with a positive benefit-cost finding in the institute's report. The  
2 administration may concentrate delivery of these treatments and  
3 therapies at a limited number of programs to deliver the treatments in  
4 a cost-effective manner.

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

32 (b) The juvenile rehabilitation administration shall phase the  
33 implementation of the formula provided in subsection (1) of this  
34 section by including a stop-loss formula of five percent in fiscal year  
35 2012 and five percent in fiscal year 2013.

36 (c) The juvenile rehabilitation administration and the juvenile  
37 courts shall establish a block grant funding formula oversight  
38 committee with equal representation from the juvenile rehabilitation

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

32 (d) The juvenile courts and administrative office of the courts  
33 shall be responsible for collecting and distributing information and  
34 providing access to the data systems to the juvenile rehabilitation  
35 administration and the Washington state institute for public policy  
36 related to program and outcome data. The juvenile rehabilitation  
37 administration and the juvenile courts will work collaboratively to



1 develop program outcomes that reinforce the greatest cost benefit to  
2 the state in the implementation of evidence-based practices and  
3 disposition alternatives.

4 (8) The juvenile courts and administrative office of the courts  
5 shall collect and distribute information related to program outcome and  
6 provide access to these data systems to the juvenile rehabilitation  
7 administration and Washington state institute for public policy.  
8 Consistent with chapter 13.50 RCW, all confidentiality agreements  
9 necessary to implement this information-sharing shall be approved  
10 within 30 days of the effective date of this section. The agreements  
11 between administrative office of the courts, the juvenile courts, and  
12 the juvenile rehabilitation administration shall be executed to ensure  
13 that the juvenile rehabilitation administration receives the data that  
14 the juvenile rehabilitation administration identifies as needed to  
15 comply with this subsection. This includes, but is not limited to,  
16 information by program at the statewide aggregate level, individual  
17 court level, and individual client level for the purpose of the  
18 juvenile rehabilitation administration providing quality assurance and  
19 oversight for the locally committed youth block grant and associated  
20 funds and at times as specified by the juvenile rehabilitation  
21 administration as necessary to carry out these functions. The data  
22 shall be provided in a manner that reflects the collaborative work the  
23 juvenile rehabilitation administration and juvenile courts have  
24 developed regarding program outcomes that reinforce the greatest cost  
25 benefit to the state in the implementation of evidence-based practices  
26 and disposition alternatives.

27 (9) The Washington association of juvenile court administrators and  
28 the juvenile rehabilitation administration, in consultation with the  
29 community juvenile accountability act advisory committee and the  
30 Washington state institute for public policy, shall analyze and review  
31 data elements available from the administrative office of the courts  
32 for possible integration into the evidence-based program quality  
33 assurance plans and processes. The administrative office of the  
34 courts, the Washington association of juvenile court administrators,  
35 and the juvenile rehabilitation administration shall provide  
36 information necessary to complete the review and analysis. The  
37 Washington association of juvenile court administrators and the

1 juvenile rehabilitation administration shall report the findings of  
2 their review and analysis, as well as any recommendations, to the  
3 legislature by December 1, 2012.

4 **Sec. 204.** 2011 2nd sp.s. c 9 s 204 (uncodified) is amended to read  
5 as follows:

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

8 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

9 General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$317,392,000</del> ))
	<u>\$317,734,000</u>
11 General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$322,982,000</del> ))
	<u>\$324,319,000</u>
13 General Fund--Federal Appropriation . . . . .	(( <del>\$448,732,000</del> ))
	<u>\$449,593,000</u>
15 General Fund--Private/Local Appropriation . . . . .	\$17,864,000
16 Hospital Safety Net Assessment Fund--State	
17 Appropriation . . . . .	(( <del>\$6,802,000</del> ))
	<u>\$5,251,000</u>
19 TOTAL APPROPRIATION . . . . .	(( <del>\$1,113,772,000</del> ))
	<u>\$1,114,761,000</u>

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

23 (a) \$109,342,000 of the general fund--state appropriation for  
24 fiscal year 2012 and \$109,341,000 of the general fund--state  
25 appropriation for fiscal year 2013 are provided solely for persons and  
26 services not covered by the medicaid program. This is a reduction of  
27 \$4,348,000 each fiscal year from the nonmedicaid funding that was  
28 allocated for expenditure by regional support networks during fiscal  
29 year 2011 prior to supplemental budget reductions. This \$4,348,000  
30 reduction shall be distributed among regional support networks  
31 proportional to each network's share of the total state population. To  
32 the extent possible, levels of regional support network spending shall  
33 be maintained in the following priority order: (i) Crisis and  
34 commitment services; (ii) community inpatient services; and (iii)  
35 residential care services, including personal care and emergency  
36 housing assistance.

1 (b) \$6,590,000 of the general fund--state appropriation for fiscal  
2 year 2012, \$6,590,000 of the general fund--state appropriation for  
3 fiscal year 2013, and \$7,620,000 of the general fund--federal  
4 appropriation are provided solely for the department and regional  
5 support networks to continue to contract for implementation of high-  
6 intensity programs for assertive community treatment (PACT) teams. In  
7 determining the proportion of medicaid and nonmedicaid funding provided  
8 to regional support networks with PACT teams, the department shall  
9 consider the differences between regional support networks in the  
10 percentages of services and other costs associated with the teams that  
11 are not reimbursable under medicaid. The department may allow regional  
12 support networks which have nonmedicaid reimbursable costs that are  
13 higher than the nonmedicaid allocation they receive under this section  
14 to supplement these funds with local dollars or funds received under  
15 section 204(1)(a) of this act. The department and regional support  
16 networks shall maintain consistency with all essential elements of the  
17 PACT evidence-based practice model in programs funded under this  
18 section.

19 (c) \$5,850,000 of the general fund--state appropriation for fiscal  
20 year 2012, \$5,850,000 of the general fund--state appropriation for  
21 fiscal year 2013, and \$1,300,000 of the general fund--federal  
22 appropriation are provided solely for the western Washington regional  
23 support networks to provide either community- or hospital campus-based  
24 services for persons who require the level of care previously provided  
25 by the program for adaptive living skills (PALS) at western state  
26 hospital.

27 (d) The number of nonforensic beds allocated for use by regional  
28 support networks at eastern state hospital shall be 192 per day. The  
29 number of nonforensic beds allocated for use by regional support  
30 networks at western state hospital shall be 557 per day.

31 (e) From the general fund--state appropriations in this subsection,  
32 the secretary of social and health services shall assure that regional  
33 support networks reimburse the aging and disability services  
34 administration for the general fund--state cost of medicaid personal  
35 care services that enrolled regional support network consumers use  
36 because of their psychiatric disability.

37 (f) \$4,582,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$4,582,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for mental health services for  
2 mentally ill offenders while confined in a county or city jail and for  
3 facilitating access to programs that offer mental health services upon  
4 release from confinement. Beginning in fiscal year 2013, the  
5 department shall report regional outcome data on individuals in jail  
6 who are referred for regional support network services. By December 1,  
7 2012, the department shall provide a report to the relevant fiscal and  
8 policy committees of the legislature on the number of individuals  
9 referred to the program who had an evaluation for regional support  
10 network services either during incarceration or within 30 and 60 days  
11 of release from jail; and the number who were made newly eligible or  
12 reinstated to eligibility for medical assistance services either during  
13 incarceration or within 30 and 60 days of release from jail. In  
14 addition, the report shall identify how many of the individuals who  
15 were determined to be eligible for regional support network services  
16 received additional outpatient services within 30 and 60 days of  
17 release from incarceration.

18 (g) The department is authorized to continue to contract directly,  
19 rather than through contracts with regional support networks, for  
20 children's long-term inpatient facility services.

21 (h) \$750,000 of the general fund--state appropriation for fiscal  
22 year 2012 and \$750,000 of the general fund--state appropriation for  
23 fiscal year 2013 are provided solely to continue performance-based  
24 incentive contracts to provide appropriate community support services  
25 for individuals with severe mental illness who were discharged from the  
26 state hospitals as part of the expanding community services initiative.  
27 These funds will be used to enhance community residential and support  
28 services provided by regional support networks through other state and  
29 federal funding.

30 (i) \$1,125,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$1,125,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for the Spokane regional support  
33 network to implement services to reduce utilization and the census at  
34 eastern state hospital. Such services shall include:

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

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

4 (iii) Mental health services provided in nursing facilities to  
5 individuals with dementia, and consultation to facility staff treating  
6 those individuals; and

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

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

12 (j) \$1,529,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$1,529,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely to reimburse Pierce and Spokane  
15 counties for the cost of conducting 180-day commitment hearings at the  
16 state psychiatric hospitals.

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

29 (l) Given the recent approval of federal medicaid matching funds  
30 for the disability lifeline and the alcohol and drug abuse treatment  
31 support act programs, the department shall charge regional support  
32 networks for only the state share rather than the total cost of  
33 community psychiatric hospitalization for persons enrolled in those  
34 programs.

35 (m) \$750,000 of the general fund--state appropriation for fiscal  
36 year 2012, \$750,000 of the general fund--state appropriation for fiscal  
37 year 2013, and \$1,500,000 of the general fund--federal appropriation  
38 are provided solely to adjust regional support network capitation rates

1 to account for the per diem rates actually paid for psychiatric care  
2 provided at hospitals participating in the certified public expenditure  
3 program operated pursuant to section 213 of this act.

4 (n) The appropriations in this section reflect efficiencies to be  
5 achieved through voluntary consolidation of regional support networks  
6 in accordance with Substitute House Bill No. 2139 (regional support  
7 networks). Voluntary consolidation of regional support networks is  
8 expected to result in administrative efficiencies and maximize dollars  
9 available for direct services to individuals with mental illnesses  
10 without corresponding increases in state appropriations.

11 (2) INSTITUTIONAL SERVICES

12	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$115,317,000</del> ))
13		<u>\$115,017,000</u>
14	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$114,111,000</del> ))
15		<u>\$112,603,000</u>
16	General Fund--Federal Appropriation . . . . .	(( <del>\$153,324,000</del> ))
17		<u>\$153,618,000</u>
18	General Fund--Private/Local Appropriation . . . . .	\$67,325,000
19	TOTAL APPROPRIATION . . . . .	(( <del>\$450,077,000</del> ))
20		<u>\$448,563,000</u>

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

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

26 (b) \$231,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$231,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for a community partnership  
29 between western state hospital and the city of Lakewood to support  
30 community policing efforts in the Lakewood community surrounding  
31 western state hospital. The amounts provided in this subsection (2)(b)  
32 are for the salaries, benefits, supplies, and equipment for one full-  
33 time investigator, one full-time police officer, and one full-time  
34 community service officer at the city of Lakewood.

35 (c) \$45,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$45,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for payment to the city of

1 Lakewood for police services provided by the city at western state  
2 hospital and adjacent areas.

3 (d) \$20,000,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$20,000,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely to maintain staffed capacity to  
6 serve an average daily census in forensic wards at western state  
7 hospital of 270 patients per day.

8 (e) The appropriations in this section reflect efficiencies to be  
9 achieved through enactment of Substitute Senate Bill No. 6492  
10 (competency to stand trial). These efficiencies are expected to enable  
11 the hospitals to substantially increase the timeliness with which  
12 evaluations of defendant competency to stand trial are completed, and  
13 treatment to restore competency is initiated, without corresponding  
14 increases in state appropriations.

15 (3) SPECIAL PROJECTS

16	General Fund--State Appropriation (FY 2012) . . . . .	(\$1,168,000)
17		<u>\$1,148,000</u>
18	General Fund--State Appropriation (FY 2013) . . . . .	(\$1,164,000)
19		<u>\$1,276,000</u>
20	General Fund--Federal Appropriation . . . . .	(\$4,109,000)
21		<u>\$4,198,000</u>
22	General Fund--Private/Local Appropriation . . . . .	\$700,000
23	TOTAL APPROPRIATION . . . . .	(\$7,141,000)
24		<u>\$7,322,000</u>

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

27 (a) \$1,161,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$1,161,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for children's evidence-based  
30 mental health services. Funding is sufficient to continue serving  
31 children at the same levels as fiscal year 2009.

32 (b) \$700,000 of the general fund--private/local appropriation is  
33 provided solely for the University of Washington's evidence-based  
34 practice institute which supports the identification, evaluation, and  
35 implementation of evidence-based or promising practices for serving  
36 children and youth with mental health disorders. The department shall  
37 enter into an interagency agreement with the office of the attorney

1 general for expenditure of \$700,000 of the state's proceeds of the cy  
2 pres settlement in *State of Washington v. AstraZeneca* (Seroquel) for  
3 this purpose.

4 (c) \$135,000 of the general fund--state appropriation for fiscal  
5 year 2013 and \$89,000 of the general fund--federal appropriation are  
6 provided solely for the department to contract with the University of  
7 Washington's evidence-based practice institute and the Washington state  
8 institute for public policy to consult with the department and the  
9 health care authority on the implementation of Engrossed Second  
10 Substitute House Bill No. 2536 (children services/delivery). The  
11 department's programs responsible for administration of mental health,  
12 child welfare, and juvenile justice programs will coordinate with the  
13 health care authority on the development of contract terms which  
14 facilitate efforts to meet requirements of the bill. If Engrossed  
15 Second Substitute House Bill No. 2536 (children services/delivery) is  
16 not enacted by June 30, 2012, the amounts provided in this subsection  
17 shall lapse.

18 (4) PROGRAM SUPPORT

19	General Fund--State Appropriation (FY 2012) . . . . .	(\$4,476,000)
20		\$4,482,000
21	General Fund--State Appropriation (FY 2013) . . . . .	(\$4,261,000)
22		\$4,247,000
23	General Fund--Federal Appropriation . . . . .	(\$7,227,000)
24		\$7,210,000
25	General Fund--Private/Local Appropriation . . . . .	\$446,000
26	TOTAL APPROPRIATION . . . . .	(\$16,410,000)
27		\$16,385,000

28 (a) The appropriations in this subsection are subject to the  
29 following conditions and limitations: In accordance with RCW  
30 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to  
31 increase license and certification fees in fiscal years 2012 and 2013  
32 to support the costs of the regulatory program. The fee schedule  
33 increases must be developed so that the maximum amount of additional  
34 fees paid by providers statewide in the 2011-2013 fiscal biennium is  
35 \$446,000. The department's fee schedule shall have differential rates  
36 for providers with proof of accreditation from organizations that the  
37 department has determined to have substantially equivalent standards to  
38 those of the department, including but not limited to the joint



1 commission on accreditation of health care organizations, the  
2 commission on accreditation of rehabilitation facilities, and the  
3 council on accreditation. To reflect the reduced costs associated with  
4 regulation of accredited programs, the department's fees for  
5 organizations with such proof of accreditation must reflect the lower  
6 costs of licensing for these programs than for other organizations  
7 which are not accredited.

8 (b) \$19,000 of the general fund--state appropriation for fiscal  
9 year 2012, \$17,000 of the general fund--state appropriation for fiscal  
10 year 2013, and \$34,000 of the general fund--federal appropriation are  
11 provided solely to support a partnership among the department of social  
12 and health services, the department of health, and agencies that  
13 deliver medical care and behavioral health services in Cowlitz county.  
14 The partnership shall identify and recommend strategies for resolving  
15 regulatory, licensing, data management, reporting, and funding barriers  
16 to more effective integration of primary medical and behavioral health  
17 care services in the county.

18 **Sec. 205.** 2011 2nd sp.s. c 9 s 205 (uncodified) is amended to read  
19 as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**  
21 **DISABILITIES PROGRAM**

22 (1) COMMUNITY SERVICES

23	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$418,815,000</del> ))
24		<u>\$405,412,000</u>
25	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$422,854,000</del> ))
26		<u>\$420,327,000</u>
27	General Fund--Federal Appropriation . . . . .	(( <del>\$743,532,000</del> ))
28		<u>\$752,059,000</u>
29	General Fund--Private/Local Appropriation . . . . .	\$184,000
30	TOTAL APPROPRIATION . . . . .	(( <del>\$1,585,385,000</del> ))
31		<u>\$1,577,982,000</u>

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

34 (a) Individuals receiving services as supplemental security income  
35 (SSI) state supplemental payments shall not become eligible for medical  
36 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
37 supplemental payments.

1 (b) Amounts appropriated in this subsection reflect a reduction to  
2 funds appropriated for in-home care. The department shall reduce the  
3 number of in-home hours authorized. The reduction shall be scaled  
4 based on the acuity level of care recipients. The largest hour  
5 reductions shall be to lower acuity patients and the smallest hour  
6 reductions shall be to higher acuity patients.

7 (c) Amounts appropriated in this subsection are sufficient to  
8 develop and implement the use of a consistent, statewide outcome-based  
9 vendor contract for employment and day services by July 1, 2012. The  
10 rates paid to vendors under this contract shall also be made  
11 consistent. In its description of activities the agency shall include  
12 activity listings and dollars appropriated for: Employment services,  
13 day services, child development services and county administration of  
14 services to the developmentally disabled. The department shall begin  
15 reporting to the office of financial management on these activities  
16 beginning in fiscal year 2010.

17 (d) \$944,000 of the general fund--state appropriation for fiscal  
18 year 2012, \$944,000 of the general fund--state appropriation for fiscal  
19 year 2013, and \$1,888,000 of the general fund--federal appropriation  
20 are provided solely for state contributions for individual provider  
21 health care benefits. Pursuant to the collective bargaining agreement  
22 negotiated with the exclusive bargaining representative of individual  
23 providers established under RCW 74.39A.270, the state shall contribute  
24 to the multiemployer health benefits trust fund ((~~\$1.96~~)) \$2.21 per  
25 paid hour worked by individual providers.

26 (e) (~~(\$1,871,000 of the general fund--state appropriation for~~  
27 ~~fiscal year 2012, \$1,995,000 of the general fund--state appropriation~~  
28 ~~for fiscal year 2013, and \$3,865,000 of the general fund--federal~~  
29 ~~appropriation are provided solely for home care agencies to purchase~~  
30 ~~health coverage for home care providers. The department shall~~  
31 ~~calculate and distribute payments for health care benefits to home care~~  
32 ~~agencies at \$558 per month for each worker who cares for publicly~~  
33 ~~funded clients at 86 hours or more per month. In order to negotiate~~  
34 ~~the most comprehensive health benefits package for its employees, each~~  
35 ~~agency may determine benefit levels according to the hours an employee~~  
36 ~~works providing state-funded personal care. Health benefits shall be~~  
37 ~~offered to all employees who care for publicly funded clients for 86~~  
38 ~~hours per month or more. At a minimum, employees who care for publicly~~

1 funded clients at 140 hours a month or greater must receive a  
2 comprehensive medical benefit. Benefits shall not be provided to  
3 employees who care for publicly funded clients at 85 hours or less per  
4 month or as interim respite workers. The department shall not pay an  
5 agency for benefits provided to an employee who otherwise receives  
6 health care coverage through other family members, other  
7 employment based coverage, or military or veteran's coverage. The  
8 department shall require annually, each home care agency to review each  
9 of its employee's available health coverage and to provide a written  
10 declaration to the department verifying that health benefits purchased  
11 with public funds are solely for employees that do not have other  
12 available coverage. Home care agencies may determine a reasonable  
13 employee co-premium not to exceed 20 percent of the total benefit cost.

14 ~~(f) — \$1,127,000))~~ \$1,329,000 of the general fund--state  
15 appropriation for fiscal year 2012, ~~(( \$1,199,000))~~ \$1,622,000 of the  
16 general fund--state appropriation for fiscal year 2013, and  
17 ~~(( \$2,322,000))~~ \$2,947,000 of the general fund--federal appropriation  
18 are provided solely for the state's contribution to the training  
19 partnership, as provided in RCW 74.39A.360, for instructional costs  
20 associated with the training of individual providers. ~~((House Bill No.  
21 1548 and Senate Bill No. 5473 (long term care worker requirements) make  
22 statutory changes to the increased training requirements and therefore  
23 the state shall contribute to the partnership \$0.17 per paid hour  
24 worked by all home care workers. This amount is pursuant to the  
25 collective bargaining agreement negotiated with the exclusive  
26 bargaining representative of individual providers established under RCW  
27 74.39A.270.))~~ Contributions are funded at \$0.22 per benefit-eligible  
28 paid hour worked by all home care workers. Expenditures for the  
29 purposes specified in this subsection shall not exceed the amounts  
30 provided in this subsection. However, if the governor and the service  
31 employees international union healthcare 775nw can reach agreement on  
32 repurposing funding that is currently provided in the individual  
33 provider collective bargaining agreement for new individual provider  
34 wages paid during training or other training related items, then  
35 expenditures for training trust contributions for individual providers  
36 may include the amounts provided in this subsection and the agreed upon  
37 repurposed funding. Funding in this section for purposes other than  
38 the individual provider collective bargaining agreement cannot be used

1 for the purposes of this subsection (1)(e). It is the intent of the  
2 legislature that the funding provided in this subsection, including any  
3 repurposed funding, is sufficient to cover the costs of individual  
4 provider training and therefore tuition or other entrance fees are not  
5 necessary.

6 (f) \$104,669,000 of the general fund--state appropriation for  
7 fiscal year 2013 and \$104,669,000 of the general fund--federal  
8 appropriation are provided solely for the department to provide  
9 personal care services to waiver and nonwaiver in-home clients. The  
10 department shall provide the legislature with a report by December 5,  
11 2012, on the feasibility of converting the medicaid personal care  
12 program for in-home adults to a medicaid program as found in section  
13 1915(i) of the federal social security act that utilizes the option for  
14 self-direction of individualized budgets. The department shall operate  
15 the personal care program within the amounts specifically provided.

16 (g)(i) Within the amounts appropriated in this subsection, the  
17 department shall revise the current working age adult policy to allow  
18 clients to choose between employment and community access activities.  
19 Clients age 21 and older who are receiving services through a home- and  
20 community-based medicaid waiver shall be offered the choice to  
21 transition to a community access program after nine months of  
22 enrollment in an employment program, and the option to transition from  
23 a community access program to an employment program at any time. The  
24 department shall inform clients and their legal representatives of all  
25 available options for employment and day services. Information  
26 provided to the client and the client's legal representative shall  
27 include the types of activities each service option provides, and the  
28 amount, scope, and duration of service for which the client would be  
29 eligible under each service option. An individual client may be  
30 authorized for only one service option, either employment services or  
31 community access services. Clients may not participate in more than  
32 one of these services at any given time.

33 (ii) The department shall work with counties and stakeholders to  
34 strengthen and expand the existing community access program. The  
35 program must emphasize support for the client so they are able to  
36 participate in activities that integrate them into their community and  
37 support independent living and skills.

1 (iii) The appropriation in this subsection includes funding to  
2 provide employment or community access services to 168 medicaid  
3 eligible young adults with developmental disabilities living with their  
4 families who need employment opportunities and assistance after high  
5 school graduation.

6 (h) \$75,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$75,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for the restoration of direct  
9 support to local organizations that utilize parent-to-parent networks  
10 and communication to promote access and quality of care for individuals  
11 with developmental disabilities and their families.

12 (i) In accordance with Engrossed Substitute House Bill No. 1277  
13 (licensed settings for vulnerable adults), adult family home license  
14 fees are increased in fiscal years 2012 and 2013 to support the costs  
15 of conducting licensure, inspection, and regulatory programs.

16 (i) The current annual renewal license fee for adult family homes  
17 shall be increased to \$100 per bed beginning in fiscal year 2012 and  
18 \$175 per bed beginning in fiscal year 2013. Adult family homes shall  
19 receive a corresponding vendor rate increase per medicaid patient day  
20 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013 (~~to cover~~  
21 ~~the cost of the license fee increase for publicly funded beds~~), or the  
22 amount necessary to fully fund the license fee increase for publicly  
23 funded beds, pursuant to the most recent bed estimates maintained by  
24 the department.

25 (ii) Beginning in fiscal year 2012, a processing fee of \$2,750  
26 shall be charged to each adult family home when the home is initially  
27 licensed. This fee is nonrefundable.

28 (j) Clients with developmental disabilities have demonstrated a  
29 need and a desire for a day services program as verified by over 900  
30 clients currently accessing day programs through a long- term care  
31 service model. In addition, every individual, to include those with a  
32 developmental disability, should have the opportunity for meaningful  
33 employment which allows them to contribute to their communities and to  
34 become as self-sufficient as possible. Providing choice empowers  
35 recipients of publicly funded services and their families by expanding  
36 their degree of control over the services and supports they need.

37 The department shall work with legislators and stakeholders to  
38 develop a new approach to employment and day services. The objective

1 of this plan is to ensure that adults with developmental disabilities  
2 have optimum choices, and that employment and day offerings are  
3 comprehensive enough to meet the needs of all clients currently served  
4 on a home and community based waiver. The proposal shall be submitted  
5 to the 2012 legislature for consideration and shall be constructed such  
6 that a client ultimately receives employment, community access, or the  
7 community day option but not more than one service at a time. The  
8 proposal shall include options for program efficiencies within the  
9 current employment and day structure and shall provide details on the  
10 plan to implement a consistent, statewide outcome-based vendor contract  
11 for employment and day services as specified in (c) of this subsection.

12 (2) INSTITUTIONAL SERVICES

13	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$80,815,000</del> ))
14		<u>\$75,436,000</u>
15	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$79,939,000</del> ))
16		<u>\$80,356,000</u>
17	General Fund--Federal Appropriation . . . . .	(( <del>\$154,388,000</del> ))
18		<u>\$153,570,000</u>
19	General Fund--Private/Local Appropriation . . . . .	\$22,043,000
20	TOTAL APPROPRIATION . . . . .	(( <del>\$337,185,000</del> ))
21		<u>\$331,405,000</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) \$721,000 of the general fund--state appropriation for fiscal  
29 year 2012 and \$721,000 of the general fund--state appropriation for  
30 fiscal year 2013 are for the department to fulfill its contracts with  
31 the school districts under chapter 28A.190 RCW to provide  
32 transportation, building space, and other support services as are  
33 reasonably necessary to support the educational programs of students  
34 living in residential habilitation centers.

35 (c) \$250,000 of the general fund--state appropriation for fiscal  
36 year 2013 is provided solely for allocation under contract to a school  
37 district in which a residential habilitation center (RHC) is located.  
38 The department must provide the school district with an allocation of

1 \$25,000 for each person under the age of 21 who between July 1, 2011,  
2 and June 30, 2013, is newly admitted to the RHC and newly enrolled in  
3 the district in which the RHC is located. The purpose of the  
4 allocation is to provide supplemental funding for robust supports and  
5 extraordinary costs for students who are newly admitted to the RHC and  
6 may be experiencing distress while transitioning to a new school  
7 environment.

8 (d) \$600,000 of the general fund--state appropriation for fiscal  
9 year 2013 is provided solely for operations of the Rainier school  
10 vision development committee, hereby established to create a long-range  
11 vision and development plan for the Rainier school.

12 (i) The committee shall consist of:

13 (A) Three members of the legislature representing the thirty-first  
14 legislative district;

15 (B) Two persons representing the cities of Enumclaw and Buckley;

16 (C) Two persons representing the chambers of commerce of the cities  
17 of Enumclaw and Buckley;

18 (D) Two persons representing the friends of Rainier school  
19 organization; and

20 (E) One person representing the Pierce county developmental  
21 disabilities board.

22 (ii) The committee shall create and submit to the legislature a  
23 long-range community vision and development plan for the efficient use  
24 of the Rainier school facility to best serve the needs of persons with  
25 developmental disabilities, including the establishment of a respite  
26 care center for families and other caregivers of persons with  
27 developmental disabilities.

28 (3) PROGRAM SUPPORT

29	General Fund--State Appropriation (FY 2012) . . . . .	(((\$1,380,000))
30		<u>\$1,382,000</u>
31	General Fund--State Appropriation (FY 2013) . . . . .	(((\$1,371,000))
32		<u>\$1,366,000</u>
33	General Fund--Federal Appropriation . . . . .	(((\$1,323,000))
34		<u>\$1,319,000</u>
35	TOTAL APPROPRIATION . . . . .	(((\$4,074,000))
36		<u>\$4,067,000</u>

37 (4) SPECIAL PROJECTS

38	General Fund--State Appropriation (FY 2012) . . . . .	(((\$4,648,000))
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1		<u>\$4,634,000</u>
2	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$4,637,000</del> ))
3		<u>\$4,553,000</u>
4	General Fund--Federal Appropriation . . . . .	(( <del>\$9,575,000</del> ))
5		<u>\$9,588,000</u>
6	General Fund--Private/Local Appropriation . . . . .	\$998,000
7	TOTAL APPROPRIATION . . . . .	(( <del>\$19,858,000</del> ))
8		<u>\$19,773,000</u>

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

11       Amounts appropriated in this subsection are for the purposes of  
12 transitioning clients with developmental disabilities into community  
13 settings. The department is authorized as needed to use these funds to  
14 either pay for clients residing within a residential habilitation  
15 center or for placements in the community. Pursuant to Second  
16 Substitute Senate Bill No. 5459 (services for people with developmental  
17 disabilities), funding in this subsection must be prioritized for the  
18 purpose of facilitating the consolidation and closure of Frances Haddon  
19 Morgan Center. The department shall use a person-centered approach in  
20 developing the discharge plan to assess each resident's needs and  
21 identify services the resident requires to successfully transition to  
22 the community or another residential habilitation center. The  
23 department is authorized to use any savings from this effort for the  
24 purpose of developing community resources to address the needs of  
25 clients with developmental disabilities who are in crisis or in need of  
26 respite. The department shall track the costs and savings of closing  
27 Frances Haddon Morgan Center and any investments into community  
28 placements and resources. The department shall provide a fiscal  
29 progress report to the legislature by December 5, 2011.

30       **Sec. 206.** 2011 2nd sp.s. c 9 s 206 (uncodified) is amended to read  
31 as follows:

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

34	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$781,995,000</del> ))
35		<u>\$791,493,000</u>
36	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$804,465,000</del> ))
37		<u>\$809,338,000</u>



1	General Fund--Federal Appropriation . . . . .	<del>((\\$1,680,450,000))</del>
2		<u>\$1,690,993,000</u>
3	General Fund--Private/Local Appropriation . . . . .	\$27,517,000
4	Traumatic Brain Injury Account--State Appropriation . . . . .	\$3,388,000
5	Nursing Facility Quality Assurance Account--State	
6	Appropriation . . . . .	<del>((\\$88,071,000))</del>
7		<u>\$88,000,000</u>
8	TOTAL APPROPRIATION . . . . .	<del>((\\$3,385,886,000))</del>
9		<u>\$3,410,729,000</u>

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

12       (1) For purposes of implementing chapter 74.46 RCW, the weighted  
13 average nursing facility payment rate shall not exceed \$170.37 for  
14 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,  
15 including the rate add-ons described in (a) and (b) of this subsection.  
16 However, if the waiver requested from the federal centers for medicare  
17 and medicaid services in relation to the safety net assessment created  
18 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is  
19 for any reason not approved and implemented, the weighted average  
20 nursing facility payment rate shall not exceed \$159.87 for fiscal year  
21 2012 and shall not exceed \$160.93 for fiscal year 2013. There will be  
22 no adjustments for economic trends and conditions in fiscal years 2012  
23 and 2013. The economic trends and conditions factor or factors defined  
24 in the biennial appropriations act shall not be compounded with the  
25 economic trends and conditions factor or factors defined in any other  
26 biennial appropriations acts before applying it to the component rate  
27 allocations established in accordance with chapter 74.46 RCW. When no  
28 economic trends and conditions factor for either fiscal year is defined  
29 in a biennial appropriations act, no economic trends and conditions  
30 factor or factors defined in any earlier biennial appropriations act  
31 shall be applied solely or compounded to the component rate allocations  
32 established in accordance with chapter 74.46 RCW.

33       (a) Within the funds provided, the department shall continue to  
34 provide an add-on per medicaid resident day per facility not to exceed  
35 \$1.57. The add-on shall be used to increase wages, benefits, and/or  
36 staffing levels for certified nurse aides; or to increase wages and/or  
37 benefits for dietary aides, housekeepers, laundry aides, or any other  
38 category of worker whose statewide average dollars-per-hour wage was

1 less than \$15 in calendar year 2008, according to cost report data.  
2 The add-on may also be used to address resulting wage compression for  
3 related job classes immediately affected by wage increases to low-wage  
4 workers. The department shall continue reporting requirements and a  
5 settlement process to ensure that the funds are spent according to this  
6 subsection.

7 (b) The department shall do a comparative analysis of the facility-  
8 based payment rates calculated on July 1, (~~(2011)~~) 2012, using the  
9 payment methodology defined in (~~(Engrossed Substitute Senate Bill No.~~  
10 ~~5581 (nursing home payments))~~) chapter 74.46 RCW and as funded in the  
11 omnibus appropriations act, excluding the comparative add-on, acuity  
12 add-on, and safety net reimbursement, to the facility-based payment  
13 rates in effect June 30, 2010. If the facility-based payment rate  
14 calculated on July 1, (~~(2011)~~) 2012, is smaller than the facility-  
15 based payment rate on June 30, 2010, then the difference shall be  
16 provided to the individual nursing facilities as an add-on payment per  
17 medicaid resident day.

18 (c) During the comparative analysis performed in subsection (b) of  
19 this section, if it is found that the direct care rate for any facility  
20 calculated using the payment methodology defined in (~~(Engrossed~~  
21 ~~Substitute Senate Bill No. 5581 (nursing home payments))~~) chapter 74.46  
22 RCW and as funded in the omnibus appropriations act, excluding the  
23 comparative add-on, acuity add-on, and safety net reimbursement, is  
24 greater than the direct care rate in effect on June 30, 2010, then the  
25 facility shall receive a ten percent direct care rate add-on to  
26 compensate that facility for taking on more acute clients than they  
27 have in the past.

28 (d) The department shall provide a medicaid rate add-on to  
29 reimburse the medicaid share of the skilled nursing facility safety net  
30 assessment as a medicaid allowable cost. The nursing facility safety  
31 net rate add-on may not be included in the calculation of the annual  
32 statewide weighted average nursing facility payment rate.

33 (e) If the waiver requested from the federal centers for medicare  
34 and medicaid services in relation to the safety net assessment created  
35 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is  
36 for any reason not approved and implemented, (~~(subsections)~~) (b), (c),  
37 and (d) of this subsection do not apply.

1 (2) After examining actual nursing facility cost information, the  
2 legislature finds that the medicaid nursing facility rates calculated  
3 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home  
4 payments) provide sufficient reimbursement to efficiently and  
5 economically operating nursing facilities and bear a reasonable  
6 relationship to costs.

7 (3) In accordance with chapter 74.46 RCW, the department shall  
8 issue no additional certificates of capital authorization for fiscal  
9 year 2012 and no new certificates of capital authorization for fiscal  
10 year 2013 and shall grant no rate add-ons to payment rates for capital  
11 improvements not requiring a certificate of need and a certificate of  
12 capital authorization for fiscal years 2012 and 2013.

13 (4) The long-term care program may develop and pay enhanced rates  
14 for exceptional care to nursing homes for persons with traumatic brain  
15 injuries who are transitioning from hospital care. The cost per  
16 patient day for caring for these clients in a nursing home setting may  
17 be equal to or less than the cost of caring for these clients in a  
18 hospital setting.

19 (5) Amounts appropriated in this section reflect a reduction to  
20 funds appropriated for in-home care. The department shall reduce the  
21 number of in-home hours authorized. The reduction shall be scaled  
22 based on the acuity level of care recipients. The largest hour  
23 reductions shall be to lower acuity patients and the smallest hour  
24 reductions shall be to higher acuity patients.

25 (6) \$1,883,000 of the general fund--state appropriation for fiscal  
26 year 2012, \$1,883,000 of the general fund--state appropriation for  
27 fiscal year 2013, and \$3,766,000 of the general fund--federal  
28 appropriation are provided solely for state contributions for  
29 individual provider health care benefits. Pursuant to the collective  
30 bargaining agreement negotiated with the exclusive bargaining  
31 representative of individual providers established under RCW  
32 74.39A.270, the state shall contribute to the multiemployer health  
33 benefits trust fund (~~(\$1.96)~~) \$2.21 per paid hour worked by individual  
34 providers.

35 (7) (~~(\$16,835,000 of the general fund--state appropriation for~~  
36 ~~fiscal year 2012, \$17,952,000 of the general fund--state appropriation~~  
37 ~~for fiscal year 2013, and \$34,786,000 of the general fund--federal~~  
38 ~~appropriation are provided solely for home care agencies to purchase~~

1 health coverage for home care providers. The department shall  
2 calculate and distribute payments for health care benefits to home care  
3 agencies at \$558 per month for each worker who cares for publicly  
4 funded clients at 86 hours or more per month. In order to negotiate  
5 the most comprehensive health benefits package for its employees, each  
6 agency may determine benefit levels according to the hours an employee  
7 works providing state-funded personal care. Health benefits shall be  
8 offered to all employees who care for publicly funded clients for 86  
9 hours per month or more. At a minimum, employees who care for publicly  
10 funded clients at 140 hours a month or greater must receive a  
11 comprehensive medical benefit. Benefits shall not be provided to  
12 employees who care for publicly funded clients at 85 hours or less per  
13 month or as interim respite workers. The department shall not pay an  
14 agency for benefits provided to an employee who otherwise receives  
15 health care coverage through other family members, other  
16 employment-based coverage, or military or veteran's coverage. The  
17 department shall require annually, each home care agency to review each  
18 of its employee's available health coverage and to provide a written  
19 declaration to the department verifying that health benefits purchased  
20 with public funds are solely for employees that do not have other  
21 available coverage. Home care agencies may determine a reasonable  
22 employee co-premium not to exceed 20 percent of the total benefit cost.

23 ~~(8) \$2,063,000))~~ \$2,449,000 of the general fund--state  
24 appropriation for fiscal year 2012, ~~(((\$2,195,000))~~ \$3,012,000 of the  
25 general fund--state appropriation for fiscal year 2013, and  
26 ~~(((\$4,260,000))~~ \$5,463,000 of the general fund--federal appropriation  
27 are provided solely for the state's contribution to the training  
28 partnership, as provided in RCW 74.39A.360, for instructional costs  
29 associated with the training of individual providers. ~~((House Bill No.  
30 1548 and Senate Bill No. 5473 (long term care worker requirements) make  
31 statutory changes to the increased training requirements and therefore  
32 the state shall contribute to the partnership \$0.17 per paid hour  
33 worked by all home care workers. This amount is pursuant to the  
34 collective bargaining agreement negotiated with the exclusive  
35 bargaining representative of individual providers established under RCW  
36 74.39A.270.))~~ Contributions are funded at \$0.22 per benefit-eligible  
37 paid hour worked by all home care workers. Expenditures for the  
38 purposes specified in this subsection shall not exceed the amounts

1 provided in this subsection. However, if the governor and the service  
2 employees international union healthcare 775nw can reach agreement on  
3 repurposing funding that is currently provided in the individual  
4 provider collective bargaining agreement for new individual provider  
5 wages paid during training or other training related items, then  
6 expenditures for training trust contributions for individual providers  
7 may include the amounts provided in this subsection and the agreed upon  
8 repurposed funding. Funding in this section for purposes other than  
9 the individual provider collective bargaining agreement cannot be used  
10 for the purposes of this subsection (7). It is the intent of the  
11 legislature that the funding provided in this subsection, including any  
12 repurposed funding, is sufficient to cover the costs of individual  
13 provider training and therefore tuition or other entrance fees are not  
14 necessary.

15 (8) \$338,550,000 of the general fund--state appropriation for  
16 fiscal year 2013 and \$338,550,000 of the general fund--federal  
17 appropriation are provided solely for the department to provide  
18 personal care services to waiver and nonwaiver in-home clients. The  
19 department shall provide the legislature with a report by December 5,  
20 2012, on the feasibility of converting the medicaid personal care  
21 program for in-home adults to a medicaid program as found in section  
22 1915(i) of the federal social security act that utilizes the option for  
23 self-direction of individualized budgets. The department shall operate  
24 the personal care program within the amounts specifically provided.

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

29 (10) The department shall eliminate the adult day health program  
30 under the state plan 1915(i) option and shall reestablish it under the  
31 long-term care home and community-based waiver.

32 (11) \$4,588,000 of the general fund--state appropriation for fiscal  
33 year 2012, \$4,559,000 of the general fund--state appropriation for  
34 fiscal year 2013, and \$9,237,000 of the general fund--federal  
35 appropriation are provided solely for the continued operation of  
36 community residential and support services for persons who are older  
37 adults or who have co-occurring medical and behavioral disorders and  
38 who have been discharged or diverted from a state psychiatric hospital.

1 These funds shall be used to serve individuals whose treatment needs  
2 constitute substantial barriers to community placement, who no longer  
3 require active psychiatric treatment at an inpatient hospital level of  
4 care, and who no longer meet the criteria for inpatient involuntary  
5 commitment.

6 (12) \$1,840,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$1,877,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for operation of the volunteer  
9 services program. Funding shall be prioritized towards serving  
10 populations traditionally served by long-term care services to include  
11 senior citizens and persons with disabilities.

12 (13) In accordance with Engrossed Substitute House Bill No. 1277  
13 (licensed settings for vulnerable adults), nursing facility fees are  
14 increased in fiscal year 2012 and adult family home fees are increased  
15 in fiscal year 2012 and fiscal year 2013 to support the costs of  
16 conducting licensure, inspection, and regulatory programs.

17 (a) The current annual renewal license fee for nursing facilities  
18 shall be increased to \$359 per bed beginning in fiscal year 2012 and  
19 assumes \$517,000 of the general fund--private/local appropriation.  
20 Nursing facilities shall receive a vendor rate increase of \$0.08 per  
21 medicaid patient day to cover the license fee increase for publicly  
22 funded beds.

23 (b) The current annual renewal license fee for adult family homes  
24 shall be increased to \$100 per bed beginning in fiscal year 2012 and  
25 assumes \$1,449,000 of the general fund--private/local appropriation;  
26 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000  
27 of the general fund--private/local appropriation. Adult family homes  
28 shall receive a corresponding vendor rate increase per medicaid patient  
29 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013 (~~to~~  
30 ~~cover the license fee increase for publicly funded beds~~), or the  
31 amount necessary to fully fund the license fee increase for publicly  
32 funded beds, pursuant to the most recent bed estimates maintained by  
33 the department.

34 (c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall  
35 be charged to each adult family home when the home is initially  
36 licensed. This fee is nonrefundable.

37 (d) \$72,000 of the general fund--state appropriation for fiscal  
38 year 2012, \$708,000 of the general fund--private/local appropriation

1 and \$708,000 of the general fund--federal appropriation are provided  
2 solely to implement sections 501 through 503 of Engrossed Substitute  
3 House Bill No. 1277 (licensed settings for vulnerable adults). The  
4 department shall use additional investigative resources to address  
5 complaints about provider practices as well as alleged abuse, neglect,  
6 abandonment, and exploitation of residents in adult family homes. The  
7 department shall develop a statewide internal quality review and  
8 accountability program to improve the accountability of staff and the  
9 consistent application of investigative activities, and shall convene  
10 a quality assurance panel to review problems in the quality of care in  
11 adult family homes.

12 (14) \$3,316,000 of the traumatic brain injury account--state  
13 appropriation is provided solely to continue services for persons with  
14 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011  
15 (traumatic brain injury strategic partnership).

16 (15) The department is authorized to place long-term care clients  
17 residing in nursing homes and paid for with state only funds into less  
18 restrictive community care settings while continuing to meet the  
19 client's care needs.

20 (16) The department shall participate in the work group established  
21 by the department of corrections in section 220(2) of this act to  
22 review release options for elderly and infirm offenders.

23 **Sec. 207.** 2011 2nd sp.s. c 9 s 207 (uncodified) is amended to read  
24 as follows:

25 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**  
26 **PROGRAM**

27	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$487,305,000</del> ))
28		<u>\$415,553,000</u>
29	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$503,362,000</del> ))
30		<u>\$438,483,000</u>
31	General Fund--Federal Appropriation . . . . .	(( <del>\$1,167,467,000</del> ))
32		<u>\$1,174,416,000</u>
33	General Fund--Private/Local Appropriation . . . . .	\$30,592,000
34	TOTAL APPROPRIATION . . . . .	(( <del>\$2,188,726,000</del> ))
35		<u>\$2,059,044,000</u>

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

1 (1) (~~(\$258,880,000)~~) \$195,410,000 of the general fund--state  
2 appropriation for fiscal year 2012, (~~(\$297,296,000)~~) \$235,808,000 of  
3 the general fund--state appropriation for fiscal year 2013, and  
4 (~~(\$710,173,000)~~) \$725,586,000 of the general fund--federal  
5 appropriation are provided solely for all components of the WorkFirst  
6 program. Under section 2 of Engrossed Substitute Senate Bill No. 5921  
7 (social services programs), the amounts in this subsection assume that  
8 any participant in the temporary assistance for needy families where  
9 their participation is suspended and does not volunteer to participate  
10 in WorkFirst services or unsubsidized employment does not receive child  
11 care subsidies or WorkFirst subsidies as a condition of the suspension.  
12 Within the amounts provided for the WorkFirst program, the department  
13 may provide assistance using state-only funds for families eligible for  
14 temporary assistance for needy families.

15 (a) Within the amounts provided for WorkFirst in this subsection,  
16 the department shall continue to implement WorkFirst program  
17 improvements that are designed to achieve progress against outcome  
18 measures specified in Engrossed House Bill No. 2262 (WorkFirst and  
19 child care) and RCW 74.08A.410.

20 (b) The department may establish a career services work transition  
21 program.

22 ~~(c) ((Within the amounts provided in this subsection, \$1,414,000 of~~  
23 ~~the general fund state appropriation for fiscal year 2012 and~~  
24 ~~\$5,150,000 of the general fund state appropriation for fiscal year~~  
25 ~~2013 are provided solely for the implementation and administration of~~  
26 ~~the electronic benefit transfer system under section 12 of Engrossed~~  
27 ~~Substitute Senate Bill No. 5921 (social services programs). The~~  
28 ~~department shall transfer these amounts to the department of early~~  
29 ~~learning for the implementation and administration of the project.~~

30 ~~(d))~~ Within amounts appropriated in this section, the legislature  
31 expressly mandates that the department exercise its authority, granted  
32 in 1997 under RCW 74.08A.290, to contract for work activities services  
33 pursuant to that statutory authority and RCW 41.06.142(3).

34 ~~((e))~~ (d) The department shall create a temporary assistance for  
35 needy families budget structure that allows for more transparent  
36 tracking of budget units and subunits of expenditures where these units  
37 and subunits are mutually exclusive from other department budget units.



1 The budget structure shall include budget units for the following:  
2 Grants, child care, WorkFirst activities, and administration of the  
3 program.

4 ~~(2)((a) \$11,825,000 of the general fund--federal appropriation is~~  
5 ~~provided solely for a contingency reserve in the event the temporary~~  
6 ~~assistance for needy families cash benefit is projected to exceed~~  
7 ~~forecasted amounts by more than one percent. The department shall only~~  
8 ~~expend an amount equal to the forecasted over-expenditure. For~~  
9 ~~purposes of this subsection, the temporary assistance forecast shall be~~  
10 ~~completed every quarter and follow a similar schedule of the caseload~~  
11 ~~forecast council forecasts.~~

12 ~~(b) If sufficient savings in subsection (1) of this section are~~  
13 ~~achieved, the department of early learning shall increase the number of~~  
14 ~~child care slots available for the working connections child care~~  
15 ~~program.~~

16 ~~(3)---\$23,494,000))~~ \$23,679,000 of the general fund--state  
17 appropriation for fiscal year 2012, in addition to supplemental  
18 security income recoveries, is provided solely for financial assistance  
19 and other services to recipients in the program established in section  
20 4, chapter 8, Laws of 2010 1st sp. sess., until the program terminates  
21 on October 31, 2011.

22 ~~((+4))~~ (3)(a) ((\$13,086,000)) \$12,457,000 of the general fund--  
23 state appropriation for fiscal year 2012 and ~~(((\$24,788,000))~~  
24 \$21,959,000 of the general fund--state appropriation for fiscal year  
25 2013, in addition to supplemental security income recoveries, are  
26 provided solely for the programs created in Engrossed Substitute House  
27 Bill No. 2082 (essential needs and assistance program) beginning  
28 November 1, 2011.

29 (b) The department shall review clients receiving services through  
30 the aged, blind, or disabled assistance program, to determine whether  
31 they would benefit from assistance in becoming naturalized citizens,  
32 and thus be eligible to receive federal supplemental security income  
33 benefits. Those cases shall be given high priority for naturalization  
34 funding through the department.

35 (c) The department shall continue the interagency agreement with  
36 the department of veterans' affairs to establish a process for referral  
37 of veterans who may be eligible for veterans' services. This agreement

1 must include out-stationing department of veterans' affairs staff in  
2 selected community service office locations in King and Pierce counties  
3 to facilitate applications for veterans' services.

4 ~~((+5))~~ (4) \$1,657,000 of the general fund--state appropriation for  
5 fiscal year 2012 and \$1,657,000 of the general fund--state  
6 appropriation for fiscal year 2013 are provided solely for  
7 naturalization services.

8 ~~((+6))~~ (5) \$2,366,000 of the general fund--state appropriation for  
9 fiscal year 2012 is provided solely for refugee employment services, of  
10 which \$1,774,000 is provided solely for the department to pass through  
11 to statewide refugee assistance organizations for limited English  
12 proficiency pathway services; and \$2,366,000 of the general fund--state  
13 appropriation for fiscal year 2013 is provided solely for refugee  
14 employment services, of which \$1,774,000 is provided solely for the  
15 department to pass through to statewide refugee assistance  
16 organizations for limited English proficiency pathway services.

17 ~~((+7))~~ (6) On December 1, 2011, and annually thereafter, the  
18 department must report to the legislature on all sources of funding  
19 available for both refugee and immigrant services and naturalization  
20 services during the current fiscal year and the amounts expended to  
21 date by service type and funding source. The report must also include  
22 the number of clients served and outcome data for the clients.

23 ~~((+8))~~ (7) To ensure expenditures remain within available funds  
24 appropriated in this section, the legislature establishes the benefit  
25 under the state food assistance program, pursuant to RCW 74.08A.120, to  
26 be fifty percent of the federal supplemental nutrition assistance  
27 program benefit amount.

28 **Sec. 208.** 2011 2nd sp.s. c 9 s 208 (uncodified) is amended to read  
29 as follows:

30 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**  
31 **SUBSTANCE ABUSE PROGRAM**

32	General Fund--State Appropriation (FY 2012) . . . . .	<del>(\$74,287,000)</del>
33		<u>\$73,742,000</u>
34	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$74,422,000)</del>
35		<u>\$71,218,000</u>
36	General Fund--Federal Appropriation . . . . .	<del>(\$141,514,000)</del>
37		<u>\$184,401,000</u>

1 General Fund--Private/Local Appropriation . . . . . ((~~\$2,086,000~~))  
 2 \$13,486,000  
 3 Criminal Justice Treatment Account--State  
 4     Appropriation . . . . . \$20,748,000  
 5 Problem Gambling Account--State Appropriation . . . . . \$1,448,000  
 6     TOTAL APPROPRIATION . . . . . ((~~\$314,505,000~~))  
 7 \$365,043,000

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

10       (1) Within the amounts appropriated in this section, the department  
 11 may contract with the University of Washington and community-based  
 12 providers for the provision of the parent-child assistance program.  
 13 For all contractors, indirect charges for administering the program  
 14 shall not exceed ten percent of the total contract amount.

15       (2) Within the amounts appropriated in this section, the department  
 16 shall continue to provide for chemical dependency treatment services  
 17 for adult medicaid eligible, pregnant and parenting women, disability  
 18 lifeline, and alcoholism and drug addiction treatment and support act,  
 19 and medical care services clients.

20       (3) In accordance with RCW 70.96A.090 and 43.135.055, the  
 21 department is authorized to increase fees for the review and approval  
 22 of treatment programs in fiscal years 2012 and 2013 as necessary to  
 23 support the costs of the regulatory program. The department's fee  
 24 schedule shall have differential rates for providers with proof of  
 25 accreditation from organizations that the department has determined to  
 26 have substantially equivalent standards to those of the department,  
 27 including but not limited to the joint commission on accreditation of  
 28 health care organizations, the commission on accreditation of  
 29 rehabilitation facilities, and the council on accreditation. To  
 30 reflect the reduced costs associated with regulation of accredited  
 31 programs, the department's fees for organizations with such proof of  
 32 accreditation must reflect the lower cost of licensing for these  
 33 programs than for other organizations which are not accredited.

34       (4) \$3,500,000 of the general fund--federal appropriation (from the  
 35 substance abuse prevention and treatment federal block grant) is  
 36 provided solely for the continued funding of existing county drug and  
 37 alcohol use prevention programs.



1 General Fund--Federal Appropriation . . . . . ((~~\$105,091,000~~))  
 2 \$105,060,000  
 3 Telecommunications Devices for the Hearing and  
 4 Speech Impaired--State Appropriation . . . . . \$2,766,000  
 5 TOTAL APPROPRIATION . . . . . ((~~\$129,592,000~~))  
 6 \$129,081,000

7 The appropriations in this section are subject to the following  
 8 conditions and limitations: \$480,000 of the telecommunications devices  
 9 for the hearing and speech impaired account--state appropriation is  
 10 provided solely for the office of deaf and hard of hearing to contract  
 11 for services that provide employment support and help with life  
 12 activities for deaf-blind individuals in King county.

13 **Sec. 210.** 2011 2nd sp.s. c 9 s 210 (uncodified) is amended to read  
 14 as follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**  
 16 **PROGRAM**

17 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$47,719,000~~))  
 18 \$48,167,000  
 19 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$46,292,000~~))  
 20 \$36,128,000  
 21 TOTAL APPROPRIATION . . . . . ((~~\$94,011,000~~))  
 22 \$84,295,000

23 **Sec. 211.** 2011 2nd sp.s. c 9 s 211 (uncodified) is amended to read  
 24 as follows:

25 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**  
 26 **SUPPORTING SERVICES PROGRAM**

27 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$26,125,000~~))  
 28 \$26,069,000  
 29 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$24,586,000~~))  
 30 \$24,474,000  
 31 General Fund--Federal Appropriation . . . . . ((~~\$39,223,000~~))  
 32 \$39,550,000  
 33 General Fund--Private/Local Appropriation . . . . . \$2,116,000  
 34 Performance Audits of State Government--State  
 35 Appropriation . . . . . \$4,812,000  
 36 TOTAL APPROPRIATION . . . . . ((~~\$96,862,000~~))

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

(1) \$300,000 of the general fund--state appropriation for fiscal year 2012 and \$300,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state mentors program to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(2) \$445,000 of the general fund--state appropriation for fiscal year 2012 and \$445,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for funding of the teamchild project.

(3) \$178,000 of the general fund--state appropriation for fiscal year 2012 and \$178,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the juvenile detention alternatives initiative.

(4) \$4,812,000 of the performance audits of state government--state appropriation is provided solely for support and expansion of the division of fraud investigation. The division shall conduct investigatory and enforcement activities for all department programs, including the child support and TANF programs.

(5) \$1,400,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for the department to distribute as support to community public health and safety networks that have a history of providing training and services related to adverse childhood experiences. Distribution of these funds is contingent upon securing funding from a private entity or entities to provide one dollar in matching funds for each dollar in state funds received by a network so that the funding received by a community public health and safety network will be equal portions of state and private funding.

(6) \$250,000 of the general fund--state appropriation for fiscal year 2013 is for the department to assist in the development of a public-private initiative that promotes innovative new approaches to prevention and mitigation of adverse childhood experiences. The department shall, as part of the transition to a public-private initiative that leverages the community networks' community capacity building model and infrastructure: (a) Assist community public health

1 and safety networks in identifying and obtaining funding opportunities  
2 to assist local communities in achieving the purposes of networks and  
3 further developing community capacity; and (b) maintain centralized  
4 administrative services for the community network system in the office  
5 of the secretary to facilitate cross-agency and multi-sector  
6 partnership with community networks.

7 (7) \$250,000 of the general fund--state appropriation for fiscal  
8 year 2013 is provided solely for a grant program focused on criminal  
9 street gang prevention and intervention. The Washington state  
10 partnership council on juvenile justice may award grants under this  
11 subsection. The council shall give priority to applicants who have  
12 demonstrated the greatest problems with criminal street gangs.  
13 Applicants composed of, at a minimum, one or more local governmental  
14 entities and one or more nonprofit, nongovernmental organizations that  
15 have a documented history of creating and administering effective  
16 criminal street gang prevention and intervention programs may apply for  
17 funding under this subsection.

18 (8) \$113,000 of the general fund--state appropriation for fiscal  
19 year 2013 and \$105,000 of the general fund--federal appropriation are  
20 provided solely for staffing costs associated with implementation of  
21 Engrossed Second Substitute House Bill No. 2536 (children  
22 services/delivery). The amounts provided in this subsection must be  
23 used for coordinated evidence-based practice implementation amongst the  
24 department's programs providing mental health, child welfare, and  
25 juvenile justice services to children. If Engrossed Second Substitute  
26 House Bill No. 2536 (children services/delivery) is not enacted by June  
27 30, 2012, the amounts provided in this subsection shall lapse.

28 **Sec. 212.** 2011 2nd sp.s. c 9 s 212 (uncodified) is amended to read  
29 as follows:

30 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**  
31 **AGENCIES PROGRAM**

32	General Fund--State Appropriation (FY 2012) . . . . .	(( \$62,778,000 ))
33		\$62,140,000
34	General Fund--State Appropriation (FY 2013) . . . . .	(( \$61,927,000 ))
35		\$46,303,000
36	General Fund--Federal Appropriation . . . . .	(( \$58,400,000 ))
37		\$53,049,000

1 TOTAL APPROPRIATION . . . . . ((~~\$183,105,000~~))  
2 \$161,492,000

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

5 \$469,000 of the general fund--state appropriation for fiscal year  
6 2011 and \$270,000 of the general fund--state appropriation for fiscal  
7 year 2012 are provided solely for implementation of Engrossed  
8 Substitute Senate Bill No. 5921 (social services programs). If the  
9 bill is not enacted by June 30, 2011, the amounts provided in this  
10 subsection shall lapse.

11 **Sec. 213.** 2011 2nd sp.s. c 9 s 213 (uncodified) is amended to read  
12 as follows:

13 **FOR THE STATE HEALTH CARE AUTHORITY**

14	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,130,229,000</del> ))
15		<u>\$2,034,296,000</u>
16	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,185,617,000</del> ))
17		<u>\$2,031,185,000</u>
18	General Fund--Federal Appropriation . . . . .	(( <del>\$5,389,627,000</del> ))
19		<u>\$5,307,323,000</u>
20	General Fund--Private/Local Appropriation . . . . .	(( <del>\$45,512,000</del> ))
21		<u>\$62,597,000</u>
22	Emergency Medical Services and Trauma Care Systems	
23	Trust Account--State Appropriation . . . . .	\$15,077,000
24	Hospital Safety Net Assessment Fund--State	
25	Appropriation . . . . .	(( <del>\$394,905,000</del> ))
26		<u>\$434,087,000</u>
27	State Health Care Authority Administration Account--	
28	State Appropriation . . . . .	(( <del>\$34,118,000</del> ))
29		<u>\$34,040,000</u>
30	Basic Health Plan Stabilization Account--	
31	State Appropriation . . . . .	\$44,000,000
32	Medical Aid Account--State Appropriation . . . . .	\$529,000
33	<u>Medicaid Fraud Penalty Account--State Appropriation . . . . .</u>	<u>\$9,200,000</u>
34	TOTAL APPROPRIATION . . . . .	(( <del>\$10,239,614,000</del> ))
35		<u>\$9,972,334,000</u>

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



1       (1) The appropriations to the authority in this act shall be  
2 expended for the purposes and in the amounts specified in this act. To  
3 the extent that appropriations in this section are insufficient to fund  
4 actual expenditures in excess of caseload forecasts and utilization  
5 assumptions, the authority, after May 1, 2012, may transfer general  
6 fund--state appropriations for fiscal year 2012 that are provided  
7 solely for a specified purpose. The authority shall not transfer  
8 funds, and the director of financial management shall not approve the  
9 transfer, unless the transfer is consistent with the objective of  
10 conserving, to the maximum extent possible, the expenditure of state  
11 funds. The director of financial management shall notify the  
12 appropriate fiscal committees of the senate and house of  
13 representatives in writing seven days prior to approving any allotment  
14 modifications or transfers under this subsection. The written  
15 notification shall include a narrative explanation and justification of  
16 the changes, along with expenditures and allotments by budget unit and  
17 appropriation, both before and after any allotment modifications or  
18 transfers.

19       (2) Within amounts appropriated in this section and sections 205  
20 and 206 of this act, the health care authority shall continue to  
21 provide an enhanced basic health plan subsidy for foster parents  
22 licensed under chapter 74.15 RCW and workers in state-funded home care  
23 programs. Under this enhanced subsidy option, foster parents eligible  
24 to participate in the basic health plan as subsidized enrollees and  
25 home care workers with family incomes below 200 percent of the federal  
26 poverty level shall be allowed to enroll in the basic health plan at  
27 the minimum premium amount charged to enrollees with incomes below  
28 sixty-five percent of the federal poverty level.

29       ~~((+2))~~ (3) The health care authority shall require organizations  
30 and individuals that are paid to deliver basic health plan services and  
31 that choose to sponsor enrollment in the subsidized basic health plan  
32 to pay 133 percent of the premium amount which would otherwise be due  
33 from the sponsored enrollees.

34       ~~((+3))~~ (4)(a) \$1,200,000 of the general fund--state appropriation  
35 for fiscal year 2012 is provided solely to plan the implementation of  
36 a system of consolidated public school employee health benefits  
37 purchasing.

1       It is the intent of the legislature to improve the administration,  
2 transparency, and equity in delivering a K-12 employees' health  
3 benefits system. In addition, the legislature intends that any cost  
4 savings that result from changes to K-12 health benefits be dedicated  
5 to public schools.

6       To further this legislative intent, the state health care authority  
7 shall develop a plan to implement a consolidated health benefits'  
8 system for K-12 employees for the 2013-14 school year. The health care  
9 authority shall deliver a report to the legislature by December 15,  
10 2011, that sets forth the implementation plan to the ways and means  
11 committees of the house of representatives and the senate.

12       (b) The report prepared by the health care authority shall compare  
13 and contrast the costs and benefits, both long and short term, of:

14       (i) The current K-12 health benefits system;

15       (ii) A new K-12 employee benefits pool; and

16       (iii) Enrolling K-12 employees into the health benefits pool for  
17 state employees.

18       (c) In addition to the implementation plan, the report shall  
19 include the following information:

20       (i) The costs and benefits of the current K-12 health benefits  
21 system;

22       (ii) The costs and benefits of providing a new statewide K-12  
23 employees' health benefits pool to school districts and school  
24 employees;

25       (iii) The costs and benefits of enrolling K-12 employees into the  
26 existing health benefits pool for state employees;

27       (iv) Recommendations of ways to limit administrative duplication  
28 and costs, improve transparency to employees, the legislature, and the  
29 public and assure equity among beneficiaries of publicly provided  
30 employee health benefits;

31       (v) Recommendations for standardizing benefit packages and  
32 purchasing efforts in a manner that seeks to maximize funding and  
33 equity for all school employees;

34       (vi) Recommendations regarding the use of incentives, including how  
35 changes to state health benefit allocations could provide employees  
36 with benefits that would encourage participation;

37       (vii) Recommendations regarding the implementation of a new K-12

1 employee benefit plan, with separate options for voluntary  
2 participation and mandatory statewide participation;

3 (viii) Recommendations regarding methods to reduce inequities  
4 between individual and family coverage;

5 (ix) Consolidation of the purchasing and budget accountability for  
6 school employee benefits to maximize administrative efficiency and  
7 leverage existing skills and resources; and

8 (x) Other details the health care authority deems necessary,  
9 including but not limited to recommendations on the following:

10 (A) Approaches for implementing the transition to a statewide pool,  
11 including administrative and statutory changes necessary to ensure a  
12 successful transition, and whether the pool should be separate from, or  
13 combined with, the public employees' benefits pool;

14 (B) The structure of a permanent governing group to provide ongoing  
15 oversight to the consolidated pool, in a manner similar to the public  
16 employees benefits board functions for employee health benefits,  
17 including statutory duties and authorities of the board; and

18 (C) Options for including potential changes to: Eligibility  
19 standardization, the public employees benefits risk pools, the movement  
20 of school employee retirees into the new K-12 pool or pools, and the  
21 movement of educational service district employees into the new K-12  
22 pool or pools.

23 (d) In determining its costs and benefits of a new statewide K-12  
24 employees' health benefits pool for school districts and school  
25 employees, the health care authority shall assume the following:

26 (i) School district enrollees must constitute an entire bargaining  
27 unit, or an entire group of nonrepresented employees;

28 (ii) Staffing and administration for benefits purchasing shall be  
29 provided by the health care authority; and

30 (iii) The new K-12 pool would operate on a schedule that  
31 coordinates with the financing and enrollment schedule used for school  
32 districts.

33 (e) The office of the superintendent of public instruction and the  
34 office of the insurance commissioner shall provide information and  
35 technical assistance to the health care authority as requested by the  
36 health care authority. The health care authority shall not implement  
37 the new school employee benefits pool until authorized to do so by the  
38 legislature.

1       (~~(4)~~) (5) The administrator shall take at least the following  
2 actions to assure that persons participating in the basic health plan  
3 are eligible for the level of assistance they receive: (a) Require  
4 submission of (i) income tax returns, and recent pay history, from all  
5 applicants, or (ii) other verifiable evidence of earned and unearned  
6 income from those persons not required to file income tax returns; (b)  
7 check employment security payroll records at least once every twelve  
8 months on all enrollees; (c) require enrollees whose income as  
9 indicated by payroll records exceeds that upon which their subsidy is  
10 based to document their current income as a condition of continued  
11 eligibility; (d) require enrollees for whom employment security payroll  
12 records cannot be obtained to document their current income at least  
13 once every six months; (e) not reduce gross family income for self-  
14 employed persons by noncash-flow expenses such as, but not limited to,  
15 depreciation, amortization, and home office deductions, as defined by  
16 the United States internal revenue service; and (f) pursue repayment  
17 and civil penalties from persons who have received excessive subsidies,  
18 as provided in RCW 70.47.060(9).

19       (~~(5)~~) (6) Enrollment in the subsidized basic health plan shall be  
20 limited to only include persons who qualify as subsidized enrollees as  
21 defined in RCW 70.47.020 and who (a) qualify for services under 1115  
22 medicaid demonstration project number 11-W-00254/10; or (b) are foster  
23 parents licensed under chapter 74.15 RCW.

24       (~~(6)~~) (7) \$23,700,000 of the general fund--federal appropriation  
25 is provided solely for planning and implementation of a health benefit  
26 exchange under the federal patient protection and affordable care act.  
27 Within the amounts provided in this subsection, funds used by the  
28 authority for information technology projects are conditioned on the  
29 authority satisfying the requirements of Engrossed Second Substitute  
30 Senate Bill No. 5931 (central service agencies).

31       (~~(7)~~) (8) Based on quarterly expenditure reports and caseload  
32 forecasts, if the health care authority estimates that expenditures for  
33 the medical assistance program will exceed the appropriations, the  
34 health care authority shall take steps including but not limited to  
35 reduction of rates or elimination of optional services to reduce  
36 expenditures so that total program costs do not exceed the annual  
37 appropriation authority.

1        ~~((8))~~ (9) In determining financial eligibility for medicaid-  
2 funded services, the health care authority is authorized to disregard  
3 recoveries by Holocaust survivors of insurance proceeds or other  
4 assets, as defined in RCW 48.104.030.

5        ~~((9))~~ (10) The legislature affirms that it is in the state's  
6 interest for Harborview medical center to remain an economically viable  
7 component of the state's health care system.

8        ~~((10))~~ (11) When a person is ineligible for medicaid solely by  
9 reason of residence in an institution for mental diseases, the health  
10 care authority shall provide the person with the same benefits as he or  
11 she would receive if eligible for medicaid, using state-only funds to  
12 the extent necessary.

13        ~~((11))~~ (12) \$4,261,000 of the general fund--state appropriation  
14 for fiscal year 2012, \$4,261,000 of the general fund--state  
15 appropriation for fiscal year 2013, and \$8,522,000 of the general  
16 fund--federal appropriation are provided solely for low-income  
17 disproportionate share hospital payments under RCW 74.09.730(1)(a).

18        ~~((12) \$5,905,000 of the general fund--state appropriation for  
19 fiscal year 2012, \$5,905,000 of the general fund--state appropriation  
20 for fiscal year 2013, and \$11,810,000 of the general fund--federal  
21 appropriation are provided solely for nonrural indigent assistance  
22 disproportionate share hospital payments in accordance with RCW  
23 74.09.730(1)).~~

24        ~~(13) \$665,000 of the general fund--state appropriation for fiscal  
25 year 2012, \$665,000 of the general fund--state appropriation for fiscal  
26 year 2013, and \$1,330,000 of the general fund--federal appropriation  
27 are provided solely for small rural indigent assistance  
28 disproportionate share hospital payments in accordance with RCW  
29 74.09.730(1)).~~

30        ~~(14))~~ (13) \$6,000,000 of the general fund--federal appropriation  
31 is provided solely for supplemental payments to nursing homes operated  
32 by public hospital districts. The public hospital district shall be  
33 responsible for providing the required nonfederal match for the  
34 supplemental payment, and the payments shall not exceed the maximum  
35 allowable under federal rules. It is the legislature's intent that the  
36 payments shall be supplemental to and shall not in any way offset or  
37 reduce the payments calculated and provided in accordance with part E  
38 of chapter 74.46 RCW. It is the legislature's further intent that

1 costs otherwise allowable for rate-setting and settlement against  
2 payments under chapter 74.46 RCW shall not be disallowed solely because  
3 such costs have been paid by revenues retained by the nursing home from  
4 these supplemental payments. The supplemental payments are subject to  
5 retrospective interim and final cost settlements based on the nursing  
6 homes' as-filed and final medicare cost reports. The timing of the  
7 interim and final cost settlements shall be at the health care  
8 authority's discretion. During either the interim cost settlement or  
9 the final cost settlement, the health care authority shall recoup from  
10 the public hospital districts the supplemental payments that exceed the  
11 medicaid cost limit and/or the medicare upper payment limit. The  
12 health care authority shall apply federal rules for identifying the  
13 eligible incurred medicaid costs and the medicare upper payment limit.

14 ~~((+15))~~ (14) The health care authority shall continue the  
15 inpatient hospital certified public expenditures program for the 2011-  
16 2013 fiscal biennium. The program shall apply to all public hospitals,  
17 including those owned or operated by the state, except those classified  
18 as critical access hospitals or state psychiatric institutions. The  
19 health care authority shall submit reports to the governor and  
20 legislature by November 1, 2011, and by November 1, 2012, that evaluate  
21 whether savings continue to exceed costs for this program. If the  
22 certified public expenditures (CPE) program in its current form is no  
23 longer cost-effective to maintain, the health care authority shall  
24 submit a report to the governor and legislature detailing  
25 cost-effective alternative uses of local, state, and federal resources  
26 as a replacement for this program. During fiscal year 2012 and fiscal  
27 year 2013, hospitals in the program shall be paid and shall retain one  
28 hundred percent of the federal portion of the allowable hospital cost  
29 for each medicaid inpatient fee-for-service claim payable by medical  
30 assistance and one hundred percent of the federal portion of the  
31 maximum disproportionate share hospital payment allowable under federal  
32 regulations. Inpatient medicaid payments shall be established using an  
33 allowable methodology that approximates the cost of claims submitted by  
34 the hospitals. Payments made to each hospital in the program in each  
35 fiscal year of the biennium shall be compared to a baseline amount.  
36 The baseline amount will be determined by the total of (a) the  
37 inpatient claim payment amounts that would have been paid during the  
38 fiscal year had the hospital not been in the CPE program based on the

1 reimbursement rates developed, implemented, and consistent with  
2 policies approved in the 2011-13 biennial operating appropriations act  
3 and in effect on July 1, 2011, (b) one half of the indigent assistance  
4 disproportionate share hospital payment amounts paid to and retained by  
5 each hospital during fiscal year 2005, and (c) all of the other  
6 disproportionate share hospital payment amounts paid to and retained by  
7 each hospital during fiscal year 2005 to the extent the same  
8 disproportionate share hospital programs exist in the 2011-13 biennium.  
9 If payments during the fiscal year exceed the hospital's baseline  
10 amount, no additional payments will be made to the hospital except the  
11 federal portion of allowable disproportionate share hospital payments  
12 for which the hospital can certify allowable match. If payments during  
13 the fiscal year are less than the baseline amount, the hospital will be  
14 paid a state grant equal to the difference between payments during the  
15 fiscal year and the applicable baseline amount. Payment of the state  
16 grant shall be made in the applicable fiscal year and distributed in  
17 monthly payments. The grants will be recalculated and redistributed as  
18 the baseline is updated during the fiscal year. The grant payments are  
19 subject to an interim settlement within eleven months after the end of  
20 the fiscal year. A final settlement shall be performed. To the extent  
21 that either settlement determines that a hospital has received funds in  
22 excess of what it would have received as described in this subsection,  
23 the hospital must repay the excess amounts to the state when requested.  
24 (~~(\$24,677,000)~~) \$8,102,000 of the general fund--state appropriation for  
25 fiscal year 2012, of which \$6,570,000 is appropriated in section 204(1)  
26 of this act, and (~~(\$21,531,000)~~) \$3,162,000 of the general fund--state  
27 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated  
28 in section 204(1) of this act, are provided solely for state grants for  
29 the participating hospitals. CPE hospitals will receive the inpatient  
30 and outpatient reimbursement rate restorations in RCW 74.60.080 and  
31 rate increases in RCW 74.60.090 funded through the hospital safety net  
32 assessment fund rather than through the baseline mechanism specified in  
33 this subsection.

34 (~~(+16)~~) (15) The health care authority shall seek public-private  
35 partnerships and federal funds that are or may become available to  
36 provide on-going support for outreach and education efforts under the  
37 federal children's health insurance program reauthorization act of  
38 2009.

1        ~~((17))~~ (16) The health care authority shall target funding for  
2 maternity support services towards pregnant women with factors that  
3 lead to higher rates of poor birth outcomes, including hypertension, a  
4 preterm or low birth weight birth in the most recent previous birth, a  
5 cognitive deficit or developmental disability, substance abuse, severe  
6 mental illness, unhealthy weight or failure to gain weight, tobacco  
7 use, or African American or Native American race. The health care  
8 authority shall prioritize evidence-based practices for delivery of  
9 maternity support services. To the extent practicable, the health care  
10 authority shall develop a mechanism to increase federal funding for  
11 maternity support services by leveraging local public funding for those  
12 services.

13        ~~((18))~~ (17) For children with family incomes above 200 percent of  
14 the federal poverty level in the state-funded children's health program  
15 for children who are not eligible for coverage under the federally  
16 funded children's health insurance program, premiums shall be set every  
17 two years in an amount equal to the average state-only share of the per  
18 capita cost of coverage in the state-funded children's health program  
19 for children in families with incomes at or less than two hundred  
20 percent of the federal poverty level.

21        ~~((19) \$704,000 of the general fund state appropriation for fiscal  
22 year 2012, \$726,000 of the general fund state appropriation for fiscal  
23 year 2013, and \$1,431,000 of the general fund federal appropriation  
24 are provided solely for))~~ (18) Within the amounts appropriated in this  
25 section, the health care authority shall provide disproportionate share  
26 hospital payments to hospitals that provide services to children in the  
27 children's health program who are not eligible for services under Title  
28 XIX or XXI of the federal social security act due to their citizenship  
29 status.

30        ~~((20) \$998,000))~~ (19) \$859,000 of the general fund--state  
31 appropriation for fiscal year 2012, \$979,000 of the general fund--state  
32 appropriation for fiscal year 2013, and ~~((1,980,000))~~ \$1,841,000 of  
33 the general fund--federal appropriation are provided solely to increase  
34 prior authorization activities for advanced imaging procedures.

35        ~~((21) \$249,000))~~ (20) \$196,000 of the general fund--state  
36 appropriation for fiscal year 2012, \$246,000 of the general fund--state  
37 appropriation for fiscal year 2013, and ~~((495,000))~~ \$442,000 of the  
38 general fund--federal appropriation are provided solely to increase



1 prior authorization activities for surgical procedures, which may  
2 include orthopedic procedures, spinal procedures and interventions, and  
3 nerve procedures.

4 ~~((+22))~~ (21) \$300,000 of the general fund--private/local  
5 appropriation and \$300,000 of the general fund--federal appropriation  
6 are provided solely for a prescriptive practices improvement  
7 collaborative focusing upon atypical antipsychotics and other  
8 medications commonly used in the treatment of severe and persistent  
9 mental illnesses among adults. The project shall promote collaboration  
10 among community mental health centers, other major prescribers of  
11 atypical antipsychotic medications to adults enrolled in state medical  
12 assistance programs, and psychiatrists, pharmacists, and other  
13 specialists at the University of Washington department of psychiatry  
14 and/or other research universities. The collaboration shall include  
15 patient-specific prescriber consultations by psychiatrists and  
16 pharmacists specializing in treatment of severe and persistent mental  
17 illnesses among adults; production of profiles to assist prescribers  
18 and clinics in tracking their prescriptive practices and their  
19 patients' medication use and adherence relative to evidence-based  
20 practices guidelines, other prescribers, and patients at other clinics;  
21 and in-service seminars at which participants can share and increase  
22 their knowledge of evidence-based and other effective prescriptive  
23 practices. The health care authority shall enter into an interagency  
24 agreement with the office of the attorney general for expenditure of  
25 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*  
26 *Washington v. AstraZeneca* (Seroquel) for this purpose.

27 ~~((+23))~~ (22) \$570,000 of the general fund--private/local  
28 appropriation is provided solely for continued operation of the  
29 partnership access line for child mental health consultations. The  
30 health care authority shall enter into an interagency agreement with  
31 the office of the attorney general for expenditure of \$570,000 of the  
32 state's proceeds of the *cy pres* settlement in *State of Washington v.*  
33 *AstraZeneca* (Seroquel) for this purpose.

34 ~~((+24))~~ (23) \$80,000 of the general fund--state appropriation for  
35 fiscal year 2012, \$80,000 of the general fund--state appropriation for  
36 fiscal year 2013, and \$160,000 of the general fund--federal  
37 appropriation are provided solely to fund the Tacoma-Pierce county

1 health department for access and outreach activities to reduce infant  
2 mortality.

3 ~~((+25))~~ (24) \$75,000 of the general fund--state appropriation for  
4 fiscal year 2012, \$75,000 of the general fund--state appropriation for  
5 fiscal year 2013, and \$150,000 of the general fund--federal  
6 appropriation are provided solely to assist with development and  
7 implementation of evidence-based strategies regarding the appropriate,  
8 safe, and effective role of C-section surgeries and early induced labor  
9 in births and neonatal care. The strategies shall be identified and  
10 implemented in consultation with clinical research specialists,  
11 physicians, hospitals, advanced registered nurse practitioners, and  
12 organizations concerned with maternal and child health.

13 ~~((+26) \$2,400,000 of the general fund--state appropriation for  
14 fiscal year 2012, \$2,435,000 of the general fund--state appropriation  
15 for fiscal year 2013, \$7,253,000 of the general fund--private/local  
16 appropriation, and \$12,455,000 of the general fund--federal  
17 appropriation are provided solely for continued provision of))~~ (25)  
18 Within the amounts appropriated in this section, the health care  
19 authority shall continue to provide school-based medical services by  
20 means of an intergovernmental transfer arrangement. Under the  
21 arrangement, the state shall provide forty percent and school districts  
22 sixty percent of the nonfederal matching funds required for receipt of  
23 federal medicaid funding for the service.

24 ~~((+27))~~ (26) \$263,000 of the general fund--state appropriation for  
25 fiscal year 2012, \$88,000 of the general fund--state appropriation for  
26 fiscal year 2013, and \$351,000 of the general fund--federal  
27 appropriation are provided solely for development and submission to the  
28 federal government by October 1, 2011, of a demonstration project  
29 proposal as provided in Substitute Senate Bill No. 5596 (medicaid  
30 demonstration waiver).

31 ~~((+28) \$5,600,000 of the general fund--state appropriation for  
32 fiscal year 2012, \$4,094,000 of the general fund--state appropriation  
33 for fiscal year 2013, and \$11,332,000 of the general fund--federal  
34 appropriation are provided solely for))~~ (27) Within the amounts  
35 appropriated in this section, the health care authority shall provide  
36 spoken-language interpreter services. The authority shall develop and  
37 implement a new model for delivery of such services no later than  
38 (~~January~~) July 1, 2012. The model shall include:

1 (a) Development by the authority in consultation with subject-area  
2 experts of guidelines to assist medical practitioners identify the  
3 circumstances under which it is appropriate to use telephonic or video-  
4 remote interpreting;

5 (b) The requirement that the state contract with delivery  
6 organizations, including foreign language agencies, who employ or  
7 subcontract only with language access providers or interpreters working  
8 in the state who are certified or authorized by the state. When a  
9 state-certified or state-authorized in-state language access provider  
10 or interpreter is not available, the delivery organization, including  
11 foreign language agencies, may use a provider with other certifications  
12 or qualifications deemed to meet state standards, including  
13 interpreters in other states; and

14 (c) Provision of a secure, web-based tool that medical  
15 practitioners will use to schedule appointments for interpreter  
16 services and to identify the most appropriate, cost-effective method of  
17 service delivery in accordance with the state guidelines.

18 Nothing in this subsection affects the ability of health care  
19 providers to provide interpretive services through employed staff or  
20 through telephone and video remote technologies when not reimbursed  
21 directly by the department. The amounts in this subsection do not  
22 include federal administrative funds provided to match nonstate  
23 expenditures by local health jurisdictions and governmental hospitals.

24 ~~((+29))~~ (28) In its procurement of contractors for delivery of  
25 medical managed care services for nondisabled, nonelderly persons, the  
26 medical assistance program shall (a) place substantial emphasis upon  
27 price competition in the selection of successful bidders; and (b) not  
28 require delivery of any services that would increase the actuarial cost  
29 of service beyond the levels included in current healthy options  
30 contracts.

31 ~~((+30))~~ (29) \$1,430,000 of the general fund--state appropriation  
32 for fiscal year 2012, \$1,430,000 of the general fund--state  
33 appropriation for fiscal year 2013, and \$2,860,000 of the general  
34 fund--federal appropriation are provided solely to pay  
35 federally-designated rural health clinics their standard encounter rate  
36 for prenatal and well-child visits, whether delivered under a managed  
37 care contract or fee-for-service. In reconciling managed care

1 enhancement payments for calendar years 2009 and 2010, the department  
2 shall treat well-child and prenatal care visits as encounters subject  
3 to the clinic's encounter rate.

4 ~~((+31))~~ (30) \$280,000 of the general fund--state appropriation for  
5 fiscal year 2012 and \$282,000 of the general fund--federal  
6 appropriation are provided solely to increase utilization management of  
7 drugs and drug classes for which there is evidence of over-utilization,  
8 off-label use, excessive dosing, duplicative therapy, or opportunities  
9 to shift utilization to less expensive, equally effective formulations.

10 ~~((+32))~~ (31) \$70,000 of the general fund--state appropriation for  
11 fiscal year 2012, \$70,000 of the general fund--state appropriation for  
12 fiscal year 2013, and \$140,000 of the general fund--federal  
13 appropriation are provided solely to continue operation by a nonprofit  
14 organization of a toll-free hotline that assists families to learn  
15 about and enroll in the apple health for kids program.

16 ~~((+33))~~ (32) \$400,000 of the general fund--state appropriation for  
17 fiscal year 2012 and \$400,000 of the general fund--state appropriation  
18 for fiscal year 2013 is provided solely for the local outreach, case  
19 management, and coordination with dental providers needed to execute  
20 the access to baby and child dentistry program, which provides dental  
21 care to Medicaid eligible children up to age six.

22 ~~((+34) \$1,868,000 of the general fund--state appropriation for  
23 fiscal year 2012, \$1,873,000 of the general fund--state appropriation  
24 for fiscal year 2013, and \$3,154,000 of the general fund--federal  
25 appropriation are provided solely to))~~ (33) Within the amounts  
26 appropriated in this section, the health care authority shall continue  
27 to provide dental services to pregnant women. Services shall include  
28 preventive, routine, and emergent dental care.

29 ~~((+35))~~ (34) \$395,000 of the general fund--state appropriation for  
30 fiscal year 2012, \$395,000 of the general fund--state appropriation for  
31 fiscal year 2013, and \$790,000 of the general fund--federal  
32 appropriation are provided solely for continued operation of the  
33 dental education in care of persons with disabilities (DECOD) program  
34 at the University of Washington.

35 ~~((+36) \$112,000))~~ (35) \$159,000 of the general fund--state  
36 appropriation for fiscal year 2012, ~~((+36) \$112,000 of the general fund--  
37 state appropriation for fiscal year 2013,))~~ \$302,000 of the general  
38 fund--private/local appropriation, and ((+36) \$1,928,000)) \$146,072,000 of

1 the general fund--federal appropriation are provided solely for the  
2 provider incentive program and other initiatives related to the health  
3 information technology Medicaid plan. The general fund--private/local  
4 appropriation in this subsection shall be funded with proceeds from  
5 settlements in the case of State of Washington vs. GlaxoSmithKline.  
6 The authority and the office of the attorney general shall enter an  
7 interagency agreement regarding use of these funds.

8 ((+37)) (36) \$2,926,000 of the general fund--local appropriation  
9 and \$2,928,000 of the general fund--federal appropriation are provided  
10 solely to support medical airlift services.

11 ((+38)) (37) The authority shall collect data on enrollment and  
12 utilization to study whether the expansion of family planning coverage  
13 under Substitute Senate Bill No. 5912 is reducing state medical  
14 expenditures by reducing unwanted pregnancies. The authority shall  
15 report its findings to the legislature by December 1, 2012.

16 ((+39)) (38) \$480,000 of the general fund--state appropriation for  
17 fiscal year 2012, \$480,000 of the general fund--state appropriation for  
18 fiscal year 2013, and \$824,000 of the general fund--federal  
19 appropriation are provided solely for customer services staff. The  
20 authority will attempt to improve the phone answer rate to 40 percent  
21 and reduce the response times to written questions to ten days for  
22 clients and 25 days for providers. The authority will report to the  
23 legislature on its progress toward achieving these goals by January 1,  
24 2012. If the authority has not achieved these goals by July 1, 2012,  
25 then the authority shall reduce expenditures on management staff in  
26 order to increase expenditures on customer service staff until the  
27 goals are achieved.

28 ((+40)) (39) The department shall purchase a brand name drug when  
29 it determines that the cost of the brand name drug after rebates is  
30 less than the cost of generic alternatives and that purchase of the  
31 brand rather than generic version can save at least \$250,000. The  
32 department may purchase generic alternatives when changes in market  
33 prices make the price of the brand name drug after rebates more  
34 expensive than the generic alternatives.

35 ~~((+41) The department shall collaborate closely with the Washington~~  
36 ~~state hospital and medical associations in identification of the~~  
37 ~~diagnostic codes and retroactive review procedures that will be used to~~

1 ~~determine whether an emergency room visit is a nonemergency condition~~  
2 ~~to assure that conditions that require emergency treatment continue to~~  
3 ~~be covered.))~~

4 (40) The authority, in collaboration with the department of social  
5 and health services, the department of health, the Washington state  
6 hospital association, the Puget Sound health alliance, the Washington  
7 association of community and migrant health centers, and the forum, a  
8 collaboration of health carriers, physicians, and hospitals in  
9 Washington state, shall design a system of rural health system access  
10 and quality incentive payments. The incentive payments must be linked  
11 to explicit performance measures that consider not only services  
12 provided by health care providers, but also the role that providers  
13 might play in the rural health delivery systems in their communities,  
14 including the provision of long-term care services. In designing the  
15 incentive payment system, the authority shall consider the department  
16 of health's necessary provider criteria for critical access hospitals,  
17 the quality measures used to determine quality incentive payments under  
18 RCW 74.60.130, and any other performance measures that would promote  
19 access and quality in rural health systems. The authority, in  
20 conjunction with those groups identified in this subsection, shall  
21 develop parameters for determining criteria for increased payment,  
22 alternative payment methodologies, or other incentives for those  
23 providers that improve and achieve sustained improvement with respect  
24 to the measures. The design of the system shall be submitted to the  
25 relevant policy and fiscal committees of the legislature by December  
26 15, 2012.

27 (41) \$150,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$1,964,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely to implement Engrossed Second  
30 Substitute House Bill No. 2319 (affordable care act). If the bill is  
31 not enacted by June 30, 2012, the amounts provided in this subsection  
32 shall lapse.

33 (42) \$1,109,000 of the general fund--state appropriation for fiscal  
34 year 2012, \$1,471,000 of the general fund--state appropriation for  
35 fiscal year 2013, and \$21,890,000 of the general fund--federal  
36 appropriation are provided solely to implement phase two of the project  
37 to create a single provider payment system that consolidates medicaid

1 medical and social services payments and replaces the social service  
2 payment system.

3 (43) In order to achieve the twelve percent reduction in emergency  
4 room expenditures in the fiscal year 2013 appropriations provided in  
5 this section, the authority, in consultation with the Washington state  
6 hospital association, the Washington state medical association, and the  
7 Washington chapter of the American college of emergency physicians  
8 shall designate best practices and performance measures to reduce  
9 medically unnecessary emergency room visits of medicaid clients. The  
10 Washington state hospital association, the Washington state medical  
11 association, and the Washington chapter of the American college of  
12 emergency physicians will work with the authority to promote these best  
13 practices. The best practices and performance measures shall consist  
14 of the following items:

15 (a) Adoption of a system to exchange patient information among  
16 emergency room departments on a regional or statewide basis;

17 (b) Active dissemination of patient educational materials produced  
18 by the Washington state hospital association, Washington state medical  
19 association, and the Washington chapter of the American college of  
20 emergency physicians that instruct patients on appropriate facilities  
21 for nonemergent health care needs;

22 (c) Designation of hospital personnel and emergency room physician  
23 personnel to receive and appropriately disseminate information on  
24 clients participating in the medicaid patient review and coordination  
25 program and to review monthly utilization reports on those clients  
26 provided by the authority;

27 (d) A process to assist the authority's patient review and  
28 coordination program clients with their care plans. The process must  
29 include substantial efforts by hospitals to schedule an appointment  
30 with the client's assigned primary care provider within seventy-two  
31 hours of the client's medically unnecessary emergency room visit when  
32 appropriate under the client's care plan;

33 (e) Implementation of narcotic guidelines that incorporate the  
34 Washington chapter of the American college of emergency physician  
35 guidelines;

36 (f) Physician enrollment in the state's prescription monitoring  
37 program, as long as the program is funded; and

1       (g) Designation of a hospital emergency department physician  
2 responsible for reviewing the state's medicaid utilization management  
3 feedback reports, which will include defined performance measures. The  
4 emergency department physician and hospital will have a process to take  
5 appropriate action in response to the information in the feedback  
6 reports if performance measures are not met. The authority must  
7 develop feedback reports that include timely emergency room utilization  
8 data such as visit rates, medically unnecessary visit rates (by  
9 hospital and by client), emergency department imaging utilization  
10 rates, and other measures as needed. The authority may utilize the  
11 Robert Bree collaborative for assistance related to this best practice.

12       The requirements for best practices for a critical access hospital  
13 should not include adoption of a system to exchange patient information  
14 if doing so would pose a financial burden, and should not include  
15 requirements related to the authority's patient review and coordination  
16 program if the volume of those patients seen at the critical access  
17 hospital are small.

18       Hospitals participating in this medicaid best practices program  
19 shall submit to the authority a declaration from executive level  
20 leadership indicating hospital adoption of and compliance with the best  
21 practices enumerated above. In the declaration, hospitals will affirm  
22 that they have in place written policies, procedures, or guidelines to  
23 implement these best practices and are willing to share them upon  
24 request. The declaration must also give consent for the authority to  
25 disclose feedback reports and performance measures on its web site.  
26 The authority shall submit a list of declaring hospitals to the  
27 relevant policy and fiscal committees of the legislature by July 15,  
28 2012.

29       If the authority does not receive by July 1, 2012, declarations  
30 from hospitals representing at least seventy-five percent of emergency  
31 room visits by medicaid clients in fiscal year 2010, the authority may  
32 implement a policy of nonpayment of medically unnecessary emergency  
33 room visits, with appropriate client and clinical safeguards such as  
34 exemptions and expedited prior authorization. The authority shall by  
35 January 15, 2013, perform a preliminary fiscal analysis of trends in  
36 implementing the best practices in this subsection, focusing on outlier  
37 hospitals with high rates of unnecessary visits by medicaid clients,  
38 high emergency room visit rates for patient review and coordination



1 clients, low rates of completion of treatment plans for patient review  
2 and coordination clients assigned to the hospital, and high rates of  
3 prescribed long-acting opiates. In cooperation with the leadership of  
4 the hospital, medical, and emergency physician associations, additional  
5 efforts shall be focused on assisting those outlier hospitals and  
6 providers to achieve more substantial savings. The authority by  
7 January 15, 2013, will report to the legislature about whether assumed  
8 savings based on preliminary trend and forecasted data are on target  
9 and if additional best practices or other actions need to be  
10 implemented.

11 If necessary, pursuant to RCW 34.05.350(1)(c), the authority may  
12 employ emergency rulemaking to achieve the reductions assumed in the  
13 appropriations under this section.

14 Nothing in this subsection shall in any way impact the authority's  
15 ability to adopt and implement policies pertaining to the patient  
16 review and coordination program.

17 (44) \$25,000 of the hospital safety net assessment--state  
18 appropriation and \$25,000 of the general fund--federal appropriation  
19 are provided solely for the authority to review and report on the  
20 payment of facility fees in programs administered by the authority.  
21 The study shall include a summary of state and federal requirements and  
22 practices with regard to the use of such fees; an analysis of how  
23 authority payments for services and procedures that include an explicit  
24 facility fee component compare to amounts paid for comparable services  
25 and procedures that do not; the amount expended for facility fees by  
26 major program and service in each of the four most recent years for  
27 which reasonably complete and comparable information is available; an  
28 analysis of the extent to which hospital acquisition of physician  
29 practices and of laboratory, imaging, and other outpatient diagnostic  
30 and treatment services has contributed to increased state expenditures;  
31 and the authority's recommendations regarding possible revisions to  
32 calculation and payment of such fees. The authority shall report its  
33 finding and recommendations to the health care and appropriate fiscal  
34 committees of the legislature by November 1, 2012.

35 (45) Prior to entering into a contract for medicaid managed care  
36 services for the period commencing July 1, 2012, the director of the  
37 health care authority shall certify to the governor and to the health  
38 care committees of the legislature that the contractor has established

1 a network of acute, primary, and specialty care providers that is  
2 sufficient to meet the needs of the contractor's anticipated enrollee  
3 population. If no plan is able to certify an adequate provider network  
4 in a county, the health care authority shall request re-bids from all  
5 plans which originally submitted bids for the county during the regular  
6 procurement process until award is successful. No county, that is  
7 currently served by Medicaid managed care services shall revert to  
8 fee-for-service as a result of the procurement process.

9 (46) The department shall seek a medicaid state plan amendment to  
10 create a graduate medical education supplemental payment for services  
11 delivered to managed care recipients by University of Washington  
12 medicine and other public professional providers. This program shall  
13 be effective as soon as administratively possible and shall operate  
14 concurrently with the existing professional services supplemental  
15 payment program. Providers that participate in the graduate medical  
16 education supplemental payment program are not eligible to participate  
17 in the professional services supplemental payment program. The  
18 department shall apply federal rules for identifying the difference  
19 between current physician encounter and fee-for-service medicaid  
20 payments to participating providers and the applicable federal upper  
21 payment limit. Participating providers shall be solely responsible for  
22 providing the local funds required to obtain federal matching funds.  
23 Any incremental costs incurred by the department in the development,  
24 implementation, and maintenance of this program shall be the  
25 responsibility of the participating providers. Participating providers  
26 shall retain the full amount of supplemental payments provided under  
27 this program, net of any costs related to the program that are  
28 disallowed due to audits or litigation against the state.

29 (47) The authority shall exclude antiretroviral drugs used to treat  
30 HIV/AIDS, anticancer medication that is used to kill or slow the growth  
31 of cancerous cells, antihemophilic drugs, insulin and other drugs to  
32 lower blood glucose, and immunosuppressive drugs from any formulary  
33 limitations implemented to operate within the appropriations provided  
34 in this section.

35 (48) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)  
36 is not enacted by June 30, 2012, the amounts appropriated in this  
37 section from the medicaid fraud penalty account--state appropriation  
38 shall lapse and an additional \$3,608,000 shall be appropriated from the

1 general fund--state for fiscal year 2013 for medicaid services, fraud  
2 detection and prevention activities, recovery of improper payments, and  
3 for other medicaid fraud enforcement activities.

4 (49) The authority may pursue a competitive bidding process for the  
5 purchase of lowest cost generic drugs within the medicaid program.

6 (50) Within the amounts appropriated in this section, the health  
7 care authority and the department of social and health services shall  
8 implement the state option to provide health homes for enrollees with  
9 chronic conditions under section 2703 of the federal affordable care  
10 act. The total state match for enrollees who are dually-eligible for  
11 both medicare and medicaid and not enrolled in managed care shall be no  
12 more than the net savings to the state from the enhanced match rate for  
13 its medicaid-only managed care enrollees under section 2703.

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

31 (52) \$66,000 of the general fund--state appropriation for fiscal  
32 year 2013 and \$66,000 of the general fund--federal appropriation are  
33 provided solely to implement Engrossed Second Substitute House Bill No.  
34 2536 (children services/delivery). The department of social and health  
35 services' programs responsible for administration of mental health,  
36 child welfare, and juvenile justice programs will coordinate with the  
37 health care authority on the development of contract terms which

1 facilitate efforts to meet requirements of the bill. If the bill is  
2 not enacted by June 30, 2012, the amounts provided in this subsection  
3 shall lapse.

4 (53) The health care authority shall participate in the work group  
5 established by the department of corrections in section 220(2) of this  
6 act to review release options for elderly and infirm offenders.

7 (54) \$35,000 of the general fund--state appropriation for fiscal  
8 year 2013 and \$35,000 of the general fund--federal appropriation are  
9 provided solely for development of a new payment and managed care  
10 enhancement reconciliation methodology for rural health clinics. The  
11 new methodology shall to the greatest possible extent increase  
12 administrative simplicity for the rural health clinics; increase  
13 transparency, efficiency, and predictability for the clinics; and  
14 shorten the time elapsing between initial payment and final  
15 reconciliation. The new methodology shall be developed in consultation  
16 with the rural health clinic association, staff from the office of  
17 financial management and the legislative fiscal committees, and the  
18 federal centers for medicare and medicaid services. The authority  
19 shall contract with a consultant acceptable to the rural health clinic  
20 association to assist in preparation of the new methodology, and shall  
21 report to the governor and appropriate committees of the legislature by  
22 December 1, 2012, on the proposed alternative payment and  
23 reconciliation methodology.

24 **Sec. 214.** 2011 1st sp.s. c 50 s 214 (uncodified) is amended to  
25 read as follows:

26 **FOR THE HUMAN RIGHTS COMMISSION**

27	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,240,000</del> ))
28		<u>\$1,993,000</u>
29	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,242,000</del> ))
30		<u>\$1,954,000</u>
31	General Fund--Federal Appropriation . . . . .	(( <del>\$1,903,000</del> ))
32		<u>\$1,893,000</u>
33	TOTAL APPROPRIATION . . . . .	(( <del>\$6,385,000</del> ))
34		<u>\$5,840,000</u>

35 **Sec. 215.** 2011 2nd sp.s. c 9 s 214 (uncodified) is amended to read  
36 as follows:

1 **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

2	Worker and Community Right-to-Know Account--State	
3	Appropriation . . . . .	\$10,000
4	Accident Account--State Appropriation . . . . .	(( <del>\$19,690,000</del> ))
5		<u>\$19,598,000</u>
6	Medical Aid Account--State Appropriation . . . . .	(( <del>\$19,689,000</del> ))
7		<u>\$19,601,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$39,389,000</del> ))
9		<u>\$39,209,000</u>

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

12 (1) \$36,000 of the accident account--state appropriation and  
13 \$36,000 of the medical aid account--state appropriation are solely  
14 provided for Engrossed Substitute Senate Bill No. 5068 (industrial  
15 safety and health act). If the bill is not enacted by June 30, 2011,  
16 the amounts provided in this subsection shall lapse.

17 (2) \$16,000 of the accident account--state appropriation and  
18 \$16,000 of the medical aid account--state appropriation are solely  
19 provided for Substitute Senate Bill No. 5801 (industrial insurance  
20 system). If the bill is not enacted by June 30, 2011, the amounts  
21 provided in this subsection shall lapse.

22 (3) \$1,893,000 of the accident account--state appropriation and  
23 \$1,893,000 of the medical aid account--state appropriation are provided  
24 solely for implementation of House Bill No. 2123 (workers'  
25 compensation). If the bill is not enacted by June 30, 2011, the  
26 amounts provided in this subsection shall lapse.

27 **Sec. 216.** 2011 2nd sp.s. c 9 s 215 (uncodified) is amended to read  
28 as follows:

29 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

30	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$14,850,000</del> ))
31		<u>\$14,589,000</u>
32	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$14,711,000</del> ))
33		<u>\$14,147,000</u>
34	General Fund--Federal Appropriation . . . . .	\$456,000
35	General Fund--Private/Local Appropriation . . . . .	\$4,048,000
36	Death Investigations Account--State Appropriation . . . . .	\$148,000
37	Municipal Criminal Justice Assistance Account--	

1	State Appropriation . . . . .	\$460,000
2	Washington Auto Theft Prevention Authority Account--	
3	State Appropriation . . . . .	\$8,597,000
4	TOTAL APPROPRIATION . . . . .	(( <del>\$43,270,000</del> ))
5		<u>\$42,445,000</u>

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

8 (1) \$5,000,000 of the general fund--state appropriation for fiscal  
9 year 2012 and \$5,000,000 of the general fund--state appropriation for  
10 fiscal year 2013, are provided to the Washington association of  
11 sheriffs and police chiefs solely to verify the address and residency  
12 of registered sex offenders and kidnapping offenders under RCW  
13 9A.44.130.

14 (2) \$321,000 of the general fund--local appropriation is provided  
15 solely to purchase ammunition for the basic law enforcement academy.  
16 Jurisdictions shall reimburse to the criminal justice training  
17 commission the costs of ammunition, based on the average cost of  
18 ammunition per cadet, for cadets that they enroll in the basic law  
19 enforcement academy.

20 (3) The criminal justice training commission may not run a basic  
21 law enforcement academy class of fewer than 30 students.

22 (4) \$100,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$100,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for a school safety program. The  
25 commission, in collaboration with the school safety center advisory  
26 committee, shall provide the school safety training for all school  
27 administrators and school safety personnel hired after the effective  
28 date of this section.

29 (5) \$96,000 of the general fund--state appropriation for fiscal  
30 year 2012 and ((~~\$90,000~~)) \$96,000 of the general fund--state  
31 appropriation for fiscal year 2013 are provided solely for the school  
32 safety center within the commission. The safety center shall act as an  
33 information dissemination and resource center when an incident occurs  
34 in a school district in Washington or in another state, coordinate  
35 activities relating to school safety, and review and approve manuals  
36 and curricula used for school safety models and training. Through an  
37 interagency agreement, the commission shall provide funding for the  
38 office of the superintendent of public instruction to continue to

1 develop and maintain a school safety information web site. The school  
2 safety center advisory committee shall develop and revise the training  
3 program, using the best practices in school safety, for all school  
4 safety personnel. The commission shall provide research-related  
5 programs in school safety and security issues beneficial to both law  
6 enforcement and schools.

7 (6) \$1,000,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$1,000,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for grants to counties enforcing  
10 illegal drug laws and which have been underserved by federally funded  
11 state narcotics task forces. The Washington association of sheriffs  
12 and police chiefs, the Washington association of prosecuting attorneys,  
13 and the Washington association of county officials shall jointly  
14 develop funding allocations for the offices of the county sheriff,  
15 county prosecutor, and county clerk in qualifying counties. The  
16 commission shall not impose an administrative cost on this program.

17 **Sec. 217.** 2011 2nd sp.s. c 9 s 216 (uncodified) is amended to read  
18 as follows:

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

20	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$17,433,000</del> ))
21		<u>\$17,406,000</u>
22	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$18,374,000</del> ))
23		<u>\$17,906,000</u>
24	General Fund--Federal Appropriation . . . . .	\$11,636,000
25	Asbestos Account--State Appropriation . . . . .	(( <del>\$395,000</del> ))
26		<u>\$375,000</u>
27	Electrical License Account--State Appropriation . . . . .	(( <del>\$37,019,000</del> ))
28		<u>\$36,357,000</u>
29	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
30	Worker and Community Right-to-Know Account--	
31	State Appropriation . . . . .	(( <del>\$949,000</del> ))
32		<u>\$916,000</u>
33	Public Works Administration Account--State	
34	Appropriation . . . . .	(( <del>\$6,814,000</del> ))
35		<u>\$7,043,000</u>
36	Manufactured Home Installation Training Account--	
37	State Appropriation . . . . .	\$334,000

1	Accident Account--State Appropriation . . . . .	(\$252,809,000)
2		<u>\$250,317,000</u>
3	Accident Account--Federal Appropriation . . . . .	\$13,622,000
4	Medical Aid Account--State Appropriation . . . . .	(\$264,202,000)
5		<u>\$262,421,000</u>
6	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000
7	Plumbing Certificate Account--State Appropriation . . .	(\$1,688,000)
8		<u>\$1,675,000</u>
9	Pressure Systems Safety Account--State	
10	Appropriation . . . . .	(\$4,068,000)
11		<u>\$4,050,000</u>
12	TOTAL APPROPRIATION . . . . .	(\$632,557,000)
13		<u>\$627,272,000</u>

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

16       (1) Pursuant to RCW 43.135.055, the department is authorized to  
17 increase fees related to factory assembled structures, contractor  
18 registration, electricians, plumbers, asbestos removal, boilers,  
19 elevators, and manufactured home installers. Plumber fees may be  
20 increased each year of the fiscal biennium. These increases are  
21 necessary to support expenditures authorized in this section,  
22 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW  
23 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

24       (2) \$50,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$50,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for the crime victims compensation  
27 program to pay claims for mental health services for crime victim  
28 compensation program clients who have an established relationship with  
29 a mental health provider and subsequently obtain coverage under the  
30 medicaid program or the medical care services program under chapter  
31 74.09 RCW. Prior to making such payment, the program must have  
32 determined that payment for the specific treatment or provider is not  
33 available under the medicaid or medical care services program. In  
34 addition, the program shall make efforts to contact any healthy options  
35 or medical care services health plan in which the client may be  
36 enrolled to help the client obtain authorization to pay the claim on an  
37 out-of-network basis.



1 (3) \$1,281,000 of the accident account--state appropriation and  
2 \$1,281,000 of the medical aid account--state appropriation are provided  
3 solely for implementation of Engrossed Substitute House Bill No. 1725  
4 (workers' compensation). If the bill is not enacted by June 30, 2011,  
5 the amounts provided in this subsection shall lapse.

6 (4) \$51,000 of the accident account--state appropriation and  
7 \$51,000 of the medical aid account--state appropriation are provided  
8 solely for implementation of Engrossed Substitute House Bill No. 1367  
9 (for hire vehicles, operators). If the bill is not enacted by June 30,  
10 2011, the amounts provided in this subsection shall lapse.

11 (5) \$8,727,000 of the medical aid account--state appropriation is  
12 provided solely for implementation of Substitute Senate Bill No. 5801  
13 (industrial insurance system). If the bill is not enacted by June 30,  
14 2011, the amount provided in this subsection shall lapse.

15 (6) \$625,000 of the general fund--state appropriation for fiscal  
16 year 2012, \$625,000 of the general fund--state appropriation for fiscal  
17 year 2013, \$1,250,000 of the public works administration account--state  
18 appropriation, \$708,000 of the accident account--state appropriation,  
19 and \$708,000 of the medical aid account--state appropriation are  
20 provided solely for the purposes of expanding the detecting  
21 unregistered employers targeting system and to support field staff in  
22 investigation and enforcement. Within the funds appropriated in this  
23 subsection, the department shall aggressively combat the underground  
24 economy in construction. Of the amounts provided in this subsection,  
25 \$800,000 shall be used for investigation and enforcement.

26 (7) \$8,583,000 of the accident account--state appropriation and  
27 \$18,278,000 of the medical aid account--state appropriation are  
28 provided solely for implementation of House Bill No. 2123 (workers'  
29 compensation). If the bill is not enacted by June 30, 2011, the  
30 amounts provided in this subsection shall lapse.

31 (8) \$90,000 of the public works administration account--state  
32 appropriation is provided solely to implement Substitute Senate Bill  
33 No. 6421 (prevailing wage/public works). If the bill is not enacted by  
34 June 30, 2012, the amount provided in this subsection shall lapse.

35 (9) \$34,000 of the electrical license account--state appropriation  
36 is provided solely to implement Senate Bill No. 6133 (electrician  
37 certifications). If the bill is not enacted by June 30, 2012, the  
38 amount provided in this subsection shall lapse.

1       **Sec. 218.** 2011 2nd sp.s. c 9 s 217 (uncodified) is amended to read  
2 as follows:

3       **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

4       (1) HEADQUARTERS

5	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,832,000</del> ))
6		<u>\$1,829,000</u>
7	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,826,000</del> ))
8		<u>\$1,801,000</u>
9	Charitable, Educational, Penal, and Reformatory	
10	Institutions Account--State Appropriation . . . . .	\$10,000
11	TOTAL APPROPRIATION . . . . .	(( <del>\$3,668,000</del> ))
12		<u>\$3,640,000</u>

13       (2) FIELD SERVICES

14	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$5,006,000</del> ))
15		<u>\$5,002,000</u>
16	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$5,001,000</del> ))
17		<u>\$4,964,000</u>
18	General Fund--Federal Appropriation . . . . .	(( <del>\$3,356,000</del> ))
19		<u>\$3,348,000</u>
20	General Fund--Private/Local Appropriation . . . . .	(( <del>\$4,737,000</del> ))
21		<u>\$4,722,000</u>
22	Veterans Innovations Program Account--State	
23	Appropriation . . . . .	(( <del>\$812,000</del> ))
24		<u>\$810,000</u>
25	Veteran Estate Management Account--Private/Local	
26	Appropriation . . . . .	(( <del>\$1,083,000</del> ))
27		<u>\$1,079,000</u>
28	TOTAL APPROPRIATION . . . . .	(( <del>\$19,995,000</del> ))
29		<u>\$19,925,000</u>

30       The appropriations in this subsection are subject to the following  
31 conditions and limitations: \$821,000 of the veterans innovations  
32 program account--state appropriation is provided solely for the  
33 department to continue support for returning combat veterans through  
34 the veterans innovation program, including emergency financial  
35 assistance through the defenders' fund and long-term financial  
36 assistance through the competitive grant program.

37       (3) INSTITUTIONAL SERVICES

1	General Fund--State Appropriation (FY 2012) . . . . .	(((\$899,000))
2		<u>\$1,743,000</u>
3	<del>((General Fund--State Appropriation (FY 2013) . . . . .</del>	<del>(\$71,000))</del>
4	General Fund--Federal Appropriation . . . . .	(((\$59,177,000))
5		<u>\$61,437,000</u>
6	General Fund--Private/Local Appropriation . . . . .	(((\$32,094,000))
7		<u>\$29,506,000</u>
8	TOTAL APPROPRIATION . . . . .	(((\$92,241,000))
9		<u>\$92,686,000</u>

10       **Sec. 219.** 2011 2nd sp.s. c 9 s 218 (uncodified) is amended to read  
11 as follows:

12 **FOR THE DEPARTMENT OF HEALTH**

13	General Fund--State Appropriation (FY 2012) . . . . .	(((\$79,888,000))
14		<u>\$79,404,000</u>
15	General Fund--State Appropriation (FY 2013) . . . . .	(((\$79,718,000))
16		<u>\$78,114,000</u>
17	General Fund--Federal Appropriation . . . . .	(((\$555,563,000))
18		<u>\$553,078,000</u>
19	General Fund--Private/Local Appropriation . . . . .	(((\$148,362,000))
20		<u>\$148,055,000</u>
21	Hospital Data Collection Account--State Appropriation . . . . .	\$214,000
22	Health Professions Account--State Appropriation . . . . .	(((\$94,469,000))
23		<u>\$99,085,000</u>
24	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$604,000
25	Emergency Medical Services and Trauma Care Systems	
26	Trust Account--State Appropriation . . . . .	(((\$12,302,000))
27		<u>\$12,300,000</u>
28	Safe Drinking Water Account--State Appropriation . . . . .	(((\$4,480,000))
29		<u>\$4,464,000</u>
30	Drinking Water Assistance Account--Federal	
31	Appropriation . . . . .	(((\$22,875,000))
32		<u>\$21,965,000</u>
33	Waterworks Operator Certification--State	
34	Appropriation . . . . .	(((\$1,532,000))
35		<u>\$1,528,000</u>
36	Drinking Water Assistance Administrative Account--	
37	State Appropriation . . . . .	\$326,000

1	<u>Site Closure Account--State Appropriation . . . . .</u>	<u>\$79,000</u>
2	Biotoxin Account--State Appropriation . . . . .	\$1,167,000
3	State Toxics Control Account--State Appropriation . . . . .	<del>(\$3,649,000)</del>
4		<u>\$3,628,000</u>
5	Medical Test Site Licensure Account--State	
6	Appropriation . . . . .	<del>(\$2,321,000)</del>
7		<u>\$2,311,000</u>
8	Youth Tobacco Prevention Account--State Appropriation . . . . .	\$1,512,000
9	Community and Economic Development Fee Account--State	
10	Appropriation . . . . .	<del>(\$596,000)</del>
11		<u>\$298,000</u>
12	Public Health Supplemental Account--Private/Local	
13	Appropriation . . . . .	\$3,598,000
14	Accident Account--State Appropriation . . . . .	<del>(\$297,000)</del>
15		<u>\$295,000</u>
16	Medical Aid Account--State Appropriation . . . . .	\$50,000
17	Tobacco Prevention and Control Account--State	
18	Appropriation . . . . .	<del>(\$37,000)</del>
19		<u>\$1,729,000</u>
20	TOTAL APPROPRIATION . . . . .	<del>(\$1,013,560,000)</del>
21		<u>\$1,013,804,000</u>

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

24       (1) The department of health shall not initiate any services that  
25 will require expenditure of state general fund moneys unless expressly  
26 authorized in this act or other law. The department of health and the  
27 state board of health shall not implement any new or amended rules  
28 pertaining to primary and secondary school facilities until the rules  
29 and a final cost estimate have been presented to the legislature, and  
30 the legislature has formally funded implementation of the rules through  
31 the omnibus appropriations act or by statute. The department may seek,  
32 receive, and spend, under RCW 43.79.260 through 43.79.282, federal  
33 moneys not anticipated in this act as long as the federal funding does  
34 not require expenditure of state moneys for the program in excess of  
35 amounts anticipated in this act. If the department receives  
36 unanticipated unrestricted federal moneys, those moneys shall be spent  
37 for services authorized in this act or in any other legislation that  
38 provides appropriation authority, and an equal amount of appropriated

1 state moneys shall lapse. Upon the lapsing of any moneys under this  
2 subsection, the office of financial management shall notify the  
3 legislative fiscal committees. As used in this subsection,  
4 "unrestricted federal moneys" includes block grants and other funds  
5 that federal law does not require to be spent on specifically defined  
6 projects or matched on a formula basis by state funds.

7 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
8 is authorized to establish and raise fees in fiscal year 2012 as  
9 necessary to meet the actual costs of conducting business and the  
10 appropriation levels in this section. This authorization applies to  
11 fees required for: The review of health care facility construction;  
12 review of health facility requests for certificate of need; the  
13 regulation and inspection of farm worker housing, hospital licensing,  
14 in-home health service agencies, and producers of radioactive waste;  
15 the regulation and inspection of shellfish sanitary control, surgical  
16 facility licensing, and; fees associated with the following  
17 professions: Dietitians and nutritionists, occupational therapists,  
18 pharmacy, veterinarian, orthotics and prosthetics, surgical  
19 technicians, nursing home administrators, health care assistants,  
20 hearing and speech, psychology, hypnotherapy, chiropractic, social  
21 workers, physicians, and physician assistants.

22 (3) Pursuant to RCW 18.130.250, the department is authorized to  
23 establish a lower cost fee category for retired licensed practical  
24 nurses and registered nurses.

25 (4) In accordance with RCW 43.135.055, the department is authorized  
26 to adopt fees set forth in and previously authorized in chapter 92,  
27 Laws of 2010.

28 (5) \$1,969,000 of the health professions account--state  
29 appropriation is provided solely to implement online licensing for  
30 health care providers. The department must submit a detailed  
31 investment plan for this project to the office of financial management.  
32 The office of financial management must review and approve this plan  
33 before funding may be expended. The department of health must  
34 successfully implement online application and renewal for at least one  
35 profession as a pilot project before pursuing additional professions.  
36 The department must report to the office of financial management on the  
37 outcome of the pilot project.

1        ~~((+4))~~ (6) \$16,000 of the health professions account--state  
2 appropriation is provided solely for the implementation of House Bill  
3 No. 1181 (board of naturopathy). If the bill is not enacted by June  
4 30, 2011, the amount provided in this subsection shall lapse.

5        ~~((+5))~~ (7) \$21,000 of the health professions account--state  
6 appropriation is provided solely for the implementation of Substitute  
7 House Bill No. 1304 (health care assistants). If the bill is not  
8 enacted by June 30, 2011, the amount provided in this subsection shall  
9 lapse.

10        ~~((+6))~~ (8) \$54,000 of the health professions account--state  
11 appropriation is provided solely for the implementation of House Bill  
12 No. 1353 (pharmacy technicians). If the bill is not enacted by June  
13 30, 2011, the amount provided in this subsection shall lapse.

14        ~~((+7))~~ (9) \$142,000 of the health professions account--state  
15 appropriation is provided solely for the implementation of Engrossed  
16 Substitute Senate Bill No. 5020 (social workers). If the bill is not  
17 enacted by June 30, 2011, the amount provided in this subsection shall  
18 lapse.

19        ~~((+8))~~ (10) \$336,000 of the health professions account--state  
20 appropriation is provided solely for the implementation of Senate Bill  
21 No. 5480 (physicians and physician assistants). If the bill is not  
22 enacted by June 30, 2011, the amount provided in this subsection shall  
23 lapse.

24        ~~((+9))~~ (11) \$46,000 of the health professions account--state  
25 appropriation is provided solely for the implementation of Substitute  
26 Senate Bill No. 5071 (online access for midwives and marriage and  
27 family therapists). If the bill is not enacted by June 30, 2011, the  
28 amount provided in this subsection shall lapse.

29        ~~((+10))~~ (12) \$137,000 of the health professions account--state  
30 appropriation is provided solely for implementation of Substitute House  
31 Bill No. 1133 (massage practitioner license). If the bill is not  
32 enacted by June 30, 2011, the amount provided in this subsection shall  
33 lapse.

34        ~~((+11))~~ (13) \$85,000 of the general fund--state appropriation for  
35 fiscal year 2012 (~~and \$85,000 of the general fund--state appropriation~~  
36 ~~for fiscal year 2013 are)) is provided solely for the developmental  
37 disabilities council to contract for a family-to-family mentor program  
38 to provide information and support to families and guardians of persons~~

1 who are transitioning out of residential habilitation centers. To the  
2 maximum extent allowable under federal law, these funds shall be  
3 matched under medicaid through the department of social and health  
4 services and federal funds shall be transferred to the department for  
5 the purposes stated in this subsection. If Second Substitute Senate  
6 Bill No. 5459 (people with developmental disabilities) is not enacted  
7 by June 30, 2011, the amounts provided in this subsection shall lapse.

8 ~~((+12+))~~ (14) \$57,000 of the general fund--state appropriation for  
9 fiscal year 2012 and \$58,000 of the general fund--state appropriation  
10 for fiscal year 2013 are provided solely for the midwifery licensure  
11 and regulatory program to offset a reduction in revenue from fees.  
12 There shall be no change to the current annual fees for new or renewed  
13 licenses for the midwifery program, except from online access to HEAL-  
14 WA. The department shall convene the midwifery advisory committee on  
15 a quarterly basis to address issues related to licensed midwifery.

16 ~~((+13+))~~ (15) \$118,000 of the general fund--state appropriation for  
17 fiscal year 2012 and \$118,000 of the general fund--state appropriation  
18 for fiscal year 2013 are provided solely for prevention of youth  
19 suicides.

20 ~~((+14+))~~ (16) \$87,000 of the general fund--state appropriation for  
21 fiscal year 2012 and \$87,000 of the general fund--state appropriation  
22 for fiscal year 2013 are provided solely for the senior falls  
23 prevention program.

24 (17) \$19,000 of the health professions account--state appropriation  
25 is provided solely for implementation of Senate Bill No. 6290 (military  
26 spouses and partners). If the bill is not enacted by June 30, 2012,  
27 the amount provided in this subsection shall lapse.

28 (18) \$102,000 of the health professions account--state  
29 appropriation is provided solely for implementation of Engrossed  
30 Substitute Senate Bill No. 6237 (career pathway/medical assistants).  
31 If the bill is not enacted by June 30, 2012, the amount provided in  
32 this subsection shall lapse.

33 (19) \$21,000 of the health professions account--state appropriation  
34 is provided solely for implementation of Substitute Senate Bill No.  
35 6328 (mental health professionals). If the bill is not enacted by June  
36 30, 2012, the amount provided in this subsection shall lapse.

37 (20) \$61,000 of the health professions account--state appropriation

1 is provided solely for implementation of Engrossed Substitute Senate  
2 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,  
3 2012, the amount provided in this subsection shall lapse.

4 (21) \$28,000 of the health professions account--state appropriation  
5 is provided solely for implementation of Engrossed Second Substitute  
6 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is  
7 not enacted by June 30, 2012, the amount provided in this subsection  
8 shall lapse.

9 (22) Appropriations for fiscal year 2013 include funding for  
10 consolidation of the department of ecology's low-level radioactive  
11 waste site use permit program in the department of health.

12 (23) During the remainder of the 2011-2013 fiscal biennium, each  
13 person subject to RCW 43.70.110(3)(c) is required to pay only one  
14 surcharge of up to twenty-five dollars annually for the purposes of RCW  
15 43.70.112, regardless of how many professional licenses the person  
16 holds.

17 (24) \$15,000 of the health professions account--state appropriation  
18 is provided solely to implement Substitute House Bill No. 2056  
19 (assisted living facilities). If the bill is not enacted by June 30,  
20 2012, the amount provided in this subsection shall lapse.

21 (25) \$11,000 of the health professions account--state appropriation  
22 is provided solely to implement Engrossed House Bill No. 2186 (licensed  
23 midwives). If the bill is not enacted by June 30, 2012, the amount  
24 provided in this subsection shall lapse.

25 (26) \$11,000 of the general fund--state appropriation for fiscal  
26 year 2013 is provided solely to implement Engrossed Substitute House  
27 Bill No. 2229 (hospital employees). If the bill is not enacted by June  
28 30, 2012, the amount provided in this subsection shall lapse.

29 (27) \$48,000 of the health professions account--state appropriation  
30 is provided solely to implement Engrossed Substitute House Bill No.  
31 2314 (long-term care workers). If the bill is not enacted by June 30,  
32 2012, the amount provided in this subsection shall lapse.

33 (28) \$280,000 of the health professions account--state  
34 appropriation is provided solely to implement Engrossed Substitute  
35 House Bill No. 2366 (suicide assessment and training). If the bill is  
36 not enacted by June 30, 2012, the amounts provided in this subsection  
37 shall lapse.



1       (29) \$11,000 of the general fund--state appropriation for fiscal  
2 year 2013 is provided solely to implement Engrossed Substitute House  
3 Bill No. 2582 (health care services billing). If the bill is not  
4 enacted by June 30, 2012, the amount provided in this subsection shall  
5 lapse.

6       (30) \$22,000 of the general fund--state appropriation for fiscal  
7 year 2013 is provided solely to implement Substitute Senate Bill No.  
8 6105 (prescription monitoring program). If the bill is not enacted by  
9 June 30, 2012, the amount provided in this subsection shall lapse.

10       (31) \$30,000 of the health professions account--state appropriation  
11 is provided solely for implementation of Engrossed Substitute House  
12 Bill No. 2473 (medication assistant endorsement). If the bill is not  
13 enacted by June 30, 2012, the amount provided in this subsection shall  
14 lapse.

15       (32) General fund--state appropriations for fiscal year 2013  
16 includes funding to subsidize operating license and inspection fees in  
17 the temporary worker housing program. In implementing this subsidy,  
18 the department shall evaluate program regulations including but not  
19 limited to the use of occupancy levels to determine the fee structure  
20 and the frequency of inspections.

21       **Sec. 220.** 2011 2nd sp.s. c 9 s 219 (uncodified) is amended to read  
22 as follows:

23 **FOR THE DEPARTMENT OF CORRECTIONS**

24       The appropriations to the department of corrections in this act  
25 shall be expended for the programs and in the amounts specified in this  
26 section. However, after May 1, 2012, after approval by the director of  
27 financial management and unless specifically prohibited by this act,  
28 the department may transfer general fund--state appropriations for  
29 fiscal year 2012 between programs. The department shall not transfer  
30 funds, and the director of financial management shall not approve the  
31 transfer, unless the transfer is consistent with the objective of  
32 conserving, to the maximum extent possible, the expenditure of state  
33 funds. The director of financial management shall notify the  
34 appropriate fiscal committees of the senate and house of  
35 representatives in writing seven days prior to approving any deviations  
36 from appropriation levels. The written notification shall include a

1 narrative explanation and justification of the changes, along with  
2 expenditures and allotments by budget unit and appropriation, both  
3 before and after any allotment modifications or transfers.

4 (1) ADMINISTRATION AND SUPPORT SERVICES

5 General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$54,529,000</del> ))
	<u>\$52,025,000</u>
7 General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$53,210,000</del> ))
	<u>\$52,981,000</u>
9 TOTAL APPROPRIATION . . . . .	(( <del>\$107,739,000</del> ))
	<u>\$105,006,000</u>

11 The appropriations in this subsection are subject to the following  
12 conditions and limitations: \$35,000 of the general fund--state  
13 appropriation for fiscal year 2012 and \$35,000 of the general fund--  
14 state appropriation for fiscal year 2013 are provided solely for the  
15 support of a statewide council on mentally ill offenders that includes  
16 as its members representatives of community-based mental health  
17 treatment programs, current or former judicial officers, and directors  
18 and commanders of city and county jails and state prison facilities.  
19 The council will investigate and promote cost-effective approaches to  
20 meeting the long-term needs of adults and juveniles with mental  
21 disorders who have a history of offending or who are at-risk of  
22 offending, including their mental health, physiological, housing,  
23 employment, and job training needs.

24 (2) CORRECTIONAL OPERATIONS

25 General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$609,105,000</del> ))
	<u>\$598,237,000</u>
27 General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$602,804,000</del> ))
	<u>\$575,457,000</u>
29 General Fund--Federal Appropriation . . . . .	\$3,324,000
30 Washington Auto Theft Prevention Authority Account--	
31 State Appropriation . . . . .	\$14,079,000
32 <u>Enhanced 911 Account--State Appropriation . . . . .</u>	<u>\$2,000,000</u>
33 TOTAL APPROPRIATION . . . . .	(( <del>\$1,229,312,000</del> ))
	<u>\$1,193,097,000</u>

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

1 (a) During the 2011-13 biennium, when contracts are established or  
2 renewed for offender pay phone and other telephone services provided to  
3 inmates, the department shall select the contractor or contractors  
4 primarily based on the following factors: (i) The lowest rate charged  
5 to both the inmate and the person paying for the telephone call; and  
6 (ii) the lowest commission rates paid to the department, while  
7 providing reasonable compensation to cover the costs of the department  
8 to provide the telephone services to inmates and provide sufficient  
9 revenues for the activities funded from the institutional welfare  
10 betterment account.

11 (b) The Harborview medical center and the University of Washington  
12 medical center shall provide inpatient and outpatient hospital services  
13 to offenders confined in department of corrections facilities at a rate  
14 no greater than the average rate that the department has negotiated  
15 with other community hospitals in Washington state.

16 (c) \$102,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$102,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely to implement House Bill No. 1290  
19 (health care employee overtime). If the bill is not enacted by June  
20 30, 2011, the amounts provided in this subsection shall lapse.

21 (d) \$32,000 of the general fund--state appropriation for fiscal  
22 year 2012 and \$33,000 of the general fund--state appropriation for  
23 fiscal year 2013 are provided solely to implement Substitute House Bill  
24 No. 1718 (offenders with developmental disabilities). If the bill is  
25 not enacted by June 30, 2011, the amounts provided in this subsection  
26 shall lapse.

27 (e) The department of corrections shall contract with local and  
28 tribal governments for the provision of jail capacity to house  
29 offenders. A contract shall not have a cost of incarceration in excess  
30 of \$85 per day per offender. A contract shall not have a year-to-year  
31 increase in excess of three percent per year. The contracts may  
32 include rates for the medical care of offenders which exceed the daily  
33 cost of incarceration and the limitation on year-to-year increase,  
34 provided that medical payments conform to the department's offender  
35 health plan, pharmacy formulary, and all off-site medical expenses are  
36 preapproved by department utilization management staff.

37 (f) \$311,000 of the general fund--state appropriation for fiscal

1 year 2013 is provided solely for implementation of House Bill No. 2346  
2 (correctional officer uniforms). If the bill is not enacted by June  
3 30, 2012, the amount provided in this subsection shall lapse.

4 (g) \$41,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$165,000 of the general fund--state appropriation for  
6 fiscal year 2013 are provided solely for the department to maintain the  
7 facility, property, and assets at the institution formerly known as the  
8 maple lane school in Rochester. The department may not house  
9 incarcerated offenders at the maple lane site until specifically  
10 directed by the legislature. By November 1, 2012, the department shall  
11 report to the appropriate fiscal committees of the house of  
12 representatives and the senate with a plan for the future use of the  
13 facility.

14 (h) By December 1, 2012, the department shall provide to the  
15 legislative fiscal committees a report that evaluates health care  
16 expenditures in Washington state correctional institutions and makes  
17 recommendations for controlling health care costs. The report shall  
18 evaluate the source of health care costs, including offender health  
19 issues, use of pharmaceuticals, offsite and specialist medical care,  
20 chronic disease costs, and mental health issues. The department may  
21 include information from other states on cost control in offender  
22 health care, trends in offender health care that indicate potential  
23 cost increases, and management of high-cost diagnoses.

24 (i) The department shall convene a work group to develop health  
25 care cost containment strategies at local jail facilities. The work  
26 group shall identify cost containment strategies in place at the  
27 department and at local jail facilities, identify the costs and  
28 benefits of implementing strategies in jail health-care facilities, and  
29 make recommendations on implementing beneficial strategies. The work  
30 group shall submit a report on its findings and recommendations to the  
31 fiscal committees of the legislature by October 1, 2013. The work  
32 group shall include jail administrators, representatives from health  
33 care facilities at the local jail level and the state prisons level,  
34 and other representatives as deemed necessary.

35 (j) The department of corrections, with participation of the health  
36 care authority and the department of social and health services, aging  
37 and adult services administration, shall establish a work group to  
38 analyze and review release options for elderly and infirm offenders and

1 submit recommendations to the appropriate policy and fiscal committees  
2 of the legislature with release options for these populations no later  
3 than December 1, 2012. In making its recommendations, the work group  
4 shall identify:

5 (i) The most expensive medical conditions for which the department  
6 has had to treat its offenders and the offenders receiving the most  
7 costly ongoing medical treatments;

8 (ii) For identified populations, the age, level of disability, cost  
9 of care while incarcerated, safety issues related to release, ease of  
10 placement, and time served in relation to the offender's sentence;

11 (iii) Potential cost savings to the state that may be generated by  
12 the early release of elderly and infirm offenders;

13 (iv) Housing options to expedite the release of aging and infirm  
14 offenders while maintaining the safety of housing providers, other  
15 housing residents, and the general public; and

16 (v) Optimal procedures for reviewing offenders on a case-by-case  
17 basis to ensure that the interests of justice and public safety are  
18 considered in any early release decision.

19 (3) COMMUNITY SUPERVISION

20	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$129,635,000</del> ))
21		<u>\$127,121,000</u>
22	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$128,049,000</del> ))
23		<u>\$128,494,000</u>
24	Federal Narcotics Forfeiture Account--Federal	
25	Appropriation . . . . .	\$372,000
26	Controlled Substances Account--State	
27	Appropriation . . . . .	\$32,000
28	TOTAL APPROPRIATION . . . . .	(( <del>\$258,088,000</del> ))
29		<u>\$256,019,000</u>

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

32 (a) \$875,000 of the general fund--state appropriation for fiscal  
33 year 2012 is provided solely to implement Engrossed Substitute House  
34 Bill No. 5891 (criminal justice cost savings). If the bill is not  
35 enacted by June 30, 2011, the amount provided in this subsection shall  
36 lapse.

37 (b) \$6,362,000 of the general fund--state appropriation for fiscal

1 year 2013 is provided solely to implement an evidence-based risk-needs-  
2 responsivity model for community supervision of offenders.

3 (4) CORRECTIONAL INDUSTRIES

4	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$3,535,000</del> ))
5		<u>\$2,513,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$3,458,000</del> ))
7		<u>\$2,431,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$6,993,000</del> ))
9		<u>\$4,944,000</u>

10 The appropriations in this subsection are subject to the following  
11 conditions and limitations: \$66,000 of the general fund--state  
12 appropriation for fiscal year 2012 is provided solely for transfer to  
13 the jail industries board. The board shall use the amounts provided  
14 only for administrative expenses, equipment purchases, and technical  
15 assistance associated with advising cities and counties in developing,  
16 promoting, and implementing consistent, safe, and efficient offender  
17 work programs.

18 (5) INTERAGENCY PAYMENTS

19	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$37,053,000</del> ))
20		<u>\$35,821,000</u>
21	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$35,549,000</del> ))
22		<u>\$27,264,000</u>
23	TOTAL APPROPRIATION . . . . .	(( <del>\$72,602,000</del> ))
24		<u>\$63,085,000</u>

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

27 (a) The state prison institutions may use funds appropriated in  
28 this subsection to rent uniforms from correctional industries in  
29 accordance with existing legislative mandates.

30 (b) The state prison medical facilities may use funds appropriated  
31 in this subsection to purchase goods and supplies through hospital or  
32 other group purchasing organizations when it is cost effective to do  
33 so.

34 (c) The department shall reduce payments to the department of  
35 information services or its successor by \$213,000 in fiscal year 2012  
36 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall

1 be related to the elimination of the offender base tracking system,  
2 including moving remaining portions of the offender base tracking  
3 system into the offender management network information system.

4 **Sec. 221.** 2011 2nd sp.s. c 9 s 220 (uncodified) is amended to read  
5 as follows:

6 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

7	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,278,000</del> ))
8		<u>\$2,159,000</u>
9	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,264,000</del> ))
10		<u>\$2,131,000</u>
11	General Fund--Federal Appropriation . . . . .	(( <del>\$19,082,000</del> ))
12		<u>\$19,239,000</u>
13	General Fund--Private/Local Appropriation . . . . .	\$30,000
14	TOTAL APPROPRIATION . . . . .	(( <del>\$23,654,000</del> ))
15		<u>\$23,559,000</u>

16 **Sec. 222.** 2011 2nd sp.s. c 9 s 221 (uncodified) is amended to read  
17 as follows:

18 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

19	General Fund--Federal Appropriation . . . . .	(( <del>\$267,301,000</del> ))
20		<u>\$267,069,000</u>
21	General Fund--Private/Local Appropriation . . . . .	(( <del>\$33,931,000</del> ))
22		<u>\$33,856,000</u>
23	Unemployment Compensation Administration Account--	
24	Federal Appropriation . . . . .	(( <del>\$350,622,000</del> ))
25		<u>\$349,247,000</u>
26	Administrative Contingency Account--State	
27	Appropriation . . . . .	(( <del>\$20,948,000</del> ))
28		<u>\$20,940,000</u>
29	Employment Service Administrative Account--State	
30	Appropriation . . . . .	(( <del>\$33,721,000</del> ))
31		<u>\$33,609,000</u>
32	TOTAL APPROPRIATION . . . . .	(( <del>\$706,523,000</del> ))
33		<u>\$704,721,000</u>

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

1 (1) \$39,666,000 of the unemployment compensation administration  
2 account--federal appropriation is from amounts made available to the  
3 state by section 903 (d), (f), and (g) of the social security act (Reed  
4 act). This amount is provided solely for continuing current  
5 unemployment insurance functions and department services to employers  
6 and job seekers.

7 (2) \$35,584,000 of the unemployment compensation administration  
8 account--federal appropriation is from amounts made available to the  
9 state by section 903 (d), (f), and (g) of the social security act (Reed  
10 act). This amount is provided solely for the replacement of the  
11 unemployment insurance tax information system for the employment  
12 security department. The employment security department shall support  
13 the department of revenue and department of labor and industries to  
14 develop a common vision to ensure technological compatibility between  
15 the three agencies to facilitate a coordinated business tax system for  
16 the future that improves services to business customers. The amounts  
17 provided in this subsection are conditioned on the department  
18 satisfying the requirements of the project management oversight  
19 standards and policies established by the office of the chief  
20 information officer created in Engrossed Substitute Senate Bill No.  
21 5931 (information technology management).

22 (3) \$25,000 of the unemployment compensation administration  
23 account--federal appropriation is from amounts made available to the  
24 state by section 903 (d), (f), and (g) of the social security act (Reed  
25 act). This amount is provided solely for implementation of system  
26 changes to the unemployment insurance tax information system required  
27 under chapter 4, Laws of 2011 (unemployment insurance program).

28 (4) \$1,459,000 of the unemployment compensation administration  
29 account--federal appropriation is from amounts available to the state  
30 by section 903 (d), (f), and (g) of the social security act (Reed act).  
31 This amount is provided solely for implementation of chapter 4, Laws of  
32 2011 (unemployment insurance program).

33 (5) (~~(\$60,000)~~) \$80,000 of the unemployment compensation  
34 administration account--federal appropriation is provided solely for  
35 costs associated with the initial review and evaluation of the training  
36 benefits program as directed in section 15(2), chapter 4, Laws of 2011  
37 (unemployment insurance program). The initial review shall be



1 developed by the joint legislative audit and review committee. This  
2 appropriation is provided from funds made available to the state by  
3 section 903 (d), (f), and (g) of the social security act (Reed act).

(End of part)

PART III  
NATURAL RESOURCES

Sec. 301. 2011 2nd sp.s. c 9 s 301 (uncodified) is amended to read as follows:

**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2012)	(\$402,000)
	<u>\$401,000</u>
General Fund--State Appropriation (FY 2013)	(\$410,000)
	<u>\$404,000</u>
General Fund--Federal Appropriation	\$31,000
General Fund--Private/Local Appropriation	(\$782,000)
	<u>\$775,000</u>
TOTAL APPROPRIATION	(\$1,625,000)
	<u>\$1,611,000</u>

Sec. 302. 2011 2nd sp.s. c 9 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2012)	(\$47,630,000)
	<u>\$37,143,000</u>
General Fund--State Appropriation (FY 2013)	(\$46,226,000)
	<u>\$33,481,000</u>
General Fund--Federal Appropriation	(\$77,452,000)
	<u>\$100,000,000</u>
General Fund--Private/Local Appropriation	(\$16,691,000)
	<u>\$16,714,000</u>
Special Grass Seed Burning Research Account--State Appropriation	\$3,000
Reclamation Revolving Account--State Appropriation	(\$3,642,000)
	<u>\$4,123,000</u>
Flood Control Assistance Account--State Appropriation	(\$1,940,000)
	<u>\$1,929,000</u>
State Emergency Water Projects Revolving Account--State Appropriation	\$270,000

1	Waste Reduction/Recycling/Litter Control--State	
2	Appropriation . . . . .	(( <del>\$11,478,000</del> ))
3		<u>\$9,712,000</u>
4	State Drought Preparedness Account--State	
5	Appropriation . . . . .	(( <del>\$118,000</del> ))
6		<u>\$204,000</u>
7	State and Local Improvements Revolving Account	
8	(Water Supply Facilities)--State Appropriation . . . . .	(( <del>\$423,000</del> ))
9		<u>\$422,000</u>
10	( <del>Freshwater</del> ) Aquatic Algae Control Account--State	
11	Appropriation . . . . .	\$509,000
12	Water Rights Tracking System Account--State Appropriation . . . . .	\$46,000
13	Site Closure Account--State Appropriation . . . . .	(( <del>\$703,000</del> ))
14		<u>\$620,000</u>
15	Wood Stove Education and Enforcement Account--State	
16	Appropriation . . . . .	(( <del>\$612,000</del> ))
17		<u>\$595,000</u>
18	Worker and Community Right-to-Know Account--State	
19	Appropriation . . . . .	(( <del>\$1,668,000</del> ))
20		<u>\$1,655,000</u>
21	Water Rights Processing Account--State Appropriation . . . . .	(( <del>\$136,000</del> ))
22		<u>\$135,000</u>
23	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$112,575,000</del> ))
24		<u>\$130,865,000</u>
25	State Toxics Control Account--Private/Local	
26	Appropriation . . . . .	(( <del>\$968,000</del> ))
27		<u>\$964,000</u>
28	Local Toxics Control Account--State Appropriation . . . . .	(( <del>\$27,390,000</del> ))
29		<u>\$26,157,000</u>
30	Water Quality Permit Account--State Appropriation . . . . .	(( <del>\$37,748,000</del> ))
31		<u>\$38,814,000</u>
32	Underground Storage Tank Account--State	
33	Appropriation . . . . .	(( <del>\$3,254,000</del> ))
34		<u>\$3,212,000</u>
35	Biosolids Permit Account--State Appropriation . . . . .	(( <del>\$1,805,000</del> ))
36		<u>\$1,791,000</u>
37	Hazardous Waste Assistance Account--State	
38	Appropriation . . . . .	(( <del>\$5,857,000</del> ))

1		<u>\$5,793,000</u>
2	Air Pollution Control Account--State Appropriation . . .	(( <del>\$2,468,000</del> ))
3		<u>\$2,541,000</u>
4	Oil Spill Prevention Account--State Appropriation . . .	(( <del>\$5,566,000</del> ))
5		<u>\$5,489,000</u>
6	Air Operating Permit Account--State Appropriation . . .	(( <del>\$2,746,000</del> ))
7		<u>\$2,711,000</u>
8	Freshwater Aquatic Weeds Account--State	
9	Appropriation . . . . .	(( <del>\$1,700,000</del> ))
10		<u>\$1,698,000</u>
11	Oil Spill Response Account--State Appropriation . . . . .	\$7,076,000
12	Metals Mining Account--State Appropriation . . . . .	\$14,000
13	Water Pollution Control Revolving Account--State	
14	Appropriation . . . . .	(( <del>\$611,000</del> ))
15		<u>\$608,000</u>
16	Water Pollution Control Revolving Account--Federal	
17	Appropriation . . . . .	(( <del>\$2,517,000</del> ))
18		<u>\$2,501,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$421,842,000</del> ))
20		<u>\$437,795,000</u>

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

23       (1) \$170,000 of the oil spill prevention account--state  
24 appropriation is provided solely for a contract with the University of  
25 Washington's sea grant program to continue an educational program  
26 targeted to small spills from commercial fishing vessels, ferries,  
27 cruise ships, ports, and marinas.

28       (2) Pursuant to RCW 43.135.055, the department is authorized to  
29 increase the following fees as necessary to meet the actual costs of  
30 conducting business and the appropriation levels in this section:  
31 Wastewater discharge permit, not more than 4.34 percent in fiscal year  
32 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not  
33 more than 10 percent during the biennium; and air contaminate source  
34 registration fee, not more than 36 percent during the biennium;  
35 agricultural burning acreage and pile burning fees, not more than 25  
36 percent and 100 percent respectively, in fiscal year 2013; and dam  
37 safety and inspection fees, not more than 35 percent in fiscal year

1 2012 and 4.62 percent in fiscal year 2013. Any fee increase  
2 implemented to offset general fund--state reductions in the 2011-2013  
3 fiscal biennium may be made effective on or before July 1, 2012.

4 (3) If Substitute House Bill No. 1294 (Puget Sound corps) is not  
5 enacted by June 30, 2011, \$322,000 of the general fund--state  
6 appropriation for fiscal year 2012 and \$322,000 of the general fund--  
7 state appropriation for fiscal year 2013 shall be transferred to the  
8 department of natural resources.

9 (4) \$463,000 of the state toxics control account--state  
10 appropriation is provided solely for implementation of Engrossed Second  
11 Substitute House Bill No. 1186 (state's oil spill program). If the  
12 bill is not enacted by June 30, 2011, the amount provided in this  
13 subsection shall lapse.

14 (5) Pursuant to RCW 70.93.180(5), the appropriations in this  
15 section from the waste reduction, recycling, and litter control account  
16 shall only be expended on activities listed under RCW 70.93.180(1) (a)  
17 and (b), and the department shall not expend appropriations on RCW  
18 70.93.180(1)(c). The department may not spend waste reduction,  
19 recycling, and litter control account funds to support the following  
20 activities: The beyond waste plan, work on national solid waste  
21 recycling issues, work on construction and demolition recycling and  
22 green building alternatives, education programs including the green  
23 schools initiative, and management of the 1-800-recycle hotline and  
24 database on school awards. Waste reduction, recycling, and litter  
25 account control funds must be prioritized to support litter pickup  
26 using correctional crews, regulatory programs, and technical assistance  
27 to local governments.

28 (6) The department shall make every possible effort through its  
29 existing statutory authorities to obtain federal funding for public  
30 participation grants regarding the Hanford nuclear reservation and  
31 associated properties and facilities. Such federal funding shall not  
32 limit the total state funding authorized under this section for public  
33 participation grants made pursuant to RCW 70.105D.070(5), but the  
34 amount of any individual grant from such federal funding shall be  
35 offset against any grant award amount to an individual grantee from  
36 state funds under RCW 70.105D.070(5).

37 (7) The department shall review its water rights application review  
38 procedures to simplify the procedures, eliminate unnecessary steps, and

1 decrease the time required to issue decisions. The department shall  
2 implement changes to improve water rights processing for which it has  
3 current administrative authority. The department shall report on  
4 reforms implemented and efficiencies achieved as demonstrated through  
5 enhanced permit processing to the appropriate committees of the  
6 legislature on December 1, 2011, and October 1, 2012.

7 (a) The department shall consult with key stakeholders on statutory  
8 barriers to efficient water rights processing and effective water  
9 management, including identification of obsolete, confusing, or  
10 conflicting statutory provisions. The department shall report  
11 stakeholder recommendations to appropriate committees of the  
12 legislature by December 1, 2011, and October 1, 2012.

13 (b) \$500,000 of the general fund--state appropriation for fiscal  
14 year 2013 is provided solely for processing water right permit  
15 applications only if the department of ecology issues at least five  
16 hundred water right decisions in fiscal year 2012, and if the  
17 department of ecology does not issue at least five hundred water right  
18 decisions in fiscal year 2012 the amount provided in this subsection  
19 shall lapse and remain unexpended. The department of ecology shall  
20 submit a report to the office of financial management and the state  
21 treasurer by June 30, 2012, that documents whether five hundred water  
22 right decisions were issued in fiscal year 2012. For the purposes of  
23 this subsection, applications that are voluntarily withdrawn by an  
24 applicant do not count towards the five hundred water right decision  
25 requirement. For the purposes of water budget-neutral requests under  
26 chapter 173-539A WAC, multiple domestic connections authorized within  
27 a single water budget-neutral decision are considered one decision for  
28 the purposes of this subsection.

29 (c) The department shall maintain an ongoing accounting of water  
30 right applications received and acted on and shall post that  
31 information to the department's internet site.

32 (8) \$1,075,000 of the general fund--state appropriation for fiscal  
33 year 2012 and \$1,075,000 of the general fund--state appropriation for  
34 fiscal year 2013 are provided solely for processing the backlog of  
35 pending water rights permit applications in the water resources  
36 program.

37 (9) In accordance with RCW 43.135.055, the department is approved

1 to adopt fees set forth in and previously authorized by RCW 70.94.151,  
2 gasoline vapor registration fee.

3 (10) Pursuant to House Bill No. 2304 (low-level waste), the  
4 appropriations in this section for the low-level radioactive waste site  
5 use permit program are for fiscal year 2012. Appropriations for fiscal  
6 year 2013 are contained in section 219 of this act.

7 (11) Pursuant to RCW 90.16.090(2), the appropriations in this  
8 section from the reclamation account--state appropriation shall be  
9 expended for the activities listed in RCW 90.16.090(1), and the  
10 expenditures need not be proportional to fee revenue sources.

11 (12) \$77,000 of the general fund--state appropriation for fiscal  
12 year 2013 is provided solely for the implementation of Engrossed Second  
13 Substitute Senate Bill No. 5343 (anaerobic digesters). If the bill is  
14 not enacted by June 30, 2012, the amount provided in this subsection  
15 shall lapse.

16 (13) \$50,000 of the state toxics control account--state  
17 appropriation is provided solely to fulfill technical assistance duties  
18 prescribed in Senate Bill No. 6120 (children's safe products) or House  
19 Bill No. 2821 (children's safe products). If neither bill is enacted  
20 by June 30, 2012, the amount provided in this subsection shall lapse.

21 (14) \$1,000,000 of the state toxics control account--state  
22 appropriation is for the department to provide technical training  
23 regarding the benefits of low-impact development including, but not  
24 limited to, when the use of low-impact development is appropriate and  
25 feasible, and the design, installation, maintenance, and best practices  
26 of low-impact development. The department will consult with Washington  
27 State University extension low-impact development technical center and  
28 others in the development of the low-impact technical training. As  
29 appropriate, the department may contract with the Washington State  
30 University extension low-impact development technical center, private  
31 sector vendors, associations, and others to deliver the technical  
32 training. The technical training must be provided free of cost to  
33 phase II permittees and the private development community including  
34 builders, engineers, and other industry professionals. The training  
35 must be sequenced geographically and provided in time for local  
36 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5).

37 (15) \$188,000 of the general fund--state appropriation for fiscal  
38 year 2013 is provided solely for the implementation of Second Engrossed

1 Substitute Senate Bill No. 6406 (state natural resources). If the bill  
2 is not enacted by June 30, 2012, the amount provided in this subsection  
3 shall lapse.

4 **Sec. 303.** 2011 2nd sp.s. c 9 s 303 (uncodified) is amended to read  
5 as follows:

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

7	General Fund--State Appropriation (FY 2012) . . . . .	\$8,955,000
8	General Fund--State Appropriation (FY 2013) . . . . .	\$8,379,000
9	General Fund--Federal Appropriation . . . . .	\$5,905,000
10	Winter Recreation Program Account--State	
11	Appropriation . . . . .	(( <del>\$1,761,000</del> ))
12		<u>\$1,759,000</u>
13	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$224,000
14	Snowmobile Account--State Appropriation . . . . .	(( <del>\$4,848,000</del> ))
15		<u>\$4,844,000</u>
16	Aquatic Lands Enhancement Account--State	
17	Appropriation . . . . .	(( <del>\$363,000</del> ))
18		<u>\$4,363,000</u>
19	Parks Renewal and Stewardship Account--State	
20	Appropriation . . . . .	(( <del>\$116,087,000</del> ))
21		<u>\$106,505,000</u>
22	Parks Renewal and Stewardship Account--Private/Local	
23	Appropriation . . . . .	\$300,000
24	TOTAL APPROPRIATION . . . . .	(( <del>\$146,822,000</del> ))
25		<u>\$141,234,000</u>

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

28 (1) \$8,876,000 of the general fund--state appropriation for fiscal  
29 year 2012 (~~and~~), \$8,300,000 of the general fund--state appropriation  
30 for fiscal year 2013, and \$4,000,000 of the aquatic lands enhancement  
31 account--state appropriation are provided solely to operate and  
32 maintain state parks as the commission implements a new fee structure.  
33 The goal of this structure is to make the parks system self-supporting.  
34 By August 1, 2012, state parks must submit a report to the office of  
35 financial management detailing its progress toward this goal and  
36 outlining any additional statutory changes needed for successful  
37 implementation.



1 (2) \$79,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$79,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for a grant for the operation of  
4 the Northwest avalanche center.

5 (3) (~~(\$53,928,000)~~) \$44,528,000 of the parks renewal and  
6 stewardship account--state appropriation is provided solely for  
7 implementation of Second Substitute Senate Bill No. 5622 (state land  
8 recreation access). If the bill is not enacted by June 30, 2011, the  
9 amount provided in this subsection shall lapse.

10 (4) Prior to closing any state park, the commission must notify all  
11 affected local governments and relevant nonprofit organizations of the  
12 intended closure and provide an opportunity for the notified local  
13 governments and nonprofit organizations to elect to acquire, or enter  
14 into, a maintenance and operating contract with the commission that  
15 would allow the park to remain open.

16 (5) The state parks and recreation commission, in cooperation with  
17 the Fort Worden lifelong learning center public development authority  
18 authorized under RCW 35.21.730 shall provide a report to the governor  
19 and appropriate committees of the legislature no later than October 15,  
20 2012, to create a lifelong learning center at Fort Worden state park.  
21 This plan shall support and be based upon the Fort Worden state park  
22 long-range plan adopted by the state parks and recreation commission in  
23 September 2008. The report shall include a business and governance  
24 plan and supporting materials that provide options and recommendations  
25 on the long-term governance of Fort Worden state park, including  
26 building maintenance and restoration. While the commission may  
27 transfer full or partial operations to the public development authority  
28 the state shall retain title to the property. The state parks and  
29 recreation commission and the public development authority will agree  
30 on the scope and content of the report including the business and  
31 governance plan. In preparing this report the state parks and  
32 recreation commission and the public development authority shall  
33 provide ample opportunity for the public and stakeholders to  
34 participate in the development of the business and governance plan.  
35 The state parks and recreation commission shall review the report and  
36 if it is consistent with the 2008 Fort Worden state park long-range  
37 plan shall take action on a long-term governance and business plan no  
38 later than December 31, 2012.

1 (6) Within the appropriations contained in this section, the  
2 commission shall review the removal of trees from Brooks memorial state  
3 park that have been killed or damaged by fire in order to determine the  
4 recovery value from the sale of any timber that is surplus to the needs  
5 of the park. The commission shall remove such trees, if the commission  
6 determines that the recovery value from the sale of any timber is at  
7 least cost neutral and the removal is in a manner consistent with RCW  
8 79A.05.035.

9 **Sec. 304.** 2011 2nd sp.s. c 9 s 304 (uncodified) is amended to read  
10 as follows:

11 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

12	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$954,000</del> ))
13		<u>\$898,000</u>
14	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$973,000</del> ))
15		<u>\$823,000</u>
16	General Fund--Federal Appropriation . . . . .	(( <del>\$3,299,000</del> ))
17		<u>\$3,295,000</u>
18	General Fund--Private/Local Appropriation . . . . .	(( <del>\$274,000</del> ))
19		<u>\$24,000</u>
20	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$278,000
21	Vessel Response Account--State Appropriation . . . . .	\$100,000
22	Firearms Range Account--State Appropriation . . . . .	\$37,000
23	Recreation Resources Account--State Appropriation . . . . .	(( <del>\$2,874,000</del> ))
24		<u>\$2,869,000</u>
25	NOVA Program Account--State Appropriation . . . . .	\$900,000
26	TOTAL APPROPRIATION . . . . .	(( <del>\$9,689,000</del> ))
27		<u>\$9,224,000</u>

28 The appropriations in this section are subject to the following  
29 conditions and limitations: \$40,000 of the general fund--federal  
30 appropriation, \$24,000 of the general fund--private/local  
31 appropriation, \$100,000 of the vessel response account--state  
32 appropriation, and \$12,000 of the recreation resources account--state  
33 appropriation are provided solely for House Bill No. 1413 (invasive  
34 species council). If the bill is not enacted by June 30, 2011, the  
35 amounts provided in this subsection shall lapse.



1	General Fund--Federal Appropriation . . . . .	(( <del>\$105,717,000</del> ))
2		<u>\$105,481,000</u>
3	General Fund--Private/Local Appropriation . . . . .	(( <del>\$57,025,000</del> ))
4		<u>\$56,923,000</u>
5	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
6	Aquatic Lands Enhancement Account--State	
7	Appropriation . . . . .	(( <del>\$8,230,000</del> ))
8		<u>\$12,113,000</u>
9	Recreational Fisheries Enhancement--State	
10	Appropriation . . . . .	(( <del>\$3,550,000</del> ))
11		<u>\$2,794,000</u>
12	Warm Water Game Fish Account--State Appropriation . . .	(( <del>\$3,051,000</del> ))
13		<u>\$2,841,000</u>
14	Eastern Washington Pheasant Enhancement Account--State	
15	Appropriation . . . . .	\$849,000
16	Aquatic Invasive Species Enforcement Account--State	
17	Appropriation . . . . .	\$204,000
18	Aquatic Invasive Species Prevention Account--State	
19	Appropriation . . . . .	(( <del>\$719,000</del> ))
20		<u>\$848,000</u>
21	State Wildlife Account--State Appropriation . . . . .	(( <del>\$100,424,000</del> ))
22		<u>\$100,742,000</u>
23	Special Wildlife Account--State Appropriation . . . . .	(( <del>\$2,384,000</del> ))
24		<u>\$2,382,000</u>
25	Special Wildlife Account--Federal Appropriation . . . . .	\$500,000
26	Special Wildlife Account--Private/Local Appropriation . . .	\$3,415,000
27	Wildlife Rehabilitation Account--State Appropriation . . . . .	\$259,000
28	Regional Fisheries Enhancement Salmonid Recovery	
29	Account--Federal Appropriation . . . . .	\$5,001,000
30	Oil Spill Prevention Account--State Appropriation . . . . .	(( <del>\$887,000</del> ))
31		<u>\$883,000</u>
32	Oyster Reserve Land Account--State Appropriation . . . . .	(( <del>\$921,000</del> ))
33		<u>\$919,000</u>
34	<u>Recreation Resources Account--State Appropriation . . . . .</u>	<u>\$3,300,000</u>
35	<u>Hydraulic Project Approval Account--State Appropriation . . .</u>	<u>\$337,000</u>
36	TOTAL APPROPRIATION . . . . .	(( <del>\$360,610,000</del> ))
37		<u>\$357,900,000</u>

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

3 (1) \$294,000 of the aquatic lands enhancement account--state  
4 appropriation is provided solely for the implementation of hatchery  
5 reform recommendations defined by the hatchery scientific review group.

6 (2) \$355,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$355,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for the department to continue a  
9 pilot project with the Confederated Tribes of the Colville Reservation  
10 to develop expanded recreational fishing opportunities on Lake Rufus  
11 Woods and its northern shoreline and to conduct joint enforcement of  
12 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to  
13 state and tribal intergovernmental agreements developed under the  
14 Columbia River water supply program. For the purposes of the pilot  
15 project:

16 (a) A fishing permit issued to a nontribal member by the Colville  
17 Tribes shall satisfy the license requirement of RCW 77.32.010 on the  
18 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

19 (b) The Colville Tribes have agreed to provide to holders of its  
20 nontribal member fishing permits a means to demonstrate that fish in  
21 their possession were lawfully taken in Lake Rufus Woods;

22 (c) A Colville tribal member identification card shall satisfy the  
23 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

24 (d) The department and the Colville Tribes shall jointly designate  
25 fishing areas on the north shore of Lake Rufus Woods for the purposes  
26 of enhancing access to the recreational fisheries on the lake; and

27 (e) The Colville Tribes have agreed to recognize a fishing license  
28 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal  
29 member fishing permit requirements of Colville tribal law on the  
30 reservation portion of the waters of Lake Rufus Woods and at designated  
31 fishing areas on the north shore of Lake Rufus Woods;

32 (3) Prior to submitting its 2013-2015 biennial operating and  
33 capital budget request related to state fish hatcheries to the office  
34 of financial management, the department shall contract with the  
35 hatchery scientific review group (HSRG) to review this request. This  
36 review shall: (a) Determine if the proposed requests are consistent  
37 with HSRG recommendations; (b) prioritize the components of the  
38 requests based on their contributions to protecting wild salmonid

1 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
2 whether the proposed requests are being made in the most cost effective  
3 manner. The department shall provide a copy of the HSRG review to the  
4 office of financial management with their agency budget proposal.

5 (4) \$400,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$400,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for a state match to support the  
8 Puget Sound nearshore partnership between the department and the U.S.  
9 army corps of engineers.

10 (5) \$50,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$50,000 of the general fund--state appropriation for  
12 fiscal year 2013 are provided solely for removal of derelict gear in  
13 Washington waters.

14 (6) \$100,000 of the eastern Washington pheasant enhancement  
15 account--state appropriation is provided solely for the department to  
16 support efforts to enhance permanent and temporary pheasant habitat on  
17 public and private lands in Grant, Franklin, and Adams counties. The  
18 department may support efforts by entities including conservation  
19 districts, nonprofit organizations, and landowners, and must require  
20 such entities to provide significant nonstate matching resources, which  
21 may be in the form of funds, material, or labor.

22 (7) Within the amounts appropriated in this section, the department  
23 shall identify additional opportunities for partnerships in order to  
24 keep fish hatcheries operational. Such partnerships shall aim to  
25 maintain fish production and salmon recovery with less reliance on  
26 state operating funds.

27 (8) By September 1, 2011, the department shall update its  
28 interagency agreement dated September 30, 2010, with the department of  
29 natural resources concerning land management services on the department  
30 of fish and wildlife's wildlife conservation and recreation lands. The  
31 update shall include rates and terms for services.

32 (9) Prior to opening game management unit 490 to public hunting,  
33 the department shall complete an environmental impact statement that  
34 includes an assessment of how public hunting activities will impact the  
35 ongoing protection of the public water supply.

36 (10) \$18,514,000 of the state wildlife account--state appropriation  
37 is provided solely for the implementation of Second Substitute Senate

1 Bill No. 5385 (state wildlife account). If the bill is not enacted by  
2 June 30, 2011, the amount provided in this subsection shall lapse.

3 (11) \$9,418,000 of the state wildlife account--state appropriation  
4 is provided solely for the implementation of Second Substitute Senate  
5 Bill No. 5622 (state land recreation access). If the bill is not  
6 enacted by June 30, 2011, the amount provided in this subsection shall  
7 lapse.

8 (12) \$50,000 of the state wildlife account--state appropriation is  
9 provided solely for mitigation, claims, and assessment costs for injury  
10 or loss of livestock caused by wolves, black bears, and cougars.

11 (13) \$552,000 of the aquatic lands enhancement account--state  
12 appropriation is provided solely for increased law enforcement capacity  
13 to reduce the occurrence of geoduck poaching and illegal harvest  
14 activities. With these additional funds, the department shall deploy  
15 two new fish and wildlife officers and one detective within Puget Sound  
16 to address on-the-water and marketplace geoduck harvest compliance.

17 (14) \$337,000 of the hydraulic project approval--state  
18 appropriation is provided solely for the implementation of Second  
19 Engrossed Substitute Senate Bill No. 6406 (state natural resources).  
20 If the bill is not enacted by June 30, 2012, the amount provided in  
21 this subsection shall lapse.

22 **Sec. 308.** 2011 2nd sp.s. c 9 s 308 (uncodified) is amended to read  
23 as follows:

24 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

25	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$31,324,000</del> ))
26		<u>\$30,907,000</u>
27	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$35,791,000</del> ))
28		<u>\$31,818,000</u>
29	General Fund--Federal Appropriation . . . . .	(( <del>\$27,919,000</del> ))
30		<u>\$27,873,000</u>
31	General Fund--Private/Local Appropriation . . . . .	(( <del>\$2,374,000</del> ))
32		<u>\$2,372,000</u>
33	Forest Development Account--State Appropriation . . . . .	(( <del>\$41,717,000</del> ))
34		<u>\$46,254,000</u>
35	ORV and Nonhighway Vehicle Account--State	
36	Appropriation . . . . .	(( <del>\$4,387,000</del> ))
37		<u>\$4,373,000</u>

1	Surveys and Maps Account--State Appropriation . . . . .	(( <del>\$2,346,000</del> ))
2		<u>\$2,118,000</u>
3	Aquatic Lands Enhancement Account--State	
4	Appropriation . . . . .	(( <del>\$7,224,000</del> ))
5		<u>\$69,000</u>
6	Resources Management Cost Account--State	
7	Appropriation . . . . .	(( <del>\$82,097,000</del> ))
8		<u>\$90,131,000</u>
9	Surface Mining Reclamation Account--State	
10	Appropriation . . . . .	(( <del>\$3,484,000</del> ))
11		<u>\$3,467,000</u>
12	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
13	Forest and Fish Support Account--State Appropriation . . . . .	(( <del>\$7,933,000</del> ))
14		<u>\$9,784,000</u>
15	Aquatic Land Dredged Material Disposal Site	
16	Account--State Appropriation . . . . .	\$838,000
17	Natural Resources Conservation Areas Stewardship	
18	Account--State Appropriation . . . . .	\$34,000
19	State Toxics Control Account--State Appropriation . . . . .	\$80,000
20	Air Pollution Control Account--State Appropriation . . . . .	(( <del>\$669,000</del> ))
21		<u>\$540,000</u>
22	NOVA Program Account--State Appropriation . . . . .	(( <del>\$639,000</del> ))
23		<u>\$635,000</u>
24	Derelict Vessel Removal Account--State Appropriation . . . . .	\$1,761,000
25	Agricultural College Trust Management Account--State	
26	Appropriation . . . . .	(( <del>\$1,854,000</del> ))
27		<u>\$1,848,000</u>
28	<u>Forest Practices Application Account--State Appropriation . . . . .</u>	<u>\$780,000</u>
29	<u>Marine Resources Stewardship Trust Account--State</u>	
30	<u>Appropriation . . . . .</u>	<u>\$2,100,000</u>
31	TOTAL APPROPRIATION . . . . .	(( <del>\$257,471,000</del> ))
32		<u>\$262,782,000</u>

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

35       (1) \$710,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$915,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for deposit into the agricultural



1 college trust management account and are provided solely to manage  
2 approximately 70,700 acres of Washington State University's  
3 agricultural college trust lands.

4 (2) \$8,030,000 of the general fund--state appropriation for fiscal  
5 year 2012, (~~(\$10,037,000)~~) \$7,276,000 of the general fund--state  
6 appropriation for fiscal year 2013, \$2,138,000 of the forest  
7 development account--state appropriation for fiscal year 2013, and  
8 \$5,000,000 of the disaster response account--state appropriation are  
9 provided solely for emergency fire suppression. None of the general  
10 fund and disaster response account amounts provided in this subsection  
11 may be used to fund agency indirect and administrative expenses.  
12 Agency indirect and administrative costs shall be allocated among the  
13 agency's remaining accounts and appropriations. The department of  
14 natural resources shall submit a quarterly report to the office of  
15 financial management and the legislative fiscal committees detailing  
16 information on current and planned expenditures from the disaster  
17 response account. This work shall be done in coordination with the  
18 military department.

19 ~~(3) (\$4,000,000 of the forest and fish support account--state~~  
20 ~~appropriation is provided solely for adaptive management, monitoring,~~  
21 ~~and participation grants to tribes. If federal funding for this~~  
22 ~~purpose is reinstated, the amount provided in this subsection shall~~  
23 ~~lapse.~~

24 ~~(4) \$333,000 of the forest and fish support account--state~~  
25 ~~appropriation is provided solely for adaptive management, monitoring,~~  
26 ~~and participation grants to nongovernmental organizations.~~

27 ~~(5) \$487,000))~~ \$4,500,000 of the forest and fish support account--  
28 state appropriation is provided solely for outcome-based, performance  
29 contracts with tribes to participate in the implementation of the  
30 forest practices program. Contracts awarded in fiscal year 2013 may  
31 only contain indirect costs set at or below the rate in the contracting  
32 tribe's indirect cost agreement with the federal government. If  
33 federal funding for this purpose is reinstated, the amount provided in  
34 this subsection shall lapse.

35 (4) \$518,000 of the forest and fish support account--state  
36 appropriation is provided solely for outcome-based performance  
37 contracts with nongovernmental organizations to participate in the

1 implementation of the forest practices program. Contracts awarded in  
2 fiscal year 2013 may only contain indirect cost set at or below a rate  
3 of eighteen percent.

4 (5) During the 2011-2013 fiscal biennium, \$717,000 of the ((general  
5 fund)) forest and fish support account--state appropriation is provided  
6 solely to fund interagency agreements with the department of ecology  
7 and the department of fish and wildlife as part of the adaptive  
8 management process.

9 (6) \$1,000,000 of the general fund--federal appropriation and  
10 \$1,000,000 of the forest and fish support account--state appropriation  
11 are provided solely for continuing scientific studies already underway  
12 as part of the adaptive management process. Funds may not be used to  
13 initiate new studies unless the department secures new federal funding  
14 for the adaptive management process.

15 (7) The department is authorized to increase the silviculture  
16 burning permit fee in the 2011-2013 biennium by up to eighty dollars  
17 plus fifty cents per ton for each ton of material burned in excess of  
18 one hundred tons.

19 (8) \$440,000 of the state general fund--state appropriation for  
20 fiscal year 2012 and \$440,000 of the state general fund--state  
21 appropriation for fiscal year 2013 are provided solely for forest work  
22 crews that support correctional camps and are contingent upon  
23 continuing operations of Naselle youth camp.

24 (9) By September 1, 2011, the department shall update its  
25 interagency agreement dated September 30, 2010, with the department of  
26 fish and wildlife concerning land management services on the department  
27 of fish and wildlife's wildlife conservation and recreation lands. The  
28 update shall include rates and terms for services.

29 (10) In partnership with the department of ecology, the departments  
30 shall deliver a report to the governor, the appropriate committees of  
31 the legislature, and the forest practices board by September 1, 2012,  
32 documenting forest practices adaptive management program reforms  
33 implemented, or recommended, that streamline existing processes to  
34 increase program efficiencies and effectiveness. The departments shall  
35 collaborate with interested adaptive management program participants in  
36 the development of the report.

37 (11)(a) \$2,100,000 of the marine resources stewardship account--  
38 state appropriation is provided solely for the implementation of

1 chapter 252, Laws of 2012 (marine management planning) and 43.372 RCW.  
2 The department will work with the marine interagency team, tribes, and  
3 the Washington state marine resource committee to develop a spending  
4 plan consistent with the priorities in chapter 252, Laws of 2012, for  
5 conducting ecosystem assessments and mapping activities related to  
6 marine resources use and potential economic development, developing  
7 marine management plans for the state's coastal waters, and otherwise  
8 aiding in the implementation of marine planning in the state. As  
9 appropriate, the team shall develop a competitive process for projects  
10 to be funded by the department in fiscal year 2013.

11 (b) The department, in consultation with the marine interagency  
12 team, shall submit to the office of financial management and the  
13 appropriate legislative committees by September 1, 2012, a prioritized  
14 list of projects and activities for funding consideration through the  
15 marine resources stewardship account in the 2013-2015 fiscal biennium.

16 (12)(a) Within existing funds and upon request of a qualifying  
17 marina under (b) of this subsection, the department of natural  
18 resources shall promptly redetermine annual rent for that marina  
19 consistent with (c) of this subsection.

20 (b) A marina is a qualifying marina under this subsection if it:

21 (i) Is a for-profit entity occupying state-owned aquatic lands and  
22 provides vessel moorage for a fee or includes marina slips within the  
23 definition of a unit for condominium purposes, but is not a homeowner  
24 association, a facility that provides moorage exclusively for floating  
25 homes, a community boating club or yacht club, or a facility that is  
26 entirely dedicated to providing public use and access under a no-fee  
27 public use and access agreement;

28 (ii) Is located in the competitive marina market in either: The  
29 largest city within the second most populous county of the state, as  
30 determined by population on the effective date of this section; or a  
31 county composed entirely of islands and adjacent areas of the mainland  
32 to that county;

33 (iii) Has an upland value for purposes of rent determination under  
34 RCW 79.105.240 that is more than forty-five percent above the average  
35 of the upland values of all the marinas within a five-mile radius  
36 centered around that marina; and

37 (iv) Meets one of the following criteria: Currently provides for  
38 public access; must provide public access as a condition for future

1 approval of a substantial development permit under chapter 90.58 RCW;  
2 or is owned by a person who also owns the upland tax parcel used in  
3 conjunction with the lease area and who provides public access on the  
4 upland parcel or must provide public access on the upland parcel as a  
5 condition for future approval of a substantial development permit under  
6 chapter 90.58 RCW.

7 (c) The upland value used to calculate the rent for a qualifying  
8 marina under (b) of this subsection will be a value that is forty-five  
9 percent above the average of the upland values, as determined under RCW  
10 79.105.240, of all the marinas within a five-mile radius centered on  
11 that marina.

12 (13) \$780,000 of the forest practices application account--state  
13 appropriation, \$18,000 of the forest development account--state  
14 appropriation, \$23,000 of the resources management cost account--state  
15 appropriation, and \$2,000 of the surface mining reclamation account--  
16 state appropriation are provided solely for the implementation of  
17 Second Engrossed Substitute Senate Bill No. 6406 (state natural  
18 resources). If the bill is not enacted by June 30, 2012, the amounts  
19 provided in this subsection shall lapse.

20 **Sec. 309.** 2011 2nd sp.s. c 9 s 309 (uncodified) is amended to read  
21 as follows:

22 **FOR THE DEPARTMENT OF AGRICULTURE**

23	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$15,484,000</del> ))
24		<u>\$15,434,000</u>
25	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$14,875,000</del> ))
26		<u>\$14,537,000</u>
27	General Fund--Federal Appropriation . . . . .	(( <del>\$22,940,000</del> ))
28		<u>\$22,793,000</u>
29	General Fund--Private/Local Appropriation . . . . .	\$190,000
30	Aquatic Lands Enhancement Account--State	
31	Appropriation . . . . .	(( <del>\$2,553,000</del> ))
32		<u>\$2,544,000</u>
33	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$5,118,000</del> ))
34		<u>\$5,089,000</u>
35	Water Quality Permit Account--State Appropriation . . . . .	\$60,000
36	Freshwater Aquatic Weeds Account--State Appropriation . . . . .	\$280,000
37	TOTAL APPROPRIATION . . . . .	(( <del>\$61,500,000</del> ))

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

(1) \$5,308,445 of the general fund--state appropriation for fiscal year 2012 and \$5,302,905 of the general fund--state appropriation for fiscal year 2013 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

(2) Pursuant to RCW 43.135.055, the department is authorized to increase the following fees in the 2011-2013 fiscal biennium as necessary to meet the actual costs of conducting business: Fruit and vegetable platform inspections; grain program services; warehouse audits; requested inspections; seed inspections, testing, sampling and certifications; phytosanitary certifications for seed; commission merchants; and sod quality seed tags and tagging. In addition, pursuant to RCW 43.135.055, 17.21.134, and 15.58.240, the department is authorized to establish pesticide license examination fees.

Sec. 310. 2011 2nd sp.s. c 9 s 310 (uncodified) is amended to read as follows:

FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

Pollution Liability Insurance Program Trust

Account--State Appropriation . . . . .	(( <del>\$668,000</del> ))
	<u>\$661,000</u>

Sec. 311. 2011 2nd sp.s. c 9 s 311 (uncodified) is amended to read as follows:

FOR THE PUGET SOUND PARTNERSHIP

General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,399,000</del> ))
	<u>\$2,273,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,424,000</del> ))
	<u>\$2,253,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$9,581,000</del> ))
	<u>\$12,428,000</u>
General Fund--Private/Local Appropriation . . . . .	\$25,000
Aquatic Lands Enhancement Account--State	
Appropriation . . . . .	\$493,000
State Toxics Control Account--State Appropriation . . . . .	(( <del>\$665,000</del> ))
	<u>\$658,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$15,587,000~~))  
2 \$18,130,000

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

5 (1) \$665,000 of the state toxics control account--state  
6 appropriation is provided solely for activities that contribute to  
7 Puget Sound protection and recovery, including provision of independent  
8 advice and assessment of the state's oil spill prevention,  
9 preparedness, and response programs, including review of existing  
10 activities and recommendations for any necessary improvements. The  
11 partnership may carry out this function through an existing committee,  
12 such as the ecosystem coordination board or the leadership council, or  
13 may appoint a special advisory council. Because this is a unique  
14 statewide program, the partnership may invite participation from  
15 outside the Puget Sound region.

16 (2) Within the amounts appropriated in this section, the Puget  
17 Sound partnership shall facilitate an ongoing monitoring consortium to  
18 integrate monitoring efforts for storm water, water quality, watershed  
19 health, and other indicators to enhance monitoring efforts in Puget  
20 Sound.

(End of part)

**PART IV**  
**TRANSPORTATION**

**Sec. 401.** 2011 2nd sp.s. c 9 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,167,000</del> ))
	<u>\$1,163,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,307,000</del> ))
	<u>\$1,279,000</u>
Architects' License Account--State Appropriation . . . . .	(( <del>\$1,084,000</del> ))
	<u>\$1,075,000</u>
Professional Engineers' Account--State	
Appropriation . . . . .	(( <del>\$3,518,000</del> ))
	<u>\$3,490,000</u>
Real Estate Commission Account--State Appropriation . . . . .	(( <del>\$9,833,000</del> ))
	<u>\$9,696,000</u>
Uniform Commercial Code Account--State	
Appropriation . . . . .	(( <del>\$3,120,000</del> ))
	<u>\$3,105,000</u>
Real Estate Education Account--State Appropriation . . . . .	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation . . . . .	(( <del>\$1,687,000</del> ))
	<u>\$1,656,000</u>
Business and Professions Account--State	
Appropriation . . . . .	(( <del>\$15,592,000</del> ))
	<u>\$15,609,000</u>
Real Estate Research Account--State Appropriation . . . . .	\$622,000
Geologists' Account--State Appropriation . . . . .	\$51,000
Derelict Vessel Removal Account--State Appropriation . . . . .	\$31,000
TOTAL APPROPRIATION . . . . .	(( <del>\$38,288,000</del> ))
	<u>\$38,053,000</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

1 increase fees for collection agencies. This increase is necessary to  
2 support the expenditures authorized in this section, consistent with  
3 RCW 43.24.086.

4 (2) \$8,000 of the business and professions account--state  
5 appropriation is provided solely to implement Substitute Senate Bill  
6 No. 5574 (collection agencies).

7 (3) \$150,000 of the business and professions account--state  
8 appropriation is provided solely to implement Substitute House Bill No.  
9 2301 (mixed martial arts, boxing, martial arts, and wrestling).  
10 Pursuant to RCW 43.135.055 and 43.24.086, the department is authorized  
11 to charge and increase fees to defray the cost of administering the  
12 program, consistent with RCW 67.08.105. If the bill is not enacted by  
13 June 30, 2012, the amount provided in this subsection shall lapse.

14 (4) Pursuant to RCW 43.135.055 and 43.24.086, the department is  
15 authorized to increase fees for the camping resort program. This  
16 increase is necessary to support the expenditures authorized in this  
17 section, consistent with RCW 19.105.411.

18 **Sec. 402.** 2011 2nd sp.s. c 9 s 402 (uncodified) is amended to read  
19 as follows:

20 **FOR THE STATE PATROL**

21	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$37,352,000</del> ))
22		<u>\$35,395,000</u>
23	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$35,108,000</del> ))
24		<u>\$32,323,000</u>
25	General Fund--Federal Appropriation . . . . .	\$16,081,000
26	General Fund--Private/Local Appropriation . . . . .	\$3,021,000
27	Death Investigations Account--State Appropriation . . .	(( <del>\$5,551,000</del> ))
28		<u>\$5,537,000</u>
29	County Criminal Justice Assistance Account--State	
30	Appropriation . . . . .	(( <del>\$3,215,000</del> ))
31		<u>\$3,207,000</u>
32	Municipal Criminal Justice Assistance Account--State	
33	Appropriation . . . . .	(( <del>\$1,290,000</del> ))
34		<u>\$1,286,000</u>
35	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
36	Disaster Response Account--State Appropriation . . . . .	\$8,002,000
37	Fire Service Training Account--State Appropriation . . .	(( <del>\$9,394,000</del> ))



1		<u>\$9,386,000</u>
2	Aquatic Invasive Species Enforcement Account--State	
3	Appropriation . . . . .	\$54,000
4	State Toxics Control Account--State Appropriation . . . . .	\$505,000
5	Fingerprint Identification Account--State	
6	Appropriation . . . . .	(( <del>\$10,090,000</del> ))
7		<u>\$10,067,000</u>
8	Vehicle License Fraud Account--State Appropriation . . . . .	(( <del>\$339,000</del> ))
9		<u>\$437,000</u>
10	TOTAL APPROPRIATION . . . . .	(( <del>\$130,133,000</del> ))
11		<u>\$125,432,000</u>

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

14       (1) \$200,000 of the fire service training account--state  
15 appropriation is provided solely for two FTEs in the office of the  
16 state director of fire protection to exclusively review K-12  
17 construction documents for fire and life safety in accordance with the  
18 state building code. It is the intent of this appropriation to provide  
19 these services only to those districts that are located in counties  
20 without qualified review capabilities.

21       (2) \$8,000,000 of the disaster response account--state  
22 appropriation is provided solely for Washington state fire service  
23 resource mobilization costs incurred in response to an emergency or  
24 disaster authorized under RCW 43.43.960 and 43.43.964. The state  
25 patrol shall submit a report quarterly to the office of financial  
26 management and the legislative fiscal committees detailing information  
27 on current and planned expenditures from this account. This work shall  
28 be done in coordination with the military department.

29       (3) \$400,000 of the fire service training account--state  
30 appropriation is provided solely for the firefighter apprenticeship  
31 training program.

32       (4) In accordance with RCW 43.43.742 the state patrol is authorized  
33 to increase the following fees in fiscal year 2012 as necessary to meet  
34 the actual costs of conducting business and the appropriation levels in  
35 this section: Notary service fee.

36       (5) \$59,000 of the fingerprint identification account--state  
37 appropriation is provided solely for implementation of Engrossed Second

1 Substitute House Bill No. 1776 (child care center licensing). If the  
2 bill is not enacted by June 30, 2011, the amount provided in this  
3 subsection shall lapse.

4 (6) \$6,000 of the fingerprint identification account--state  
5 appropriation is provided solely for implementation of Engrossed  
6 Substitute House Bill No. 1494 (vulnerable adult referrals). If the  
7 bill is not enacted by June 30, 2011, the amount provided in this  
8 subsection shall lapse.

9 (7) \$1,000 of the fingerprint identification account--state  
10 appropriation is provided solely for implementation of Engrossed Senate  
11 Bill No. 6296 (background checks). If the bill is not enacted by June  
12 30, 2012, the amount provided in this subsection shall lapse.

(End of part)

**PART V**  
**EDUCATION**

**Sec. 501.** 2011 2nd sp.s. c 9 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$25,406,000</del> ))
	<u>\$25,322,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$22,502,000</del> ))
	<u>\$27,133,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$77,065,000</del> ))
	<u>\$77,011,000</u>
General Fund--Private/Local Appropriation . . . . .	\$4,000,000
TOTAL APPROPRIATION . . . . .	(( <del>\$128,973,000</del> ))
	<u>\$133,466,000</u>

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

(1) A maximum of ((~~\$16,139,000~~)) \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$13,335,000~~)) \$14,875,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) ((~~\$9,775,000~~)) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$8,532,000~~)) \$8,169,000 of the general fund--state appropriation for fiscal year 2013 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 (1)(a), 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) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

1 (iii) Within the amounts provided, and in consultation with the  
2 public school employees of Washington and the Washington school  
3 counselors' association, the office of the superintendent of public  
4 instruction shall develop a model policy that further defines the  
5 recommended roles and responsibilities of graduation coaches and  
6 identifies best practices for how graduation coaches work in  
7 coordination with school counselors and in the context of a  
8 comprehensive school guidance and counseling program.

9 (iv) The office of the superintendent of public instruction shall,  
10 no later than August 1, 2011, establish a standard statewide definition  
11 of unexcused absence. The definition shall be reported to the ways and  
12 means committees of the senate and house of representatives for  
13 legislative review in the 2012 legislative session. Beginning no later  
14 than January 1, 2012, districts shall report to the office of the  
15 superintendent of public instruction, daily student unexcused absence  
16 data by school.

17 (b) \$1,964,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$1,017,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for activities associated with the  
20 implementation of new school finance systems required by chapter 236,  
21 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009  
22 (state's education system), including technical staff, systems  
23 reprogramming, and workgroup deliberations, including the quality  
24 education council and the data governance working group.

25 (c) \$851,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$851,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for the operation and expenses of  
28 the state board of education, including basic education assistance  
29 activities.

30 (d) \$1,744,000 of the general fund--state appropriation for fiscal  
31 year 2012 and (~~(\$1,362,000)~~) \$1,387,000 of the general fund--state  
32 appropriation for fiscal year 2013 are provided solely to the  
33 professional educator standards board for the following:

34 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year  
35 2013 are for the operation and expenses of the Washington professional  
36 educator standards board; and

37 (ii) \$694,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$312,000 of the general fund--state appropriation for

1 fiscal year 2013 are for conditional scholarship loans and mentor  
2 stipends provided through the alternative routes to certification  
3 program administered by the professional educator standards board,  
4 including the pipeline for paraeducators program and the retooling to  
5 teach conditional loan programs. Funding within this subsection  
6 (1)(d)(ii) is also provided for the recruiting Washington teachers  
7 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-  
8 2013 fiscal biennium are intended to be one-time; and

9 (iii) \$25,000 of the general fund--state appropriation for fiscal  
10 year 2013 is provided solely for the professional educator standards  
11 board to develop educator interpreter standards and identify  
12 interpreter assessments that are available to school districts.  
13 Interpreter assessments should meet the following criteria: (A)  
14 Include both written assessment and performance assessment; (B) be  
15 offered by a national organization of professional sign language  
16 interpreters and transliterators; and (C) be designed to assess  
17 performance in more than one sign system or sign language. The board  
18 shall establish a performance standard, defining what constitutes a  
19 minimum assessment result, for each educational interpreter assessment  
20 identified. The board shall publicize the standards and assessments  
21 for school district use.

22 (e) \$133,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$133,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for the implementation of chapter  
25 240, Laws of 2010, including staffing the office of equity and civil  
26 rights.

27 (f) \$50,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$50,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for the ongoing work of the  
30 education opportunity gap oversight and accountability committee.

31 (g) \$45,000 of the general fund--state appropriation for fiscal  
32 year 2012 and \$45,000 of the general fund--state appropriation for  
33 fiscal year 2013 are provided solely for the implementation of chapter  
34 380, Laws of 2009 (enacting the interstate compact on educational  
35 opportunity for military children).

36 (h) \$159,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$93,000 of the general fund--state appropriation for  
38 fiscal year 2013 are provided solely for the implementation of chapter

1 185, Laws of 2011 (bullying prevention), which requires the office of  
2 the superintendent of public instruction to convene an ongoing  
3 workgroup on school bullying and harassment prevention. Within the  
4 amounts provided, \$140,000 is for youth suicide prevention activities.

5 (i) \$1,227,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$1,227,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for implementing a comprehensive  
8 data system to include financial, student, and educator data, including  
9 development and maintenance of the comprehensive education data and  
10 research system (CEDARS).

11 (j) \$25,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$25,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely for project citizen, a program  
14 sponsored by the national conference of state legislatures and the  
15 center for civic education to promote participation in government by  
16 middle school students.

17 (k) \$166,000 of the general fund--state appropriation for fiscal  
18 year 2012 is provided solely for the implementation of chapter 192,  
19 Laws of 2011 (school district insolvency). Funding is provided to  
20 develop a clear legal framework and process for dissolution of a school  
21 district.

22 (l) \$1,500,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely for implementation of House Bill No. 2799  
24 (collaborative schools). If such legislation is not enacted by June  
25 30, 2012, the amount provided in this subsection shall lapse.

26 (m) \$128,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely pursuant to Substitute House Bill No. 2254  
28 (foster care outcomes). The office of the superintendent of public  
29 instruction shall report on the implementation of the state's plan of  
30 cross-system collaboration to promote educational stability and improve  
31 education outcomes of foster youth. The first report is due December  
32 1, 2012, and annually thereafter through 2015. If the bill is not  
33 enacted by June 30, 2012, the amount provided in this subsection shall  
34 lapse.

35 (n) \$250,000 of the general fund--state appropriation for fiscal  
36 year 2013 is provided solely for implementation of House Bill No. 2337  
37 (open K-12 education resources). If the bill is not enacted by June  
38 30, 2012, the amount provided in this subsection shall lapse.

1 (2) \$9,267,000 of the general fund--state appropriation for fiscal  
2 year 2012 and (~~\$9,167,000~~) \$12,267,000 of the general fund--state  
3 appropriation for fiscal year 2013 are for statewide programs.

4 (a) HEALTH AND SAFETY

5 (i) \$2,541,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$2,541,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for a corps of nurses located at  
8 educational service districts, as determined by the superintendent of  
9 public instruction, to be dispatched to the most needy schools to  
10 provide direct care to students, health education, and training for  
11 school staff.

12 (ii) \$50,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$50,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for a nonviolence and leadership  
15 training program provided by the institute for community leadership.

16 (b) TECHNOLOGY

17 \$1,221,000 of the general fund--state appropriation for fiscal year  
18 2012 and \$1,221,000 of the general fund--state appropriation for fiscal  
19 year 2013 are provided solely for K-20 telecommunications network  
20 technical support in the K-12 sector to prevent system failures and  
21 avoid interruptions in school utilization of the data processing and  
22 video-conferencing capabilities of the network. These funds may be  
23 used to purchase engineering and advanced technical support for the  
24 network.

25 (c) GRANTS AND ALLOCATIONS

26 (i) \$675,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$675,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for the Washington state achievers  
29 scholarship program. The funds shall be used to support community  
30 involvement officers that recruit, train, and match community volunteer  
31 mentors with students selected as achievers scholars.

32 (ii) \$1,000,000 of the general fund--state appropriation for fiscal  
33 year 2012 and \$1,000,000 of the general fund--state appropriation for  
34 fiscal year 2013 are provided solely for contracting with a college  
35 scholarship organization with expertise in conducting outreach to  
36 students concerning eligibility for the Washington college bound  
37 scholarship consistent with chapter 405, Laws of 2007.

1 (iii) \$2,808,000 of the general fund--state appropriation for  
2 fiscal year 2012 and \$2,808,000 of the general fund--state  
3 appropriation for fiscal year 2013 are provided solely for the  
4 dissemination of the navigation 101 curriculum to all districts. The  
5 funding shall support electronic student planning tools and software  
6 for analyzing the impact of navigation 101 on student performance, as  
7 well as grants to a maximum of one hundred school districts each year,  
8 based on progress and need for the implementation of the navigation 101  
9 program. The implementation grants shall be awarded to a cross-section  
10 of school districts reflecting a balance of geographic and demographic  
11 characteristics. Within the amounts provided, the office of the  
12 superintendent of public instruction will create a navigation 101  
13 accountability model to analyze the impact of the program.

14 (iv) \$337,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$337,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for implementation of the building  
17 bridges statewide program for comprehensive dropout prevention,  
18 intervention, and reengagement strategies.

19 (v) \$135,000 of the general fund--state appropriation for fiscal  
20 year 2012 and \$135,000 of the general fund--state appropriation for  
21 fiscal year 2013 are provided solely for dropout prevention programs at  
22 the office of the superintendent of public instruction, including the  
23 jobs for America's graduates (JAG) program.

24 (vi) \$500,000 of the general fund--state appropriation for fiscal  
25 year 2012 and (~~(\$400,000)~~) \$1,400,000 of the general fund--state  
26 appropriation for fiscal year 2013 are provided solely for the  
27 implementation of chapter 340, Laws of 2011 (assessment of students in  
28 state-funded full-day kindergarten classrooms), including the  
29 development and implementation of the Washington kindergarten inventory  
30 of developing skills (WaKIDS). Of the amounts in this subsection,  
31 \$1,000,000 of the fiscal year 2013 appropriation is for the  
32 implementation of House Bill No. 2586 (kindergarten inventory). If the  
33 bill is not enacted by June 30, 2012, this amount shall lapse.

34 (vii) \$2,000,000 of the general fund--state appropriation for  
35 fiscal year 2013 is provided solely for an urban school turnaround  
36 initiative as follows:

37 (A) The office of the superintendent of public instruction shall  
38 select two schools in the largest urban school district in the state.



1 The selected schools shall be among the state's lowest-performing  
2 schools; be located within the same community and form a continuum of  
3 education for the students in that community; have significant  
4 educational achievement gaps; and include a mix of elementary, middle,  
5 or high schools.

6 (B) The office shall allocate the funds under this subsection (vii)  
7 to the school district to be used exclusively in the selected schools.  
8 The district may not charge an overhead or indirect fee for the  
9 allocated funds or supplant other state, federal, or local funds in the  
10 selected schools. The school district shall use the funds for  
11 intensive supplemental instruction, services, and materials in the  
12 selected schools in the 2012-13 school year, including but not limited  
13 to professional development for school staff; updated curriculum,  
14 materials, and technology; extended learning opportunities for  
15 students; reduced class size; summer enrichment activities;  
16 school-based health clinics; and other research-based initiatives to  
17 dramatically turn around the performance and close the achievement gap  
18 in the schools. Priorities for the expenditure of the funds shall be  
19 determined by the leadership and staff of each school.

20 (C) The office shall monitor the activities in the selected schools  
21 and the expenditure of funds to ensure the intent of this subsection  
22 (vii) is met, and submit a report to the legislature by December 1,  
23 2013, including outcomes resulting from the urban school turnaround  
24 initiative. The report submitted to the legislature must include a  
25 comparison of student learning achievement in the selected schools with  
26 schools of comparable demographics that have not participated in the  
27 grant program.

28 (D) Funding provided in this subsection (vii) is intended to be  
29 one-time.

30 (viii) \$100,000 of the general fund--state appropriation for fiscal  
31 year 2013 is provided solely to subsidize advanced placement exam fees  
32 and international baccalaureate class fees and exam fees for low-income  
33 students. To be eligible for the subsidy, a student must be either  
34 enrolled or eligible to participate in the federal free or reduced  
35 price lunch program, and the student must have maximized the allowable  
36 federal contribution. The office of the superintendent of public  
37 instruction shall set the subsidy in an amount so that the advanced

1 placement exam fee does not exceed \$15.00 and the combined class and  
2 exam fee for the international baccalaureate does not exceed \$14.50.

3 **Sec. 502.** 2011 2nd sp.s. c 9 s 502 (uncodified) is amended to read  
4 as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**  
6 **APPORTIONMENT**

7	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$5,253,769,000</del> ))
8		<u>\$5,241,233,000</u>
9	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$5,205,868,000</del> ))
10		<u>\$5,170,854,000</u>
11	General Fund--Federal Appropriation . . . . .	(( <del>\$22,078,000</del> ))
12		<u>\$22,327,000</u>
13	TOTAL APPROPRIATION . . . . .	(( <del>\$10,481,715,000</del> ))
14		<u>\$10,434,414,000</u>

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

17 (1)(a) Each general fund fiscal year appropriation includes such  
18 funds as are necessary to complete the school year ending in the fiscal  
19 year and for prior fiscal year adjustments.

20 (b) For the 2011-12 and 2012-13 school years, the superintendent  
21 shall allocate general apportionment funding to school districts as  
22 provided in the funding formulas and salary schedules in sections 502  
23 and 503 of this act, excluding (c) of this subsection.

24 (c) From July 1, 2011 to August 31, 2011, the superintendent shall  
25 allocate general apportionment funding to school districts programs as  
26 provided in sections 502 and 504, chapter 564, Laws of 2009, as amended  
27 through sections 1402 and 1403 of this act.

28 (d) The appropriations in this section include federal funds  
29 provided through section 101 of P.L. No. 111-226 (education jobs fund),  
30 which shall be used to support general apportionment program funding.  
31 In distributing general apportionment allocations under this section  
32 for the 2011-12 school year, the superintendent shall include the  
33 additional amount of ((~~\$3,078,000~~)) \$3,327,000 allocated by the United  
34 States department of education on September 16, 2011, provided through  
35 101 of P.L. No. 111-226 (education jobs fund) as part of each  
36 district's general apportionment allocation.

1 (e) The enrollment of any district shall be the annual average  
2 number of full-time equivalent students and part-time students as  
3 provided in RCW 28A.150.350, enrolled on the fourth day of school in  
4 September and on the first school day of each month October through  
5 June, including students who are in attendance pursuant to RCW  
6 28A.335.160 and 28A.225.250 who do not reside within the servicing  
7 school district. Any school district concluding its basic education  
8 program in May must report the enrollment of the last school day held  
9 in May in lieu of a June enrollment.

10 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

11 Allocations for certificated instructional staff salaries for the  
12 2011-12 and 2012-13 school years are determined using formula-generated  
13 staff units calculated pursuant to this subsection.

14 (a) Certificated instructional staff units, as defined in RCW  
15 28A.150.410, shall be allocated to reflect the minimum class size  
16 allocations, requirements, and school prototypes assumptions as  
17 provided in RCW 28A.150.260. The superintendent shall make allocations  
18 to school districts based on the district's annual average full-time  
19 equivalent student enrollment in each grade.

20 (b) Additional certificated instructional staff units provided in  
21 this subsection (2) that exceed the minimum requirements in RCW  
22 28A.150.260 are enhancements outside the program of basic education,  
23 except as otherwise provided in this section.

24 (c)(i) The superintendent shall base allocations for each level of  
25 prototypical school on the following regular education average class  
26 size of full-time equivalent students per teacher, except as provided  
27 in (c)(ii) of this subsection:

28 General education class size:

29 Grade	RCW 28A.150.260
30 Grades K-3 .....	25.23
31 Grade 4 .....	27.00
32 Grades 5-6 .....	27.00
33 Grades 7-8 .....	28.53
34 Grades 9-12 .....	28.74

1 The superintendent shall base allocations for career and technical  
2 education (CTE) and skill center programs average class size as  
3 provided in RCW 28A.150.260.

4 (ii) For each level of prototypical school at which more than fifty  
5 percent of the students were eligible for free and reduced-price meals  
6 in the prior school year, the superintendent shall allocate funding  
7 based on the following average class size of full-time equivalent  
8 students per teacher:

9	General education class size in high poverty	
10	school:	
11	Grades K-3	24.10
12	Grade 4	27.00
13	Grades 5-6	27.00
14	Grades 7-8	28.53
15	Grades 9-12	28.74

16 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher  
17 planning period, expressed as a percentage of a teacher work day, is  
18 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

19 (iv) Laboratory science, advanced placement, and international  
20 baccalaureate courses are funded at the same class size assumptions as  
21 general education schools in the same grade; and

22 (d)(i) Funding for teacher librarians, school nurses, social  
23 workers, school psychologists, and guidance counselors is allocated  
24 based on the school prototypes as provided in RCW 28A.150.260 and is  
25 considered certificated instructional staff, except as provided in  
26 (d)(ii) of this subsection.

27 (ii) Students in approved career and technical education and skill  
28 center programs generate certificated instructional staff units to  
29 provide for the services of teacher librarians, school nurses, social  
30 workers, school psychologists, and guidance counselors at the following  
31 combined rate per 1000 students:

32	Career and Technical Education	
33	students . . . . .	2.02 per 1000 student FTE's
34	Skill Center students . . . . .	2.36 per 1000 student FTE's

1 (3) ADMINISTRATIVE STAFF ALLOCATIONS

2 (a) Allocations for school building-level certificated  
3 administrative staff salaries for the 2011-12 and 2012-13 school years  
4 for general education students are determined using the formula-  
5 generated staff units provided in RCW 28A.150.260, and adjusted based  
6 on a district's annual average full-time equivalent student enrollment  
7 in each grade.

8 (b) Students in approved career and technical education and skill  
9 center programs generate certificated school building-level  
10 administrator staff units at per student rates that exceed the general  
11 education rate in (a) of this subsection by the following percentages:

12 Career and Technical Education students . . . . . 2.5 percent  
13 Skill Center students . . . . . 19.75 percent

14 (4) CLASSIFIED STAFF ALLOCATIONS

15 Allocations for classified staff units providing school building-  
16 level and district-wide support services for the 2011-12 and 2012-13  
17 school years are determined using the formula-generated staff units  
18 provided in RCW 28A.150.260, and adjusted based on each district's  
19 annual average full-time equivalent student enrollment in each grade.

20  
21 (5) CENTRAL OFFICE ALLOCATIONS

22 In addition to classified and administrative staff units allocated  
23 in subsections (3) and (4) of this section, classified and  
24 administrative staff units are provided for the 2011-12 and 2012-13  
25 school year for the central office administrative costs of operating a  
26 school district, at the following rates:

27 (a) The total central office staff units provided in this  
28 subsection (5) are calculated by first multiplying the total number of  
29 eligible certificated instructional, certificated administrative, and  
30 classified staff units providing school-based or district-wide support  
31 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

32 (b) Of the central office staff units calculated in (a) of this  
33 subsection, 74.53 percent are allocated as classified staff units, as  
34 generated in subsection (4) of this section, and 25.47 percent shall be  
35 allocated as administrative staff units, as generated in subsection (3)  
36 of this section.

37 (c) Staff units generated as enhancements outside the program of  
38 basic education to the minimum requirements of RCW 28A.150.260, and

1 staff units generated by skill center and career-technical students,  
2 are excluded from the total central office staff units calculation in  
3 (a) of this subsection.

4 (d) For students in approved career-technical and skill center  
5 programs, central office classified units are allocated at the same  
6 staff unit per student rate as those generated for general education  
7 students of the same grade in this subsection (5), and central office  
8 administrative staff units are allocated at staff unit per student  
9 rates that exceed the general education rate established for students  
10 in the same grade in this subsection (5) by 3.69 percent for career and  
11 technical education students, and 21.92 percent for skill center  
12 students.

13 (6) FRINGE BENEFIT ALLOCATIONS

14 Fringe benefit allocations shall be calculated at a rate of 16.33  
15 percent in the 2011-12 school year and (~~16.33~~) 16.34 percent in the  
16 2012-13 school year for certificated salary allocations provided under  
17 subsections (2), (3), and (5) of this section, and a rate of 18.73  
18 percent in the 2011-12 school year and 18.73 percent in the 2012-13  
19 school year for classified salary allocations provided under  
20 subsections (4) and (5) of this section.

21  
22 (7) INSURANCE BENEFIT ALLOCATIONS

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

26 (a) The number of certificated staff units determined in  
27 subsections (2), (3), and (5) of this section; and

28 (b) The number of classified staff units determined in subsections  
29 (4) and (5) of this section multiplied by 1.152. This factor is  
30 intended to adjust allocations so that, for the purposes of  
31 distributing insurance benefits, full-time equivalent classified  
32 employees may be calculated on the basis of 1440 hours of work per  
33 year, with no individual employee counted as more than one full-time  
34 equivalent.

35 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

36 Funding is allocated per annual average full-time equivalent  
37 student for the materials, supplies, and operating costs (MSOC)

1 incurred by school districts, consistent with the requirements of RCW  
2 28A.150.260.

3 (a) MSOC funding for general education students are allocated at  
4 the following per student rates:

5 MSOC RATES/STUDENT FTE

6 MSOC Component	7 2011-12	8 2012-13
	9 SCHOOL YEAR	SCHOOL YEAR
10 Technology	\$57.42	<del>(\$58.17)</del> <u>\$58.28</u>
11 Utilities and Insurance	\$156.03	<del>(\$158.05)</del> <u>\$158.37</u>
12 Curriculum and Textbooks	\$61.65	<del>(\$62.45)</del> <u>\$62.58</u>
13 Other Supplies and Library Materials	\$130.89	<del>(\$132.59)</del> <u>\$132.85</u>
14 Instructional Professional Development for Certificated 15 and Classified Staff	\$9.53	<del>(\$9.66)</del> <u>\$9.68</u>
16 Facilities Maintenance	\$77.30	<del>(\$78.30)</del> <u>\$78.46</u>
17 Security and Central Office	\$53.55	<del>(\$54.25)</del> <u>\$54.35</u>
18 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	<del>(\$553.47)</del> <u>\$554.57</u>

19 (b) Students in approved skill center programs generate per student  
20 FTE MSOC allocations which equal the rate for general education  
21 students calculated in (a) of this subsection, multiplied by a factor  
22 of 2.171.

23 (c) Students in approved exploratory and preparatory career and  
24 technical education programs generate a per student MSOC allocation  
25 that is equal to the rate for general education students calculated in  
26 (a) of this subsection, multiplied by a factor of 2.442.

27 (d) Students in laboratory science courses generate per student FTE  
28 MSOC allocations which equal the per student FTE rate for general  
29 education students established in (a) of this subsection.

30 (9) SUBSTITUTE TEACHER ALLOCATIONS

31 For the 2011-12 and 2012-13 school years, funding for substitute  
32 costs for classroom teachers is based on four (4) funded substitute  
33 days per classroom teacher unit generated under subsection (2) of this  
34 section, at a daily substitute rate of \$151.86.

1 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

2 (a) Amounts provided in this section are adjusted to reflect  
3 provisions of House Bill No. 2065 (allocation of funding for funding  
4 for students enrolled in alternative learning experiences).

5 (b) The superintendent of public instruction shall require all  
6 districts receiving general apportionment funding for alternative  
7 learning experience (ALE) programs as defined in WAC 392-121-182 to  
8 provide separate financial accounting of expenditures for the ALE  
9 programs offered in district or with a provider, including but not  
10 limited to private companies and multidistrict cooperatives, as well as  
11 accurate, monthly headcount and FTE enrollment claimed for basic  
12 education, including separate counts of resident and nonresident  
13 students.

14 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

15 Funding in this section is sufficient to fund voluntary full day  
16 kindergarten programs in qualifying high poverty schools, pursuant to  
17 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls  
18 for the voluntary full-day program in a qualifying school shall count  
19 as one-half of one full-time equivalent student for purpose of making  
20 allocations under this section. Funding in this section provides full-  
21 day kindergarten programs for 21 percent of kindergarten enrollment in  
22 the 2011-12 school year, and 22 percent in the 2012-13 school year.  
23 Funding priority shall be given to schools with the highest poverty  
24 levels, as measured by prior year free and reduced price lunch  
25 eligibility rates in each school. Funding in this section is  
26 sufficient to fund voluntary full day kindergarten programs for July  
27 and August of the 2010-11 school year.

28 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND  
29 NECESSARY PLANTS

30 For small school districts and remote and necessary school plants  
31 within any district which have been judged to be remote and necessary  
32 by the superintendent of public instruction, additional staff units are  
33 provided to ensure a minimum level of staffing support. Additional  
34 administrative and certificated instructional staff units provided to  
35 districts in this subsection shall be reduced by the general education  
36 staff units, excluding career and technical education and skills center



1 enhancement units, otherwise provided in subsections (2) through (5) of  
2 this section on a per district basis.

3 (a) For districts enrolling not more than twenty-five average  
4 annual full-time equivalent students in grades K-8, and for small  
5 school plants within any school district which have been judged to be  
6 remote and necessary by the superintendent of public instruction and  
7 enroll not more than twenty-five average annual full-time equivalent  
8 students in grades K-8:

9 (i) For those enrolling no students in grades 7 and 8, 1.76  
10 certificated instructional staff units and 0.24 certificated  
11 administrative staff units for enrollment of not more than five  
12 students, plus one-twentieth of a certificated instructional staff unit  
13 for each additional student enrolled; and

14 (ii) For those enrolling students in grades 7 or 8, 1.68  
15 certificated instructional staff units and 0.32 certificated  
16 administrative staff units for enrollment of not more than five  
17 students, plus one-tenth of a certificated instructional staff unit for  
18 each additional student enrolled;

19 (b) For specified enrollments in districts enrolling more than  
20 twenty-five but not more than one hundred average annual full-time  
21 equivalent students in grades K-8, and for small school plants within  
22 any school district which enroll more than twenty-five average annual  
23 full-time equivalent students in grades K-8 and have been judged to be  
24 remote and necessary by the superintendent of public instruction:

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

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

31 (c) For districts operating no more than two high schools with  
32 enrollments of less than three hundred average annual full-time  
33 equivalent students, for enrollment in grades 9-12 in each such school,  
34 other than alternative schools, except as noted in this subsection:

35 (i) For remote and necessary schools enrolling students in any  
36 grades 9-12 but no more than twenty-five average annual full-time  
37 equivalent students in grades K-12, four and one-half certificated

1 instructional staff units and one-quarter of a certificated  
2 administrative staff unit;

3 (ii) For all other small high schools under this subsection, nine  
4 certificated instructional staff units and one-half of a certificated  
5 administrative staff unit for the first sixty average annual full-time  
6 equivalent students, and additional staff units based on a ratio of  
7 0.8732 certificated instructional staff units and 0.1268 certificated  
8 administrative staff units per each additional forty-three and one-half  
9 average annual full-time equivalent students;

10 (iii) Districts receiving staff units under this subsection shall  
11 add students enrolled in a district alternative high school and any  
12 grades nine through twelve alternative learning experience programs  
13 with the small high school enrollment for calculations under this  
14 subsection;

15 (d) For each nonhigh school district having an enrollment of more  
16 than seventy annual average full-time equivalent students and less than  
17 one hundred eighty students, operating a grades K-8 program or a grades  
18 1-8 program, an additional one-half of a certificated instructional  
19 staff unit;

20 (e) For each nonhigh school district having an enrollment of more  
21 than fifty annual average full-time equivalent students and less than  
22 one hundred eighty students, operating a grades K-6 program or a grades  
23 1-6 program, an additional one-half of a certificated instructional  
24 staff unit;

25 (f)(i) For enrollments generating certificated staff unit  
26 allocations under (a) through (e) of this subsection, one classified  
27 staff unit for each 2.94 certificated staff units allocated under such  
28 subsections;

29 (ii) For each nonhigh school district with an enrollment of more  
30 than fifty annual average full-time equivalent students and less than  
31 one hundred eighty students, an additional one-half of a classified  
32 staff unit; and

33 (g) School districts receiving additional staff units to support  
34 small student enrollments and remote and necessary plants under  
35 subsection (12) of this section shall generate additional MSOC  
36 allocations consistent with the nonemployee related costs (NERC)  
37 allocation formula in place for the 2010-11 school year as provided

1 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental  
2 budget), adjusted annually for inflation.

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

12 (14) The superintendent may distribute funding for the following  
13 programs outside the basic education formula during fiscal years 2012  
14 and 2013 as follows:

15 (a) \$589,000 of the general fund--state appropriation for fiscal  
16 year 2012 and (~~(\$597,000)~~) \$598,000 of the general fund--state  
17 appropriation for fiscal year 2013 are provided solely for fire  
18 protection for school districts located in a fire protection district  
19 as now or hereafter established pursuant to chapter 52.04 RCW.

20 (b) \$436,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$436,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for programs providing skills  
23 training for secondary students who are enrolled in extended day  
24 school-to-work programs, as approved by the superintendent of public  
25 instruction. The funds shall be allocated at a rate not to exceed \$500  
26 per full-time equivalent student enrolled in those programs.

27 (c) Funding in this section is sufficient to fund adjustments to  
28 school districts' allocations resulting from the implementation of the  
29 prototypical school funding formula, pursuant to chapter 236, Laws of  
30 2010 (K-12 education funding). The funding in this section is intended  
31 to hold school districts harmless in total for funding changes  
32 resulting from conversion to the prototypical school formula in the  
33 general apportionment program, the learning assistance program, the  
34 transitional bilingual program, and the highly capable program, after  
35 adjustment for changes in enrollment and other caseload adjustments.

36 (15) \$208,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$211,000 of the general fund--state appropriation for  
38 fiscal year 2013 are provided solely for school district emergencies as

1 certified by the superintendent of public instruction. At the close of  
2 the fiscal year the superintendent of public instruction shall report  
3 to the office of financial management and the appropriate fiscal  
4 committees of the legislature on the allocations provided to districts  
5 and the nature of the emergency.

6 (16) Funding in this section is sufficient to fund a maximum of  
7 1.6 FTE enrollment for skills center students pursuant to chapter 463,  
8 Laws of 2007.

9 (17) Beginning in the 2011-12 school year, students participating  
10 in running start programs may be funded up to a combined maximum  
11 enrollment of 1.2 FTE including school district and institution of  
12 higher education enrollment. In calculating the combined 1.2 FTE, the  
13 office of the superintendent of public instruction may average the  
14 participating student's September through June enrollment to account  
15 for differences in the start and end dates for courses provided by the  
16 high school and higher education institution. Additionally, the office  
17 of the superintendent of public instruction, in consultation with the  
18 state board for community and technical colleges, the higher education  
19 coordinating board, and the education data center, shall annually track  
20 and report to the fiscal committees of the legislature on the combined  
21 FTE experience of students participating in the running start program,  
22 including course load analyses at both the high school and community  
23 and technical college system.

24 (18) If two or more school districts consolidate and each district  
25 was receiving additional basic education formula staff units pursuant  
26 to subsection (12) of this section, the following apply:

27 (a) For three school years following consolidation, the number of  
28 basic education formula staff units shall not be less than the number  
29 of basic education formula staff units received by the districts in the  
30 school year prior to the consolidation; and

31 (b) For the fourth through eighth school years following  
32 consolidation, the difference between the basic education formula staff  
33 units received by the districts for the school year prior to  
34 consolidation and the basic education formula staff units after  
35 consolidation pursuant to subsection (12) of this section shall be  
36 reduced in increments of twenty percent per year.

37 (19)(a) Indirect cost charges by a school district to approved  
38 career and technical education middle and secondary programs shall not

1 exceed 15 percent of the combined basic education and career and  
2 technical education program enhancement allocations of state funds.  
3 Middle and secondary career and technical education programs are  
4 considered separate programs for funding and financial reporting  
5 purposes under this section.

6 (b) Career and technical education program full-time equivalent  
7 enrollment shall be reported on the same monthly basis as the  
8 enrollment for students eligible for basic support, and payments shall  
9 be adjusted for reported career and technical education program  
10 enrollments on the same monthly basis as those adjustments for  
11 enrollment for students eligible for basic support.

12 **Sec. 503.** 2011 2nd sp.s. c 9 s 503 (uncodified) is amended to read  
13 as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**  
15 **COMPENSATION**

16 (1) The following calculations determine the salaries used in the  
17 state allocations for certificated instructional, certificated  
18 administrative, and classified staff units as provided in RCW  
19 28A.150.280 and under section 503 of this act:

20 (a) Salary allocations for certificated instructional staff units  
21 are determined for each district by multiplying the district's  
22 certificated instructional total base salary shown on LEAP Document 2  
23 by the district's average staff mix factor for certificated  
24 instructional staff in that school year, computed using LEAP document  
25 1; and

26 (b) Salary allocations for certificated administrative staff units  
27 and classified staff units for each district are determined based on  
28 the district's certificated administrative and classified salary  
29 allocation amounts shown on LEAP Document 2.

30 (2) For the purposes of this section:

31 (a) "LEAP Document 1" means the staff mix factors for certificated  
32 instructional staff according to education and years of experience, as  
33 developed by the legislative evaluation and accountability program  
34 committee on May 23, 2011, at 16:10 hours; and

35 (b) "LEAP Document 2" means the school year salary allocations for  
36 certificated administrative staff and classified staff and derived and

1 total base salaries for certificated instructional staff as developed  
 2 by the legislative evaluation and accountability program committee on  
 3 May 23, 2011, at 16:10 hours.

4 (3) Incremental fringe benefit factors are applied to salary  
 5 adjustments at a rate of 15.69 percent for school year 2011-12 and  
 6 ((15.69)) 15.70 percent for school year 2012-13 for certificated  
 7 instructional and certificated administrative staff and 15.23 percent  
 8 for school year 2011-12 and 15.23 percent for the 2012-13 school year  
 9 for classified staff.

10 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary  
 11 allocation schedules for certificated instructional staff are  
 12 established for basic education salary allocations:

13 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12

14 \*\*\*Education Experience\*\*\*

15	16									
17	Years									
18	of									
19	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90
20	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
21	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
22	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
23	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
24	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
25	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
26	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
27	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
28	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
29	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
30	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
31	11				45,883	49,169	51,558	49,295	52,581	54,969
32	12				47,332	50,777	53,238	50,850	54,188	56,650
33	13					52,425	54,959	52,460	55,836	58,370
34	14					54,081	56,745	54,117	57,600	60,157
35	15					55,488	58,221	55,523	59,098	61,721
	16 or more					56,597	59,385	56,634	60,279	62,955

1 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13

2 \*\*\*Education Experience\*\*\*

3	4									MA+90
5	6									OR
7	8	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
9	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
10	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
11	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
12	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
13	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
14	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
15	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
16	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
17	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
18	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
19	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
20	11				45,883	49,169	51,558	49,295	52,581	54,969
21	12				47,332	50,777	53,238	50,850	54,188	56,650
22	13					52,425	54,959	52,460	55,836	58,370
23	14					54,081	56,745	54,117	57,600	60,157
24	15					55,488	58,221	55,523	59,098	61,721
25	16 or more					56,597	59,385	56,634	60,279	62,955

26 (b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

27 (c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

- 28 (i) Credits earned since receiving the masters degree; and
- 29 (ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

30 (5) For the purposes of this section:

- 1 (a) "BA" means a baccalaureate degree.
- 2 (b) "MA" means a masters degree.
- 3 (c) "PHD" means a doctorate degree.
- 4 (d) "Years of service" shall be calculated under the same rules
- 5 adopted by the superintendent of public instruction.
- 6 (e) "Credits" means college quarter hour credits and equivalent
- 7 in-service credits computed in accordance with RCW 28A.415.020 and
- 8 28A.415.023.
- 9 (6) No more than ninety college quarter-hour credits received by
- 10 any employee after the baccalaureate degree may be used to determine
- 11 compensation allocations under the state salary allocation schedule and
- 12 LEAP documents referenced in this part V, or any replacement schedules
- 13 and documents, unless:
- 14 (a) The employee has a masters degree; or
- 15 (b) The credits were used in generating state salary allocations
- 16 before January 1, 1992.
- 17 (7) The salary allocation schedules established in this section are
- 18 for allocation purposes only except as provided in RCW 28A.400.200(2).

19 **Sec. 504.** 2011 2nd sp.s. c 9 s 504 (uncodified) is amended to read  
 20 as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**  
 22 **COMPENSATION ADJUSTMENTS**

23 General Fund--Federal Appropriation . . . . . \$2,000

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

26 (1)(a) Additional salary adjustments as necessary to fund the base  
 27 salaries for certificated instructional staff as listed for each  
 28 district in LEAP Document 2, defined in section 504(2)(b) of this act.  
 29 Allocations for these salary adjustments shall be provided to all  
 30 districts that are not grandfathered to receive salary allocations  
 31 above the statewide salary allocation schedule, and to certain  
 32 grandfathered districts to the extent necessary to ensure that salary  
 33 allocations for districts that are currently grandfathered do not fall  
 34 below the statewide salary allocation schedule.

35 (b) Additional salary adjustments to certain districts as necessary  
 36 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 504(2)(b) of this act.

3 (c) Additional salary adjustments to certain districts as necessary  
4 to fund the per full-time-equivalent salary allocations for classified  
5 staff as listed for each district in LEAP Document 2, defined in  
6 section 504(2)(b) of this act.

7 (d) The appropriations in this subsection (1) include associated  
8 incremental fringe benefit allocations at 15.69 percent for the 2011-12  
9 school year and ((15.69)) 15.70 percent for the 2012-13 school year for  
10 certificated instructional and certificated administrative staff and  
11 15.23 percent for the 2011-12 school year and 15.23 percent for the  
12 2012-13 school year for classified staff.

13 (e) The appropriations in this section include the increased or  
14 decreased portion of salaries and incremental fringe benefits for all  
15 relevant state-funded school programs in part V of this act. Changes  
16 for general apportionment (basic education) are based on the salary  
17 allocation schedules and methodology in sections 503 and 504 of this  
18 act. Changes for special education result from changes in each  
19 district's basic education allocation per student. Changes for  
20 educational service districts and institutional education programs are  
21 determined by the superintendent of public instruction using the  
22 methodology for general apportionment salaries and benefits in sections  
23 503 and 504 of this act.

24 (f) The appropriations in this section include no salary  
25 adjustments for substitute teachers.

26 (2) The maintenance rate for insurance benefit allocations is  
27 \$768.00 per month for the 2011-12 and 2012-13 school years. The  
28 appropriations in this section reflect the incremental change in cost  
29 of allocating rates of \$768.00 per month for the 2011-12 school year  
30 and \$768.00 per month for the 2012-13 school year.

31 (3) The rates specified in this section are subject to revision  
32 each year by the legislature.

33 **Sec. 505.** 2011 2nd sp.s. c 9 s 505 (uncodified) is amended to read  
34 as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**  
36 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$322,033,000~~))  
37 \$322,243,000

1 General Fund--State Appropriation (FY 2013) . . . . . (~~(\$273,380,000)~~)  
2 \$273,642,000  
3 TOTAL APPROPRIATION . . . . . (~~(\$595,413,000)~~)  
4 \$595,885,000

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

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

10 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
11 shall allocate funding to school district programs for the  
12 transportation of students as provided in RCW 28A.160.192.

13 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
14 allocate funding to school districts programs for the transportation of  
15 students as provided in section 505, chapter 564, Laws of 2009, as  
16 amended through section 1404 of this act.

17 (3) Any amounts appropriated for maintenance level funding for  
18 pupil transportation that exceed actual maintenance level expenditures  
19 as calculated under the funding formula that takes effect September 1,  
20 2011, shall be distributed to districts according to RCW  
21 28A.160.192(2)(b).

22 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation  
23 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be  
24 expended for regional transportation coordinators and related  
25 activities. The transportation coordinators shall ensure that data  
26 submitted by school districts for state transportation funding shall,  
27 to the greatest extent practical, reflect the actual transportation  
28 activity of each district.

29 (5) The office of the superintendent of public instruction shall  
30 provide reimbursement funding to a school district for school bus  
31 purchases only after the superintendent of public instruction  
32 determines that the school bus was purchased from the list established  
33 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process  
34 based on the lowest price quote based on similar bus categories to  
35 those used to establish the list pursuant to RCW 28A.160.195.

36 (6) The superintendent of public instruction shall base  
37 depreciation payments for school district buses on the pre-sales tax  
38 five-year average of lowest bids in the appropriate category of bus.

1 In the final year on the depreciation schedule, the depreciation  
2 payment shall be based on the lowest bid in the appropriate bus  
3 category for that school year.

4 (7) Funding levels in this section reflect waivers granted by the  
5 state board of education for four-day school weeks as allowed under RCW  
6 28A.305.141.

7 (8) Starting with the 2012-13 school year, the office of the  
8 superintendent of public instruction shall disburse payments for bus  
9 depreciation in August.

10 (9) The office of the superintendent of public instruction shall  
11 develop, in consultation with the Washington association of school  
12 business officials and the Washington association for pupil  
13 transportation, a unit-cost transportation formula or hybrid formula  
14 for legislative consideration and potential adoption. The  
15 transportation-allocation formula shall take into account statistically  
16 significant cost drivers, recognize fixed costs, and simplify the  
17 current regression-analysis transportation-allocation method. The  
18 formula or hybrid formula developed should be based on currently  
19 collected data identified under RCW 28A.160.192(1)(a). These data are  
20 to include basic and special student loads, school district land area,  
21 average distance to school, roadway miles, and number of locations  
22 served. The office of the superintendent of public instruction shall  
23 report to the legislative fiscal committees, the education committees  
24 of the senate and the house of representatives, and to the office of  
25 financial management by September 30, 2012, for legislative  
26 consideration and possible amendment or adoption of the unit-cost or  
27 hybrid formula for the 2013-14 school year.

28 **Sec. 506.** 2011 2nd sp.s. c 9 s 507 (uncodified) is amended to read  
29 as follows:

30 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
31 **PROGRAMS**

32	General Fund--State Appropriation (FY 2012) . . . . .	(( \$653,904,000 ))
33		<u>\$648,369,000</u>
34	General Fund--State Appropriation (FY 2013) . . . . .	(( \$694,237,000 ))
35		<u>\$679,832,000</u>
36	General Fund--Federal Appropriation . . . . .	(( \$486,936,000 ))
37		<u>\$486,922,000</u>

1 Education Legacy Trust Account--State Appropriation . . . . . \$756,000  
2 TOTAL APPROPRIATION . . . . . ((~~\$1,835,833,000~~))  
3 \$1,815,879,000

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

6 (1) Funding for special education programs is provided on an excess  
7 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
8 that special education students as a class receive their full share of  
9 the general apportionment allocation accruing through sections 502 and  
10 504 of this act. To the extent a school district cannot provide an  
11 appropriate education for special education students under chapter  
12 28A.155 RCW through the general apportionment allocation, it shall  
13 provide services through the special education excess cost allocation  
14 funded in this section.

15 (2)(a) The superintendent of public instruction shall ensure that:

16 (i) Special education students are basic education students first;

17 (ii) As a class, special education students are entitled to the  
18 full basic education allocation; and

19 (iii) Special education students are basic education students for  
20 the entire school day.

21 (b) The superintendent of public instruction shall continue to  
22 implement the full cost method of excess cost accounting, as designed  
23 by the committee and recommended by the superintendent, pursuant to  
24 section 501(1)(k), chapter 372, Laws of 2006.

25 (c) Beginning with the 2010-11 school year award cycle, the office  
26 of the superintendent of public instruction shall make award  
27 determinations for state safety net funding in August of each school  
28 year. Determinations on school district eligibility for state safety  
29 net awards shall be based on analysis of actual expenditure data from  
30 the current school year.

31 (3) Each fiscal year appropriation includes such funds as are  
32 necessary to complete the school year ending in the fiscal year and for  
33 prior fiscal year adjustments.

34 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent  
35 shall allocate funding to school district programs for special  
36 education students as provided in RCW 28A.150.390.

37 (b) From July 1, 2011 to August 31, 2011, the superintendent shall

1 allocate funding to school district programs for special education  
2 students as provided in section 507, chapter 564, Laws of 2009, as  
3 amended through section 1406 of this act.

4 (5) The following applies throughout this section: The definitions  
5 for enrollment and enrollment percent are as specified in RCW  
6 28A.150.390(3). Each district's general fund--state funded special  
7 education enrollment shall be the lesser of the district's actual  
8 enrollment percent or 12.7 percent.

9 (6) At the request of any interdistrict cooperative of at least 15  
10 districts in which all excess cost services for special education  
11 students of the districts are provided by the cooperative, the maximum  
12 enrollment percent shall be calculated in accordance with RCW  
13 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
14 rather than individual district units. For purposes of this  
15 subsection, the average basic education allocation per full-time  
16 equivalent student shall be calculated in the aggregate rather than  
17 individual district units.

18 (7) \$8,914,000 of the general fund--state appropriation for fiscal  
19 year 2012, \$34,200,000 of the general fund--state appropriation for  
20 fiscal year 2013, and \$29,574,000 of the general fund--federal  
21 appropriation are provided solely for safety net awards for districts  
22 with demonstrated needs for special education funding beyond the  
23 amounts provided in subsection (4) of this section. If the federal  
24 safety net awards based on the federal eligibility threshold exceed the  
25 federal appropriation in this subsection (7) in any fiscal year, the  
26 superintendent shall expend all available federal discretionary funds  
27 necessary to meet this need. At the conclusion of each school year,  
28 the superintendent shall recover safety net funds that were distributed  
29 prospectively but for which districts were not subsequently eligible.

30 (a) For the 2011-12 and 2012-13 school years, safety net funds  
31 shall be awarded by the state safety net oversight committee as  
32 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

33 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
34 operate the safety net oversight committee and shall award safety net  
35 funds as provided in section 507, chapter 564, Laws of 2009, as amended  
36 through section 1406 of this act.

37 (8) A maximum of \$678,000 may be expended from the general fund--  
38 state appropriations to fund 5.43 full-time equivalent teachers and 2.1

1 full-time equivalent aides at children's orthopedic hospital and  
2 medical center. This amount is in lieu of money provided through the  
3 home and hospital allocation and the special education program.

4 (9) The superintendent shall maintain the percentage of federal  
5 flow-through to school districts at 85 percent. In addition to other  
6 purposes, school districts may use increased federal funds for high-  
7 cost students, for purchasing regional special education services from  
8 educational service districts, and for staff development activities  
9 particularly relating to inclusion issues.

10 (10) A school district may carry over from one year to the next  
11 year up to 10 percent of the general fund--state funds allocated under  
12 this program; however, carryover funds shall be expended in the special  
13 education program.

14 (11) \$251,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$251,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for two additional full-time  
17 equivalent staff to support the work of the safety net committee and to  
18 provide training and support to districts applying for safety net  
19 awards.

20 (12) \$50,000 of the general fund--state appropriation for fiscal  
21 year 2012, \$50,000 of the general fund--state appropriation for fiscal  
22 year 2013, and \$100,000 of the general fund--federal appropriation  
23 shall be expended to support a special education ombudsman program  
24 within the office of superintendent of public instruction.

25 **Sec. 507.** 2011 2nd sp.s. c 9 s 508 (uncodified) is amended to read  
26 as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**  
28 **DISTRICTS**

29	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$7,889,000</del> ))
30		<u>\$7,894,000</u>
31	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$7,904,000</del> ))
32		<u>\$7,912,000</u>
33	TOTAL APPROPRIATION . . . . .	(( <del>\$15,793,000</del> ))
34		<u>\$15,806,000</u>

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

1 (1) The educational service districts shall continue to furnish  
2 financial services required by the superintendent of public instruction  
3 and RCW 28A.310.190 (3) and (4).

4 (2) Funding within this section is provided for regional  
5 professional development related to mathematics and science curriculum  
6 and instructional strategies. Funding shall be distributed among the  
7 educational service districts in the same proportion as distributions  
8 in the 2007-2009 biennium. Each educational service district shall use  
9 this funding solely for salary and benefits for a certificated  
10 instructional staff with expertise in the appropriate subject matter  
11 and in professional development delivery, and for travel, materials,  
12 and other expenditures related to providing regional professional  
13 development support.

14 (3) The educational service districts, at the request of the state  
15 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may  
16 receive and screen applications for school accreditation, conduct  
17 school accreditation site visits pursuant to state board of education  
18 rules, and submit to the state board of education post-site visit  
19 recommendations for school accreditation. The educational service  
20 districts may assess a cooperative service fee to recover actual plus  
21 reasonable indirect costs for the purposes of this subsection.

22 **Sec. 508.** 2011 2nd sp.s. c 9 s 509 (uncodified) is amended to read  
23 as follows:

24 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**  
25 **ASSISTANCE**

26	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$300,761,000</del> ))
27		<u>\$300,768,000</u>
28	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$299,276,000</del> ))
29		<u>\$298,166,000</u>
30	<u>General Fund--Federal Appropriation . . . . .</u>	<u>\$4,400,000</u>
31	TOTAL APPROPRIATION . . . . .	(( <del>\$600,037,000</del> ))
32		<u>\$603,334,000</u>

33 The appropriations in this section are subject to the following  
34 conditions and limitations: For purposes of RCW 84.52.0531, the  
35 increase per full-time equivalent student is 3 percent from the 2010-11  
36 school year to the 2011-12 school year and 5 percent from the 2011-12  
37 school year to the 2012-13 school year.

1       **Sec. 509.** 2011 2nd sp.s. c 9 s 510 (uncodified) is amended to read  
2 as follows:

3       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**  
4       **EDUCATION PROGRAMS**

5	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$17,507,000</del> ))
6		<u>\$16,694,000</u>
7	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$16,969,000</del> ))
8		<u>\$15,867,000</u>
9	TOTAL APPROPRIATION . . . . .	(( <del>\$34,476,000</del> ))
10		<u>\$32,561,000</u>

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

13       (1) Each general fund--state fiscal year appropriation includes  
14 such funds as are necessary to complete the school year ending in the  
15 fiscal year and for prior fiscal year adjustments.

16       (2) State funding provided under this section is based on salaries  
17 and other expenditures for a 220-day school year. The superintendent  
18 of public instruction shall monitor school district expenditure plans  
19 for institutional education programs to ensure that districts plan for  
20 a full-time summer program.

21       (3) State funding for each institutional education program shall be  
22 based on the institution's annual average full-time equivalent student  
23 enrollment. Staffing ratios for each category of institution shall  
24 remain the same as those funded in the 1995-97 biennium.

25       (4) The funded staffing ratios for education programs for juveniles  
26 age 18 or less in department of corrections facilities shall be the  
27 same as those provided in the 1997-99 biennium.

28       (5) ((~~\$669,000~~)) \$586,000 of the general fund--state appropriation  
29 for fiscal year 2012 and ((~~\$669,000~~)) \$549,000 of the general fund--  
30 state appropriation for fiscal year 2013 are provided solely to  
31 maintain at least one certificated instructional staff and related  
32 support services at an institution whenever the K-12 enrollment is not  
33 sufficient to support one full-time equivalent certificated  
34 instructional staff to furnish the educational program. The following  
35 types of institutions are included: Residential programs under the  
36 department of social and health services for developmentally disabled  
37 juveniles, programs for juveniles under the department of corrections,



1 programs for juveniles under the juvenile rehabilitation  
2 administration, and programs for juveniles operated by city and county  
3 jails.

4 (6) Ten percent of the funds allocated for each institution may be  
5 carried over from one year to the next.

6 **Sec. 510.** 2011 2nd sp.s. c 9 s 511 (uncodified) is amended to read  
7 as follows:

8 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

9	General Fund--State Appropriation (FY 2012) . . . . .	(\$8,759,000)
10		<u>\$8,745,000</u>
11	General Fund--State Appropriation (FY 2013) . . . . .	(\$8,842,000)
12		<u>\$8,788,000</u>
13	TOTAL APPROPRIATION . . . . .	(\$17,601,000)
14		<u>\$17,533,000</u>

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

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

20 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
21 shall allocate funding to school district programs for highly capable  
22 students as provided in RCW 28A.150.260(10)(c). In calculating the  
23 allocations, the superintendent shall assume the following: (i)  
24 Additional instruction of 2.1590 hours per week per funded highly  
25 capable program student; (ii) fifteen highly capable program students  
26 per teacher; (iii) 36 instructional weeks per year; (iv) 900  
27 instructional hours per teacher; and (v) the district's average staff  
28 mix and compensation rates as provided in sections 503 and 504 of this  
29 act.

30 (b) From July 1, 2011, to August 31, 2011, the superintendent shall  
31 allocate funding to school districts programs for highly capable  
32 students as provided in section 511, chapter 564, Laws of 2009, as  
33 amended through section 1409 of this act.

34 (3) \$85,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$85,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely for the centrum program at Fort  
37 Worden state park.

1 **Sec. 511.** 2011 2nd sp.s. c 9 s 513 (uncodified) is amended to read  
 2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**  
 4 **PROGRAMS**

5	General Fund--State Appropriation (FY 2012) . . . . .	\$58,078,000
6	General Fund--State Appropriation (FY 2013) . . . . .	<del>(((\$98,309,000))</del>
7		<u>\$103,655,000</u>
8	General Fund--Federal Appropriation . . . . .	<del>(((\$219,161,000))</del>
9		<u>\$219,147,000</u>
10	General Fund--Private/Local Appropriation . . . . .	\$4,000,000
11	Education Legacy Trust Account--State Appropriation . . . . .	<del>(((\$1,598,000))</del>
12		<u>\$1,596,000</u>
13	TOTAL APPROPRIATION . . . . .	<del>(((\$381,146,000))</del>
14		<u>\$386,476,000</u>

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

17 (1) \$40,822,000 of the general fund--state appropriation for fiscal  
 18 year 2012, ~~(((\$41,613,000))~~ \$41,614,000 of the general fund--state  
 19 appropriation for fiscal year 2013, \$1,350,000 of the education legacy  
 20 trust account--state appropriation, and \$15,868,000 of the general  
 21 fund--federal appropriation are provided solely for development and  
 22 implementation of the Washington state assessment system, including:  
 23 (a) Development and implementation of retake assessments for high  
 24 school students who are not successful in one or more content areas and  
 25 (b) development and implementation of alternative assessments or  
 26 appeals procedures to implement the certificate of academic  
 27 achievement. The superintendent of public instruction shall report  
 28 quarterly on the progress on development and implementation of  
 29 alternative assessments or appeals procedures. Within these amounts,  
 30 the superintendent of public instruction shall contract for the early  
 31 return of 10th grade student assessment results, on or around June 10th  
 32 of each year. State funding shall be limited to one collection of  
 33 evidence payment per student, per content-area assessment.

34 (2) \$356,000 of the general fund--state appropriation for fiscal  
 35 year 2012 and \$356,000 of the general fund--state appropriation for  
 36 fiscal year 2013 are provided solely for the Washington state  
 37 leadership and assistance for science education reform (LASER) regional

1 partnership activities coordinated at the Pacific science center,  
2 including instructional material purchases, teacher and principal  
3 professional development, and school and community engagement events.

4 (3) \$980,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$980,000 of the general fund--state appropriation for  
6 fiscal year 2013 are provided solely for improving technology  
7 infrastructure, monitoring and reporting on school district technology  
8 development, promoting standards for school district technology,  
9 promoting statewide coordination and planning for technology  
10 development, and providing regional educational technology support  
11 centers, including state support activities, under chapter 28A.650 RCW.

12 (4) \$3,852,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$2,624,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for continued implementation of  
15 chapter 235, Laws of 2010 (education reform) including development of  
16 new performance-based evaluation systems for certificated educators.

17 (5)(a) (~~(\$40,681,000)~~) \$39,296,000 of the general fund--state  
18 appropriation for fiscal year 2013 is provided solely for the following  
19 bonuses for teachers who hold valid, unexpired certification from the  
20 national board for professional teaching standards and who are teaching  
21 in a Washington public school, subject to the following conditions and  
22 limitations:

23 (i) For national board certified teachers, a bonus of \$5,090 per  
24 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation  
25 in each school year in which Initiative 732 cost of living adjustments  
26 are provided;

27 (ii) An additional \$5,000 annual bonus shall be paid to national  
28 board certified teachers who teach in either: (A) High schools where  
29 at least 50 percent of student headcount enrollment is eligible for  
30 federal free or reduced price lunch, (B) middle schools where at least  
31 60 percent of student headcount enrollment is eligible for federal free  
32 or reduced price lunch, or (C) elementary schools where at least 70  
33 percent of student headcount enrollment is eligible for federal free or  
34 reduced price lunch;

35 (iii) The superintendent of public instruction shall adopt rules to  
36 ensure that national board certified teachers meet the qualifications  
37 for bonuses under (a)(ii) of this subsection for less than one full  
38 school year receive bonuses in a pro-rated manner. Beginning in the

1 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection  
2 will be paid in July of each school year. Bonuses in (a)(i) and (ii)  
3 of this subsection shall be reduced by a factor of 40 percent for first  
4 year NBPTS certified teachers, to reflect the portion of the  
5 instructional school year they are certified; and

6 (iv) During the 2011-12 and 2012-13 school years, and within  
7 available funds, certificated instructional staff who have met the  
8 eligibility requirements and have applied for certification from the  
9 national board for professional teaching standards may receive a  
10 conditional loan of two thousand dollars or the amount set by the  
11 office of the superintendent of public instruction to contribute toward  
12 the current assessment fee, not including the initial up-front  
13 candidacy payment. The fee shall be an advance on the first annual  
14 bonus under RCW 28A.405.415. The conditional loan is provided in  
15 addition to compensation received under a district's salary schedule  
16 and shall not be included in calculations of a district's average  
17 salary and associated salary limitation under RCW 28A.400.200.  
18 Recipients who fail to receive certification after three years are  
19 required to repay the conditional loan. The office of the  
20 superintendent of public instruction shall adopt rules to define the  
21 terms for initial grant of the assessment fee and repayment, including  
22 applicable fees. To the extent necessary, the superintendent may use  
23 revenues from the repayment of conditional loan scholarships to ensure  
24 payment of all national board bonus payments required by this section  
25 in each school year.

26 (6) \$477,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$477,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for the leadership internship  
29 program for superintendents, principals, and program administrators.

30 (7) \$950,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$950,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for the Washington reading corps.  
33 The superintendent shall allocate reading corps members to low-  
34 performing schools and school districts that are implementing  
35 comprehensive, proven, research-based reading programs. Two or more  
36 schools may combine their Washington reading corps programs.

37 (8) \$810,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$810,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the development of a  
2 leadership academy for school principals and administrators. The  
3 superintendent of public instruction shall contract with an independent  
4 organization to design, field test, and implement a state-of-the-art  
5 education leadership academy that will be accessible throughout the  
6 state. Initial development of the content of the academy activities  
7 shall be supported by private funds. Semiannually the independent  
8 organization shall report on amounts committed by foundations and  
9 others to support the development and implementation of this program.  
10 Leadership academy partners shall include the state level organizations  
11 for school administrators and principals, the superintendent of public  
12 instruction, the professional educator standards board, and others as  
13 the independent organization shall identify.

14 (9) \$3,234,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$3,234,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for grants to school districts to  
17 provide a continuum of care for children and families to help children  
18 become ready to learn. Grant proposals from school districts shall  
19 contain local plans designed collaboratively with community service  
20 providers. If a continuum of care program exists in the area in which  
21 the school district is located, the local plan shall provide for  
22 coordination with existing programs to the greatest extent possible.

23 (10) \$1,500,000 of the general fund--state appropriation for fiscal  
24 year 2012 and \$1,500,000 of the general fund--state appropriation for  
25 fiscal year 2013 are provided solely for the implementation of chapter  
26 288, Laws of 2011 (actual student success program), including  
27 allocations to the opportunity internship program, the jobs for  
28 America's graduates program, the building bridges program, services  
29 provided by a college scholarship organization. Funding shall not be  
30 used in the 2011-2013 fiscal biennium to provide awards for schools and  
31 school districts.

32 (11) \$859,000 of the general fund--state appropriation for fiscal  
33 year 2012, (~~(\$846,000)~~) \$808,000 of the general fund--state  
34 appropriation for fiscal year 2013, and \$248,000 of the education  
35 legacy trust account--state appropriation are for administrative  
36 support of education reform programs.

37 (12) \$2,000,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$2,000,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for a statewide information  
2 technology (IT) academy program. This public-private partnership will  
3 provide educational software, as well as IT certification and software  
4 training opportunities for students and staff in public schools.

5 (13) \$977,000 of the general fund--state appropriation for fiscal  
6 year 2012 and (~~(\$977,000)~~) \$1,077,000 of the general fund--state  
7 appropriation for fiscal year 2013 are provided solely for secondary  
8 career and technical education grants pursuant to chapter 170, Laws of  
9 2008. If equally matched by private donations, \$300,000 of the 2012  
10 appropriation and \$300,000 of the 2013 appropriation shall be used to  
11 support FIRST robotics programs. Of the amounts in this subsection,  
12 \$100,000 of the fiscal year 2013 appropriation is provided solely for  
13 the purpose of statewide supervision activities for career and  
14 technical education student leadership organizations.

15 (14) \$125,000 of the general fund--state appropriation for fiscal  
16 year 2012 and \$125,000 of the general fund--state appropriation for  
17 fiscal year 2013 are provided solely for (a) staff at the office of the  
18 superintendent of public instruction to coordinate and promote efforts  
19 to develop integrated math, science, technology, and engineering  
20 programs in schools and districts across the state; and (b) grants of  
21 \$2,500 to provide twenty middle and high school teachers each year with  
22 professional development training for implementing integrated math,  
23 science, technology, and engineering programs in their schools.

24 (15) \$135,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$135,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for science, technology,  
27 engineering and mathematics lighthouse projects, consistent with  
28 chapter 238, Laws of 2010.

29 (16) \$1,000,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$1,000,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for a beginning educator support  
32 program. School districts and/or regional consortia may apply for  
33 grant funding. The superintendent shall implement this program in 5 to  
34 15 school districts and/or regional consortia. The program provided by  
35 a district and/or regional consortia shall include: A paid  
36 orientation; assignment of a qualified mentor; development of a  
37 professional growth plan for each beginning teacher aligned with  
38 professional certification; release time for mentors and new teachers

1 to work together; and teacher observation time with accomplished peers.  
2 \$250,000 may be used to provide statewide professional development  
3 opportunities for mentors and beginning educators.

4 (17) \$5,767,000 of the general fund--state appropriation for fiscal  
5 year 2013 is provided solely pursuant to Engrossed Substitute Senate  
6 Bill No. 5895 (certificated employee evaluations). If the bill is not  
7 enacted by June 30, 2012, the amount provided in this subsection shall  
8 lapse.

9 (18) \$200,000 of the general fund--state appropriation for fiscal  
10 year 2013 is provided solely for the American Academy to provide social  
11 support and academic intervention to students who have been suspended  
12 or expelled, are pregnant or parenting teens, have dropped out of  
13 school, or are significantly at risk of dropping out of school.  
14 Students are eligible to participate with the recommendation and  
15 approval of their resident school district.

16 (19) \$250,000 of the general fund--state appropriation for fiscal  
17 year 2013 is provided solely for advanced project lead the way courses  
18 at ten high schools. To be eligible for funding, a high school must  
19 have offered a foundational project lead the way course during the  
20 2011-12 school year. The funding must be used for one-time start-up  
21 course costs for an advanced project lead the way course, to be offered  
22 to students beginning in the 2012-13 school year. The office of the  
23 superintendent of public instruction and the education research and  
24 data center at the office of financial management shall track student  
25 participation and long-term outcome data.

26 (20) \$150,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely for aerospace and manufacturing technical  
28 programs housed at two skill centers. The one-time funding is provided  
29 for start-up equipment and curriculum purchases. To be eligible for  
30 funding, the skill center must agree to provide regional high schools  
31 with access to a technology laboratory, expand manufacturing  
32 certificate and course offerings at the skill center, and provide a  
33 laboratory space for local high school teachers to engage in  
34 professional development in the instruction of courses leading to  
35 student employment certification in the aerospace and manufacturing  
36 industries. The office of the superintendent of public instruction  
37 shall administer the grants in consultation with the center for  
38 excellence for aerospace and advanced materials manufacturing.

1 (21) \$300,000 of the general fund--state appropriation for fiscal  
2 year 2013 is provided solely for start-up grants to twelve high schools  
3 to implement the aerospace assembler program. Participating high  
4 schools must agree to offer the aerospace assembler training program to  
5 students by spring semester of school year 2012-13. The office of the  
6 superintendent of public instruction and the education research and  
7 data center at the office of financial management shall track student  
8 participation and long-term outcome data.

9 **Sec. 512.** 2011 2nd sp.s. c 9 s 514 (uncodified) is amended to read  
10 as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
12 **BILINGUAL PROGRAMS**

13	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$79,496,000</del> ))
14		<u>\$79,575,000</u>
15	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$82,856,000</del> ))
16		<u>\$80,666,000</u>
17	General Fund--Federal Appropriation . . . . .	\$71,001,000
18	TOTAL APPROPRIATION . . . . .	(( <del>\$233,353,000</del> ))
19		<u>\$231,242,000</u>

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

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

25 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
26 shall allocate funding to school districts for transitional bilingual  
27 programs as provided in RCW 28A.150.260(10)(b). In calculating the  
28 allocations, the superintendent shall assume the following averages:

29 (i) Additional instruction of 4.7780 hours per week per transitional  
30 bilingual program student; (ii) fifteen transitional bilingual program  
31 students per teacher; (iii) 36 instructional weeks per year; (iv) 900  
32 instructional hours per teacher; and (v) the district's average staff  
33 mix and compensation rates as provided in sections 503 and 504 of this  
34 act.

35 (b) From July 1, 2011, to August 31, 2011, the superintendent shall  
36 allocate funding to school districts for transitional bilingual  
37



1 instruction programs as provided in section 514, chapter 564, Laws of  
2 2009, as amended through section 1411 of this act.

3 (c) The allocations in this section reflect the implementation of  
4 a new funding formula for the transitional bilingual instructional  
5 program, effective September 1, 2011, as specified in RCW  
6 28A.150.260(10)(b).

7 (3) The superintendent may withhold allocations to school districts  
8 in subsection (2) of this section solely for the central provision of  
9 assessments as provided in RCW 28A.180.090 (1) and (2) up to the  
10 following amounts: 2.79 percent for school year 2011-12 and ((2.09))  
11 2.11 percent for school year 2012-13.

12 (4) The general fund--federal appropriation in this section is for  
13 migrant education under Title I Part C and English language  
14 acquisition, and language enhancement grants under Title III of the  
15 elementary and secondary education act.

16 (5)((~~(a) The office of the superintendent of public instruction~~  
17 ~~shall implement~~)) In preparing its 2013-15 biennial budget request, the  
18 office of the superintendent of public instruction shall prepare for  
19 implementation of a funding model for the transitional bilingual  
20 program, beginning in school year ((2012-13)) 2013-14, that is scaled  
21 to provide more support to students requiring most intensive  
22 intervention, (students with beginning levels of English language  
23 proficiency) and less support to students requiring less intervention.  
24 The funding model shall also provide up to two years of bonus funding  
25 upon successful exit from the bilingual program to facilitate  
26 successful transition to a standard program of education.

27 ((~~(b) It is expected that per pupil funding for level 2 proficiency~~  
28 ~~will be set at the same level as would have been provided statewide~~  
29 ~~prior to establishing differential per pupil amounts; level 1 will be~~  
30 ~~125 percent of level 2; level 3 through the level prior to exit will be~~  
31 ~~75 percent of level 2; and two bonus years upon successful~~  
32 ~~demonstration of proficiency will be 100 percent of level 2. Prior to~~  
33 ~~implementing in school year 2012-13, the office of the superintendent~~  
34 ~~of public instruction shall provide to the senate and house of~~  
35 ~~representatives ways and means committees recommended rates based on~~  
36 ~~the results of proficiency test procurement, expressed as both per-~~  
37 ~~pupil rates and hours of instruction as provided in RCW~~  
38 ~~28A.150.260(10)(b).~~

1       ~~(c) Each bilingual student shall be tested for proficiency level~~  
2 ~~and, therefore, eligibility for the transitional bilingual program each~~  
3 ~~year. The bonus payments for up to two school years following~~  
4 ~~successful exit from the transitional bilingual program shall be~~  
5 ~~allocated to the exiting school district. If the student graduates or~~  
6 ~~transfers to another district prior to the district receiving both~~  
7 ~~years' bonuses, the district shall receive the bonus for only the~~  
8 ~~length of time the student remains enrolled in the exiting district.~~

9       ~~(d) The quality education council shall examine the revised~~  
10 ~~funding model developed under this subsection and provide a report to~~  
11 ~~the education and fiscal committees of the legislature by December 1,~~  
12 ~~2011, that includes recommendations for:~~

13       ~~(i) Changing the prototypical school funding formula for the~~  
14 ~~transitional bilingual program to align with the revised model in an~~  
15 ~~accurate and transparent manner;~~

16       ~~(ii) Reconciling the revised model with statutory requirements for~~  
17 ~~categorical funding of the transitional bilingual instructional program~~  
18 ~~that is restricted to students eligible for and enrolled in that~~  
19 ~~program;~~

20       ~~(iii) Clarifying the elements of the transitional bilingual~~  
21 ~~instructional program that fall under the definition of basic education~~  
22 ~~and the impact of the revised model on them; and~~

23       ~~(iv) The extent that the disparate financial impact of the revised~~  
24 ~~model on different school districts should be addressed and options for~~  
25 ~~addressing it.~~

26       ~~(e) The office of the superintendent of public instruction shall~~  
27 ~~report to the senate and house of representatives ways and means~~  
28 ~~committees and education committees annually by December 31st of each~~  
29 ~~year, through 2018, regarding any measurable changes in proficiency,~~  
30 ~~time in program, and transition experience.~~

31       ~~(6))~~ \$35,000 of the general fund--state appropriation for fiscal  
32 year 2012 and \$35,000 of the general fund--state appropriation for  
33 fiscal year 2013 are provided solely to track current and former  
34 transitional bilingual program students.

35       **Sec. 513.** 2011 2nd sp.s. c 9 s 515 (uncodified) is amended to read  
36 as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
2 **ASSISTANCE PROGRAM**

3	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$102,470,000</del> ))
4		<u>\$102,619,000</u>
5	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$103,666,000</del> ))
6		<u>\$128,779,000</u>
7	General Fund--Federal Appropriation . . . . .	\$492,207,000
8	Education Legacy Trust Account--State	
9	Appropriation . . . . .	(( <del>\$47,980,000</del> ))
10		<u>\$23,990,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <del>\$746,323,000</del> ))
12		<u>\$747,595,000</u>

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

15 (1) The general fund--state appropriations in this section are  
16 subject to the following conditions and limitations:

17 (a) The appropriations include such funds as are necessary to  
18 complete the school year ending in the fiscal year and for prior fiscal  
19 year adjustments.

20 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent  
21 shall allocate funding to school districts for learning assistance  
22 programs as provided in RCW 28A.150.260(10)(a). In calculating the  
23 allocations, the superintendent shall assume the following averages:

24 (A) Additional instruction of 1.51560 hours per week per funded  
25 learning assistance program student; (B) fifteen learning assistance  
26 program students per teacher; (C) 36 instructional weeks per year; (D)  
27 900 instructional hours per teacher; and (E) the district's average  
28 staff mix and compensation rates as provided in sections 503 and 504 of  
29 this act.

30 (ii) From July 1, 2011, to August 31, 2011, the superintendent  
31 shall allocate funding to school districts for learning assistance  
32 programs as provided in section 515, chapter 564, Laws of 2009, as  
33 amended through section 1412 of this act.

34 (c) A school district's funded students for the learning assistance  
35 program shall be the sum of the district's full-time equivalent  
36 enrollment in grades K-12 for the prior school year multiplied by the  
37 district's percentage of October headcount enrollment in grades K-12  
38 eligible for free or reduced price lunch in the prior school year.

1 (2) Allocations made pursuant to subsection (1) of this section  
2 shall be adjusted to reflect ineligible applications identified through  
3 the annual income verification process required by the national school  
4 lunch program, as recommended in the report of the state auditor on the  
5 learning assistance program dated February, 2010.

6 (3) The general fund--federal appropriation in this section is  
7 provided for Title I Part A allocations of the no child left behind act  
8 of 2001.

9 (4) A school district may carry over from one year to the next up  
10 to 10 percent of the general fund-state or education legacy trust funds  
11 allocated under this program; however, carryover funds shall be  
12 expended for the learning assistance program.

13 (5) The office of the superintendent of public instruction shall  
14 research and recommend options for an adjustment factor for middle  
15 school and high school free and reduced price lunch eligibility  
16 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report  
17 to the fiscal committees of the legislature by June 1, 2012. For the  
18 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

19 **Sec. 514.** 2011 1st sp.s. c 50 s 516 (uncodified) is amended to  
20 read as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

22 (1) Amounts distributed to districts by the superintendent through  
23 part V of this act are for allocations purposes only and do not entitle  
24 a particular district, district employee, or student to a specific  
25 service, beyond what has been expressly provided in statute. Part V of  
26 this act restates the requirements of various sections of Title 28A  
27 RCW. If any conflict exists, the provisions of Title 28A RCW control  
28 unless this act explicitly states that it is providing an enhancement.

29 Any amounts provided in part V of this act in excess of the amounts  
30 required by Title 28A RCW provided in statute, are not within the  
31 program of basic education.

32 (2) To the maximum extent practicable, when adopting new or revised  
33 rules or policies relating to the administration of allocations in part  
34 V of this act that result in fiscal impact, the office of the  
35 superintendent of public instruction shall attempt to seek legislative  
36 approval through the budget request process.

1           (3) Appropriations made in this act to the office of the  
2 superintendent of public instruction shall initially be allotted as  
3 required by this act. Subsequent allotment modifications shall not  
4 include transfers of moneys between sections of this act except as  
5 expressly provided in subsection (4) of this section.

6           (4) The appropriations to the office of the superintendent of  
7 public instruction in this act shall be expended for the programs and  
8 amounts specified in this act. However, after May 1, 2012, unless  
9 specifically prohibited by this act and after approval by the director  
10 of financial management, the superintendent of public instruction may  
11 transfer state general fund appropriations for fiscal year 2012 among  
12 the following programs to meet the apportionment schedule for a  
13 specified formula in another of these programs: General apportionment;  
14 employee compensation adjustments; pupil transportation; special  
15 education programs; institutional education programs; transitional  
16 bilingual programs; highly capable; and learning assistance programs.

17           (5) The director of financial management shall notify the  
18 appropriate legislative fiscal committees in writing prior to approving  
19 any allotment modifications or transfers under this section.

(End of part)

**PART VI**  
**HIGHER EDUCATION**

**Sec. 601.** 2011 2nd sp.s. c 9 s 601 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$533,009,000</del> ))
	<u>\$532,841,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$525,644,000</del> ))
	<u>\$516,861,000</u>
Community/Technical College Capital Projects	
Account--State Appropriation . . . . .	(( <del>\$8,037,000</del> ))
	<u>\$12,793,000</u>
Education Legacy Trust Account--State	
Appropriation . . . . .	(( <del>\$95,370,000</del> ))
	<u>\$95,256,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$1,162,060,000</del> ))
	<u>\$1,157,751,000</u>

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

(1) \$28,761,000 of the general fund--state appropriation for fiscal year 2012 and \$28,761,000 of the general fund--state appropriation for fiscal year 2013 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 6,200 full-time equivalent students in fiscal year 2012 and at least 6,200 full-time equivalent students in fiscal year 2013.

(2) \$2,725,000 of the general fund--state appropriation for fiscal year 2012 and \$2,725,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of

1 the state, and the results of the partnerships supported by these  
2 funds.

3 (3) \$4,500,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$4,500,000 of the general fund--state appropriation for  
5 fiscal year 2013 is provided solely for worker retraining.

6 (4) Of the amounts appropriated in this section, \$5,000,000 is  
7 provided solely for the student achievement initiative.

8 (5) When implementing the appropriations in this section, the state  
9 board and the trustees of the individual community and technical  
10 colleges shall minimize impact on academic programs, maximize  
11 reductions in administration, and shall at least maintain, and endeavor  
12 to increase, enrollment opportunities and degree and certificate  
13 production in high employer-demand fields of study at their academic  
14 year 2008-09 levels.

15 (6) Community and technical colleges are not required to send mass  
16 mailings of course catalogs to residents of their districts. Community  
17 and technical colleges shall consider lower cost alternatives, such as  
18 mailing postcards or brochures that direct individuals to online  
19 information and other ways of acquiring print catalogs.

20 (7) Bellevue college is authorized to offer (~~applied~~)  
21 baccalaureate degrees in information technology, health care services  
22 and management, biotechnology, and preprofessional preparation for  
23 medical fields. These degrees shall be directed at high school  
24 graduates and transfer-oriented degree and professional and technical  
25 degree holders. In fiscal year 2012, Bellevue college will develop a  
26 two-year plan for offering these new degrees. The plan will assume  
27 funding for these new degrees shall come through redistribution of its  
28 current per full-time enrollment funding. The plan shall be delivered  
29 to the legislature by June 30, 2012.

30 (8) The Seattle community college district is authorized to offer  
31 applied baccalaureate degree programs in business/international  
32 business and technology management, interactive and artistic digital  
33 media, sustainability, building science technology, and allied and  
34 global health. These degrees shall be directed at high school  
35 graduates and professional and technical degree holders. In fiscal  
36 year 2012, Seattle community colleges shall develop a two-year plan for  
37 offering these new degrees. The plan will assume that funding for

1 these new degrees comes through redistribution of its current per full-  
2 time enrollment funding. The plan shall be delivered to the  
3 legislature by June 30, 2012.

4 (9) \$100,000 of the general fund--state appropriation for fiscal  
5 year 2013 is provided solely for the Jefferson education center.

6 (10) \$2,000,000 of the general fund--state appropriation for fiscal  
7 year 2013 is provided solely for an expansion in enrollments in  
8 science, technology, engineering, and math. Amounts provided in this  
9 subsection may be used only to cover direct costs of instruction  
10 associated with this enrollment expansion. By June 30, 2012, the state  
11 board for community and technical colleges shall provide a report to  
12 the legislature that provides specific detail on how these amounts will  
13 be spent. Each June 30th thereafter, the state board for community and  
14 technical colleges shall provide an updated report that provides  
15 specific detail on how these amounts were spent in the preceding twelve  
16 months.

17 (11) Amounts appropriated in this section are sufficient for the  
18 state board for community and technical colleges to conduct a  
19 comprehensive review of its tuition waiver policies. The resulting  
20 report shall include an overview of tuition waiver uses and costs  
21 (forgone revenue) and outcomes and any recommendations for changes to  
22 tuition waiver policy and shall be provided to the legislature no later  
23 than December 1, 2012.

24 (12) \$131,000 of the general fund--state appropriation for fiscal  
25 year 2013 is provided solely for the implementation of Second  
26 Substitute House Bill No. 2156 (workforce training/aerospace). If the  
27 bill is not enacted by June 30, 2012, the amount provided in this  
28 subsection shall lapse.

29 (13) The state board for community and technical colleges shall not  
30 use funds appropriated in this section to support intercollegiate  
31 athletics programs.

32 (14) \$200,000 of the general fund--state appropriation for fiscal  
33 year 2012 and \$1,851,000 of the general fund--state appropriation for  
34 fiscal year 2013 is provided solely for implementation of the  
35 customized training program under RCW 28B.67.020.

36 **Sec. 602.** 2011 2nd sp.s. c 9 s 602 (uncodified) is amended to read  
37 as follows:



1 **FOR THE UNIVERSITY OF WASHINGTON**

2	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$201,388,000</del> ))
3		<u>\$201,226,000</u>
4	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$206,358,000</del> ))
5		<u>\$201,612,000</u>
6	Education Legacy Trust Account--State Appropriation . . . . .	\$18,579,000
7	<u>Economic Development Strategic Reserve Account--</u>	
8	<u>State Appropriation . . . . .</u>	<u>\$1,500,000</u>
9	Biotoxin Account--State Appropriation . . . . .	\$450,000
10	Accident Account--State Appropriation . . . . .	(( <del>\$6,699,000</del> ))
11		<u>\$6,681,000</u>
12	Medical Aid Account--State Appropriation . . . . .	(( <del>\$6,502,000</del> ))
13		<u>\$6,488,000</u>
14	TOTAL APPROPRIATION . . . . .	(( <del>\$439,976,000</del> ))
15		<u>\$436,536,000</u>

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

18 (1) In implementing the appropriations in this section, the  
19 president and regents shall seek to minimize impacts on student  
20 services and instructional programs by maximizing reductions in  
21 administration and other noninstructional activities.

22 (2) \$150,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$150,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for the development of integrated  
25 medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho  
26 (WWAMI) medical education program in Spokane and eastern Washington.  
27 Funding is contingent on appropriations being provided to Washington  
28 State University for WWAMI program expansion in Spokane and eastern  
29 Washington.

30 (3) \$52,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$52,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for the center for international  
33 trade in forest products in the college of forest resources.

34 (4) \$88,000 of the general fund--state appropriation for fiscal  
35 year 2012 is provided solely for implementation of Engrossed Second  
36 Substitute Senate Bill No. 5485 (state's natural resources). If the  
37 bill is not enacted by June 30, 2011, the amount provided in this  
38 subsection shall lapse.

1 (5) \$143,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$144,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the ongoing management of the  
4 Washington park arboretum.

5 (6) \$3,800,000 of the general fund--state appropriation for fiscal  
6 year 2013 is provided solely for an expansion in engineering  
7 enrollments, including enrollments in the field of computer science.  
8 Amounts provided in this subsection may be used only to cover direct  
9 costs of instruction associated with this enrollment expansion. By  
10 June 30, 2012, the university shall provide a report to the legislature  
11 that provides specific detail on how these amounts will be spent. Each  
12 September 1st thereafter, the university shall provide an updated  
13 report that provides specific detail on how these amounts were spent in  
14 the preceding twelve months.

15 (7) Amounts appropriated in this section are sufficient for the  
16 university to conduct a comprehensive review of its tuition waiver  
17 policies. The resulting report shall include an overview of tuition  
18 waiver uses and costs (forgone revenue) and outcomes and any  
19 recommendations for changes to tuition waiver policy and shall be  
20 provided to the legislature no later than December 1, 2012.

21 (8) \$610,000 of the general fund--state appropriation for fiscal  
22 year 2012 is provided solely to expand health sciences capacity at the  
23 University of Washington for Washington, Wyoming, Alaska, Montana,  
24 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for  
25 fiscal year 2012 is provided solely to expand health sciences capacity  
26 at the University of Washington for Regional Initiatives in Dental  
27 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full  
28 ramp-up of first-year medical students and dental students each year of  
29 the four-year programs.

30 (9) The University of Washington shall not use funds appropriated  
31 in this section to support intercollegiate athletics programs.

32 (10) Amounts appropriated in this section are sufficient to cover  
33 the costs associated with the implementation of Engrossed Substitute  
34 Senate Bill No. 6486 (collective bargaining for post-doctoral  
35 researchers).

36 **Sec. 603.** 2011 2nd sp.s. c 9 s 603 (uncodified) is amended to read  
37 as follows:

1 **FOR WASHINGTON STATE UNIVERSITY**

2	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$134,512,000</del> ))
3		<u>\$134,454,000</u>
4	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$136,087,000</del> ))
5		<u>\$133,692,000</u>
6	Education Legacy Trust Account--State Appropriation . . . . .	\$33,065,000
7	TOTAL APPROPRIATION . . . . .	(( <del>\$303,664,000</del> ))
8		<u>\$301,211,000</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 noninstructional activities.

15 (2) Within available funds, Washington State University shall serve  
16 an additional cohort of fifteen full-time equivalent students in the  
17 mechanical engineering program located at Olympic College.

18 (3) \$300,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$300,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely for the expansion of health  
21 sciences capacity through the Washington/Wyoming/Alaska/Montana/Idaho  
22 (WWAMI) medical education program in Spokane and eastern Washington.  
23 Funding is contingent on appropriations being provided to the  
24 University of Washington for integrated medical curriculum development  
25 for WWAMI.

26 (4) \$3,800,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely for an expansion in engineering  
28 enrollments, including enrollments in the field of computer science,  
29 including thirty additional full-time equivalent students in the  
30 mechanical engineering program located at Olympic College. Amounts  
31 provided in this subsection may be used only to cover direct costs of  
32 instruction associated with this enrollment expansion. By June 30,  
33 2012, the university shall provide a report to the legislature that  
34 provides specific detail on how these amounts will be spent. Each June  
35 30th thereafter, the university shall provide an updated report that  
36 provides specific detail on how these amounts were spent in the  
37 preceding twelve months.

1 (5) Amounts appropriated in this section are sufficient for the  
2 university to conduct a comprehensive review of its tuition waiver  
3 policies. The resulting report shall include an overview of tuition  
4 waiver uses and costs (forgone revenue) and outcomes and any  
5 recommendations for changes to tuition waiver policy and shall be  
6 provided to the legislature no later than December 1, 2012.

7 (6) Washington State University shall not use funds appropriated in  
8 this section to support intercollegiate athletics programs.

9 (7) Amounts appropriated in this section are sufficient to cover  
10 the costs associated with the implementation of Engrossed Substitute  
11 Senate Bill No. 6486 (collective bargaining for post-doctoral  
12 researchers).

13 (8) \$25,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$50,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for the Washington State  
16 University extension energy program to conduct a study of densified  
17 biomass as a renewable fuel used for heating homes, businesses, and  
18 other facilities. A report of the findings shall be submitted to the  
19 governor and the appropriate committees of the legislature by December  
20 1, 2012.

21 **Sec. 604.** 2011 2nd sp.s. c 9 s 604 (uncodified) is amended to read  
22 as follows:

23 **FOR EASTERN WASHINGTON UNIVERSITY**

24	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$26,257,000</del> ))
25		<u>\$26,239,000</u>
26	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$26,541,000</del> ))
27		<u>\$25,759,000</u>
28	Education Legacy Trust Account--State Appropriation . . . . .	\$16,087,000
29	TOTAL APPROPRIATION . . . . .	(( <del>\$68,885,000</del> ))
30		<u>\$68,085,000</u>

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

33 (1) In implementing the appropriations in this section, the  
34 president and governing board shall seek to minimize impacts on student  
35 services and instructional programs by maximizing reductions in  
36 administration and other noninstructional activities.

1 (2) At least \$200,000 of the general fund--state appropriation for  
2 fiscal year 2012 and at least \$200,000 of the general fund--state  
3 appropriation for fiscal year 2013 shall be expended on the Northwest  
4 autism center.

5 (3) Amounts appropriated in this section are sufficient for the  
6 university to conduct a comprehensive review of its tuition waiver  
7 policies. The resulting report shall include an overview of tuition  
8 waiver uses and costs (forgone revenue) and outcomes and any  
9 recommendations for changes to tuition waiver policy and shall be  
10 provided to the legislature no later than December 1, 2012.

11 (4) \$479,000 of the general fund--state appropriation for fiscal  
12 year 2013 is provided solely for an expansion in enrollments in  
13 science, technology, engineering and math as defined in RCW  
14 28B.76.270(2)(k). Amounts provided in this subsection may be used only  
15 to cover direct costs of instruction associated with this enrollment  
16 expansion. By June 30, 2012, the university shall provide a report to  
17 the legislature that provides specific detail on how these amounts will  
18 be spent. Each September 1 thereafter, the college shall provide an  
19 updated report that provides specific detail on how these amounts were  
20 spent in the preceding twelve months.

21 (5) Eastern Washington University shall not use funds appropriated  
22 in this section to support intercollegiate athletics programs.

23 **Sec. 605.** 2011 2nd sp.s. c 9 s 605 (uncodified) is amended to read  
24 as follows:

25 **FOR CENTRAL WASHINGTON UNIVERSITY**

26	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$22,468,000</del> ))
27		<u>\$23,262,000</u>
28	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$22,525,000</del> ))
29		<u>\$22,720,000</u>
30	Education Legacy Trust Account--State Appropriation . . . . .	\$19,076,000
31	TOTAL APPROPRIATION . . . . .	(( <del>\$64,069,000</del> ))
32		<u>\$65,058,000</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 noninstructional activities.

3 (2) Amounts appropriated in this section are sufficient for the  
4 university to conduct a comprehensive review of its tuition waiver  
5 policies. The resulting report shall include an overview of tuition  
6 waiver uses and costs (forgone revenue) and outcomes and any  
7 recommendations for changes to tuition waiver policy and shall be  
8 provided to the legislature no later than December 1, 2012.

9 (3) \$406,000 of the general fund--state appropriation for fiscal  
10 year 2013 is provided solely for an expansion in enrollments in  
11 science, technology, engineering and math as defined in RCW  
12 28B.76.270(2)(k). Amounts provided in this subsection may be used only  
13 to cover direct costs of instruction associated with this enrollment  
14 expansion. By June 30, 2012, the university shall provide a report to  
15 the legislature that provides specific detail on how these amounts will  
16 be spent. Each September 1 thereafter, the college shall provide an  
17 updated report that provides specific detail on how these amounts were  
18 spent in the preceding twelve months.

19 (4) Central Washington University shall not use funds appropriated  
20 in this section to support intercollegiate athletics programs.

21 **Sec. 606.** 2011 2nd sp.s. c 9 s 606 (uncodified) is amended to read  
22 as follows:

23 **FOR THE EVERGREEN STATE COLLEGE**

24	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$15,595,000</del> ))
25		<u>\$15,634,000</u>
26	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$15,339,000</del> ))
27		<u>\$15,164,000</u>
28	Education Legacy Trust Account--State Appropriation . . . . .	\$5,450,000
29	<u>Forest Fire Protection Assessment Account--State</u>	
30	<u>Appropriation . . . . .</u>	<u>\$100,000</u>
31	TOTAL APPROPRIATION . . . . .	(( <del>\$36,384,000</del> ))
32		<u>\$36,348,000</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 noninstructional activities.

3 (2) \$50,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$25,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for the Washington state institute  
6 for public policy to conduct a detailed study of the commitment of  
7 sexually violent predators to the special commitment center pursuant to  
8 chapter 71.09 RCW and the subsequent release of those persons to  
9 less-restrictive alternatives.

10 (a) Specifically, the institute's study shall examine:

11 (i) The projected future demand for the special commitment center,  
12 including profiles and characteristics of persons referred and  
13 committed to the special commitment center since its inception, whether  
14 the profiles of those persons have changed over time, and, given  
15 current trends, the likelihood of the continuing rate of referral;

16 (ii) Residents' participation in treatment over time and the impact  
17 of treatment on eventual release to a less-restrictive alternative;

18 (iii) The annual review process and the process for a committed  
19 person to petition for conditional or unconditional release,  
20 specifically:

21 (A) The time frames for conducting mandatory reviews;

22 (B) The role of the special commitment center clinical team;

23 (C) Options and standards utilized by other jurisdictions or  
24 similar processes to conduct periodic reviews, including specialized  
25 courts, parole boards, independent review boards, and other commitment  
26 proceedings;

27 (iv) The capacity and future demand for appropriate less  
28 restrictive alternatives for moving residents out of the special  
29 commitment center, including:

30 (A) The capacity and demand for secure community transition  
31 facilities;

32 (B) Options for specialized populations such as the elderly or  
33 those with developmental disabilities and whether more cost-efficient  
34 options might be used to house those populations while keeping the  
35 public safe;

36 (C) Prospects for moving residents to noninstitutionalized settings  
37 beyond a secure community transition facility.

1 (b) The department of social and health services shall cooperate  
2 with the institute in conducting its examination and must provide the  
3 institute with requested data and records in a timely manner.

4 (c) The institute shall provide a status report to the governor and  
5 the legislature no later than November 1, 2011, with a final report due  
6 no later than November 1, 2012.

7 (3) \$50,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$50,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for the institute for public  
10 policy to provide research support to the council on quality education.

11 (4) To the extent federal or private funding is available for this  
12 purpose, the Washington state institute for public policy and the  
13 center for reinventing public education at the University of Washington  
14 shall examine the relationship between participation in pension systems  
15 and teacher quality and mobility patterns in the state. The department  
16 of retirement systems shall facilitate researchers' access to necessary  
17 individual-level data necessary to effectively conduct the study. The  
18 researchers shall ensure that no individually identifiable information  
19 will be disclosed at any time. An interim report on project findings  
20 shall be completed by November 15, 2010, and a final report shall be  
21 submitted to the governor and to the relevant committees of the  
22 legislature by October 15, 2011.

23 (5) Funding provided in this section is sufficient for The  
24 Evergreen State College to continue operations of the Longhouse Center  
25 and the Northwest Indian applied research institute.

26 (6) If, and to the extent that private funding is available for  
27 this purpose, the Washington state institute for public policy shall  
28 study and report on the child welfare and educational characteristics  
29 and outcomes for foster youth who are served by educational advocates.  
30 The department of social and health services and the office of the  
31 superintendent of public instruction shall facilitate researchers'  
32 access to data necessary to effectively complete the study. The  
33 institute shall submit an interim report with baseline characteristics  
34 of youth served by educational advocates by December 2011 and a final  
35 report by October 31, 2012, to the governor and to the appropriate  
36 committees of the legislature.

37 (7) \$75,000 of the general fund--state appropriation for fiscal  
38 year 2012 is provided to the Washington state institute for public



1 policy (WSIPP) to conduct a review of state investments in the family  
2 caregiver and support program. Funding for this program is provided by  
3 assumed savings from diverting seniors from entering into long-term  
4 care medicaid placements by supporting informal caregivers. WSIPP  
5 shall work with the department of social and health services to  
6 establish and review outcome data for this investment. A preliminary  
7 report on the outcomes of the investment into this program is due to  
8 the appropriate legislative committees by December 15, 2011, and a  
9 final report is due to the appropriate legislative committees by August  
10 30, 2012.

11 (8) \$50,000 of the general fund--state appropriation for fiscal  
12 year 2013 is provided solely to implement Second Substitute House Bill  
13 No. 2264 (child welfare/contracting). If the bill is not enacted by  
14 June 30, 2012, the amount provided in this subsection shall lapse.

15 (9) Amounts appropriated in this section are sufficient for the  
16 college to conduct a comprehensive review of its tuition waiver  
17 policies. The resulting report shall include an overview of tuition  
18 waiver uses and costs (forgone revenue) and outcomes and any  
19 recommendations for changes to tuition waiver policy and shall be  
20 provided to the legislature no later than December 1, 2012.

21 (10) \$276,000 of the general fund--state appropriation for fiscal  
22 year 2013 is provided solely for an expansion in enrollments in  
23 science, technology, engineering and math as defined in RCW  
24 28B.76.270(2)(k). Amounts provided in this subsection may be used only  
25 to cover direct costs of instruction associated with this enrollment  
26 expansion. By June 30, 2012, the college shall provide a report to the  
27 legislature that provides specific detail on how these amounts will be  
28 spent. Each September 1 thereafter, the college shall provide an  
29 updated report that provides specific detail on how these amounts were  
30 spent in the preceding twelve months.

31 (11) \$17,000 of the general fund--state appropriation for fiscal  
32 year 2013 are provided solely to implement Substitute Senate Bill No.  
33 6492 (competency to stand trial). If the bill is not enacted by June  
34 30, 2012, the amount provided in this subsection shall lapse.

35 (12) \$40,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$60,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for the Washington state institute  
38 for public policy to conduct a longitudinal study of the state need

1 grant program. The purpose of this study is to determine to what  
2 extent this program has increased access and degree attainment for low-  
3 income students and to determine whether the funding for the state need  
4 grant has been utilized in the most efficient way possible to maximize  
5 the enrollment and degree attainment of low-income students. This  
6 study shall include, but not be limited to, a review of the following:  
7 (a) The demographics of recipients of the state need grant program,  
8 including, but not limited to, gender, race, and income; (b) the effect  
9 of the state need grant on enrollment rates of low-income students at  
10 the different institutions of higher education and whether these  
11 students attend full-time or part-time; (c) the effect of the state  
12 need grant on recipients' persistence, performance, degree or  
13 certificate completion, and time to degree or certificate completion at  
14 the different institutions of higher education; (d) an inventory of the  
15 types of degrees and certifications at the different institutions of  
16 higher education, by field of study, obtained by recipients; and (e)  
17 the interplay of the state need grant program with other forms of  
18 financial aid and the effect of this interplay on access and degree  
19 attainment of low-income students. A preliminary report of the  
20 findings shall be submitted to the governor and the appropriate  
21 committees of the legislature by December 1, 2012. A final report of  
22 the findings shall be submitted to the governor and the appropriate  
23 committees of the legislature by December 1, 2013. The preliminary  
24 report shall provide a comparison of Washington's state need grant  
25 program to similar programs in other states. The reports shall include  
26 recommendations for using more efficiently the funds provided to the  
27 state need grant program to increase access and degree attainment of  
28 low-income students. To the maximum extent possible, this report shall  
29 disaggregate the demographic and institution specific data in a manner  
30 that will inform policymakers of the enrollment patterns and success of  
31 specific subsets of recipients within the different institutions of  
32 higher education. The higher education coordinating board, or its  
33 successor agency, the education data center, and the institutions of  
34 higher education shall cooperate with the Washington state institute  
35 for public policy in the conduct of this study and shall provide to the  
36 institute the necessary data and information to complete this study.

37 (13) \$15,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$50,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the Washington state institute  
2 for public policy to conduct an evaluation of the benefits provided in  
3 the pension plans offered by public employers in the state.

4 (a) Specifically, the study shall examine:

5 (i) The level of benefits offered by the state retirement plans and  
6 retirement plans sponsored by local government employers relative to  
7 the benefits provided in other states;

8 (ii) The adequacy of pension benefits provided to public employees,  
9 including barriers to retirement;

10 (iii) Barriers to the portability of retirement benefits between  
11 public employers in the state, including opportunities to improve  
12 benefit portability and compatibility; and

13 (iv) The treatment of overtime earnings in public employee  
14 retirement plans relative to the treatment of earnings in other states,  
15 including the impact of excess compensation on state retirement system  
16 contribution rates with a particular emphasis on agencies that operate  
17 on a 24-hour basis, such as the state patrol, ferry system, and state  
18 prisons.

19 (b) In conducting the study, the institute shall collaborate with  
20 the office of the state actuary and shall solicit input from local  
21 government plan sponsors.

22 (c) The institute shall report its findings to the select committee  
23 on pension policy and the committees on ways and means of the house of  
24 representatives and the senate by December 1, 2012.

25 (14) \$5,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$10,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for the Washington state institute  
28 for public policy to assess the potential costs and benefits of  
29 implementing the national academy of pediatricians' "bright futures"  
30 recommended schedule of well-child visits, developmental, and autism  
31 screenings in state medical assistance programs. The assessment shall  
32 be conducted in consultation with subject area experts, and shall  
33 include an estimate of the full cost of implementing the revised  
34 standards; identification and estimation of the fiscal and nonfiscal  
35 benefits; and computation of an estimated return on investment. The  
36 health care authority shall provide the institute with confidential  
37 access to claims and encounter data as necessary to complete this

1 project. The institute shall report its finding to the relevant policy  
2 and fiscal committees of the legislature by December 31, 2012.

3 (15) The Evergreen State College shall not use funds appropriated  
4 in this section to support intercollegiate athletics programs.

5 (16) \$46,000 of the general fund--state appropriation for fiscal  
6 year 2013 is provided solely for the implementation of section 10 of  
7 Engrossed Substitute House Bill No. 2363 (domestic violence). If the  
8 bill is not enacted by June 30, 2012, the amount provided in this  
9 subsection shall lapse.

10 (17) The Washington state institute for public policy shall conduct  
11 a review of the evaluation literature to determine the effectiveness of  
12 chemical dependency programs delivered in adult criminal justice and  
13 juvenile justice systems. The review shall identify characteristics of  
14 chemical dependency programs that are cost-effective at reducing crime  
15 and substance abuse. Specifically, the review will include an  
16 examination of the types of chemical dependency treatments, including  
17 residential and outpatient treatments; the efficacy of aftercare  
18 following formal treatment; and the impact of the duration of treatment  
19 on outcomes. The department of corrections and the department of  
20 social and health services shall provide information identified by the  
21 institute as necessary to complete this review. A report on the  
22 outcomes of the study is due to the appropriate legislative committees  
23 by December 15, 2012.

24 (18) \$100,000 of the forest fire protection assessment account--  
25 state appropriation is provided solely for the Washington state  
26 institute of public policy to conduct a detailed analysis of potential  
27 mechanisms for reducing the amount of and variation in the state's fire  
28 suppression costs. The detailed analysis must include: (a) An  
29 examination of Oregon's excess forest fire suppression cost insurance  
30 program and analysis of the potential application of this model in  
31 Washington, including the necessary steps for implementation and  
32 potential costs and benefits to the state; and (b) an examination of  
33 Washington's total and marginal costs related to staffing and overtime  
34 and whether these total or marginal costs are in excess of market  
35 rates. The Washington state institute of public policy must provide  
36 the detailed analysis to the appropriate committees of the senate and  
37 house of representatives by December 1, 2012.

1       **Sec. 607.** 2011 2nd sp.s. c 9 s 607 (uncodified) is amended to read  
2 as follows:

3 **FOR WESTERN WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2012) . . . . .	((\$33,754,000))
5		<u>\$33,728,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	((\$33,743,000))
7		<u>\$32,783,000</u>
8	Education Legacy Trust Account--State	
9	Appropriation . . . . .	((\$13,266,000))
10		<u>\$13,204,000</u>
11	TOTAL APPROPRIATION . . . . .	((\$80,763,000))
12		<u>\$79,715,000</u>

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

15       (1) In implementing the appropriations in this section, the  
16 president and governing board shall seek to minimize impacts on student  
17 services and instructional programs by maximizing reductions in  
18 administration and other noninstructional activities.

19       (2) Amounts appropriated in this section are sufficient for the  
20 university to conduct a comprehensive review of its tuition waiver  
21 policies. The resulting report shall include an overview of tuition  
22 waiver uses and costs (forgone revenue) and outcomes and any  
23 recommendations for changes to tuition waiver policy and shall be  
24 provided to the legislature no later than December 1, 2012.

25       (3) \$606,000 of the general fund--state appropriation for fiscal  
26 year 2013 is provided solely for an expansion in enrollments in  
27 science, technology, engineering and math as defined in RCW  
28 28B.76.270(2)(k). Amounts provided in this subsection may be used only  
29 to cover direct costs of instruction associated with this enrollment  
30 expansion. By June 30, 2012, the university shall provide a report to  
31 the legislature that provides specific detail on how these amounts will  
32 be spent. Each September 1 thereafter, the college shall provide an  
33 updated report that provides specific detail on how these amounts were  
34 spent in the preceding twelve months.

35       (4) Western Washington University shall not use funds appropriated  
36 in this section to support intercollegiate athletics programs.



1 (2) Within the funds appropriated in this section, eligibility for  
2 the state need grant shall include students with family incomes at or  
3 below 70 percent of the state median family income (MFI), adjusted for  
4 family size, and shall include students enrolled in three to five  
5 credit-bearing quarter credits, or the equivalent semester credits.  
6 The higher education coordinating board shall report to the legislature  
7 by December 1, 2013, regarding the number of students enrolled in three  
8 to five credit-bearing quarter credits, or the equivalent semester  
9 credits, and their academic progress including degree completion.  
10 Awards for all students shall be adjusted by the estimated amount by  
11 which Pell grant increases exceed projected increases in the  
12 noninstructional costs of attendance. Awards for students with incomes  
13 between 51 and 70 percent of the state median shall be prorated at the  
14 following percentages of the award amount granted to those with incomes  
15 below 51 percent of the MFI: 70 percent for students with family  
16 incomes between 51 and 55 percent MFI; 65 percent for students with  
17 family incomes between 56 and 60 percent MFI; 60 percent for students  
18 with family incomes between 61 and 65 percent MFI; and 50 percent for  
19 students with family incomes between 66 and 70 percent MFI.

20 (3) For fiscal year 2012, the board shall defer loan or conditional  
21 scholarship repayments to the future teachers conditional scholarship  
22 and loan repayment program for up to one year for each participant if  
23 the participant has shown evidence of efforts to find a teaching job  
24 but has been unable to secure a teaching job per the requirements of  
25 the program.

26 (4) \$500,000 of the general fund--state appropriation for fiscal  
27 year 2012 is provided solely for the leadership 1000 program.

28 (5) \$2,436,000 of the general fund--state appropriation for fiscal  
29 year 2012 is provided solely for the passport to college program. The  
30 maximum scholarship award shall be \$5,000. The board shall contract  
31 with a nonprofit organization to provide support services to increase  
32 student completion in their postsecondary program and shall, under this  
33 contract provide a minimum of \$500,000 in fiscal year 2012. Any  
34 amounts provided in this subsection that remain unobligated at the  
35 close of fiscal year 2012 must be transferred to the state education  
36 trust account in RCW 28B.92.140 for purposes of the passport to college  
37 program.

1 (6) \$250,000 of the general fund--state appropriation for fiscal  
2 year 2012 is provided solely for implementation of the aerospace  
3 training scholarship and student loan program as specified in Engrossed  
4 Substitute House Bill No. 1846 (aerospace student loans). If this bill  
5 is not enacted by June 30, 2011, the amount provided in this subsection  
6 shall lapse.

7 NEW SECTION. **Sec. 612.** A new section is added to 2011 1st sp.s.  
8 c 50 (uncodified) to read as follows:

9 **FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND**  
10 **ADMINISTRATION**

11	General Fund--State Appropriation (FY 2013) . . . . .	\$4,934,000
12	General Fund--Federal Appropriation . . . . .	\$2,376,000
13	TOTAL APPROPRIATION . . . . .	\$7,310,000

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

16 (1) The student achievement council is authorized to increase or  
17 establish fees for initial degree authorization, degree authorization  
18 renewal, degree authorization reapplication, new program applications,  
19 and new site applications pursuant to RCW 28B.85.060.

20 (2) \$1,043,000 of the general fund--state appropriation for fiscal  
21 year 2013 is provided solely for the implementation of Engrossed Second  
22 Substitute House Bill No. 2483 (higher education coordination). If the  
23 bill is not enacted by June 30, 2012, the amount provided in this  
24 subsection shall lapse.

25 NEW SECTION. **Sec. 613.** A new section is added to 2011 1st sp.s.  
26 c 50 (uncodified) to read as follows:

27 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**  
28 **ASSISTANCE**

29	General Fund--State Appropriation (FY 2013) . . . . .	\$247,034,000
30	General Fund--Federal Appropriation . . . . .	\$5,812,000
31	Washington Opportunity Pathways Account--State	
32	Appropriation . . . . .	\$73,500,000
33	TOTAL APPROPRIATION . . . . .	\$326,346,000

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



1 (1) \$237,018,000 of the general fund--state appropriation for  
2 fiscal year 2013, and \$73,500,000 of the opportunity pathways account--  
3 state appropriation are provided solely for student financial aid  
4 payments under the state need grant and the state work study programs  
5 including up to a four percent administrative allowance for the state  
6 work study program.

7 (2) Within the funds appropriated in this section, eligibility for  
8 the state need grant shall include students with family incomes at or  
9 below 70 percent of the state median family income (MFI), adjusted for  
10 family size, and shall include students enrolled in three to five  
11 credit-bearing quarter credits, or the equivalent semester credits.  
12 The higher education coordinating board shall report to the legislature  
13 by December 1, 2013, regarding the number of students enrolled in three  
14 to five credit-bearing quarter credits, or the equivalent semester  
15 credits, and their academic progress including degree completion.  
16 Awards for all students shall be adjusted by the estimated amount by  
17 which Pell grant increases exceed projected increases in the  
18 noninstructional costs of attendance. Awards for students with incomes  
19 between 51 and 70 percent of the state median shall be prorated at the  
20 following percentages of the award amount granted to those with incomes  
21 below 51 percent of the MFI: 70 percent for students with family  
22 incomes between 51 and 55 percent MFI; 65 percent for students with  
23 family incomes between 56 and 60 percent MFI; 60 percent for students  
24 with family incomes between 61 and 65 percent MFI; and 50 percent for  
25 students with family incomes between 66 and 70 percent MFI.

26 (3) \$1,250,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely for implementation of the aerospace  
28 training scholarship and student loan program as specified in Engrossed  
29 Substitute House Bill No. 1846 (aerospace student loans). If the bill  
30 is not enacted by June 30, 2012, the amount provided in this subsection  
31 shall lapse.

32 (4) For fiscal year 2013, the board shall defer loan or conditional  
33 scholarship repayments to the future teachers conditional scholarship  
34 and loan repayment program for up to one year for each participant if  
35 the participant has shown evidence of efforts to find a teaching job  
36 but has been unable to secure a teaching job per the requirements of  
37 the program.

1 (5) \$1,000,000 of the education legacy trust account--state  
2 appropriation is provided solely for the gaining early awareness and  
3 readiness for undergraduate programs project.

4 (6) \$1,500,000 of the general fund--state appropriation for fiscal  
5 year 2013 is provided solely for the leadership 1000 program.

6 (7) \$2,436,000 of the general fund--state appropriation for fiscal  
7 year 2013 is provided solely for the passport to college program. The  
8 maximum scholarship award shall be \$5,000. The board shall contract  
9 with a nonprofit organization to provide support services to increase  
10 student completion in their postsecondary program and shall, under this  
11 contract, provide a minimum of \$500,000 in fiscal year 2013 for this  
12 purpose.

13 (8) In addition to the entities listed in RCW 28B.122.010, the  
14 aerospace student loan program may provide loans to students attending  
15 an aerospace training program at Renton technical college.

16 (9) The office of student financial assistance and the department  
17 of health shall prioritize a portion of any nonfederal balances in the  
18 health professional loan repayment and scholarship fund for conditional  
19 loan repayment contracts with psychiatrists and with advanced  
20 registered nurse practitioners for work at one of the state-operated  
21 psychiatric hospitals. The office and department shall designate the  
22 state hospitals as health professional shortage areas if necessary for  
23 this purpose. The office of student financial assistance shall  
24 coordinate with the department of social and health services to  
25 effectively incorporate these conditional loan repayments into the  
26 department's advanced psychiatric professional recruitment and  
27 retention strategies.

28 (10) \$50,000 of the amount provided in this section shall be used  
29 to convene the higher education loan program work group. The work  
30 group shall develop methods for funding the loan program in the future,  
31 as well as recommendations regarding the best loan program structure  
32 for providing financial aid to underserved populations. The work group  
33 shall seek out technical advice from the housing finance commission.  
34 At a minimum, the recommendations regarding the proposed loan program  
35 must take into account the following: Whether students could benefit  
36 from the creation of a new student loan program; the relationship  
37 between the student loan program and the state need grant program and  
38 the state need grant qualified student population; mechanisms to

1 achieve interest rates that are below those offered in federally  
2 guaranteed and private bank student loans; sources of initial and  
3 on-going funding for loans and program operation; and default risks,  
4 reserve requirements, and other conditions required for the student  
5 loan program. The work group shall provide a report to the legislature  
6 no later than December 1, 2012.

7 **Sec. 614.** 2011 1st sp.s. c 50 s 616 (uncodified) is amended to  
8 read as follows:

9 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

10	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,382,000</del> ))
11		<u>\$1,310,000</u>
12	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,388,000</del> ))
13		<u>\$1,345,000</u>
14	General Fund--Federal Appropriation . . . . .	(( <del>\$62,758,000</del> ))
15		<u>\$62,733,000</u>
16	TOTAL APPROPRIATION . . . . .	(( <del>\$65,528,000</del> ))
17		<u>\$65,388,000</u>

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

20 (1) For the 2011-2013 fiscal biennium the board shall not designate  
21 recipients of the Washington award for vocational excellence or  
22 recognize them at award ceremonies as provided in RCW 28C.04.535.

23 (2) \$36,000 of the general fund--state appropriation for fiscal  
24 year 2013 is provided solely for the implementation of Second  
25 Substitute House Bill No. 2156 (workforce training/aerospace). If this  
26 bill is not enacted by June 30, 2012, the amount provided in the  
27 subsection shall lapse.

28 **Sec. 615.** 2011 2nd sp.s. c 9 s 612 (uncodified) is amended to read  
29 as follows:

30 **FOR THE DEPARTMENT OF EARLY LEARNING**

31	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$27,571,000</del> ))
32		<u>\$25,497,000</u>
33	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$27,558,000</del> ))
34		<u>\$27,190,000</u>
35	General Fund--Federal Appropriation . . . . .	(( <del>\$261,753,000</del> ))
36		<u>\$280,619,000</u>

1	Opportunity Pathways Account--State Appropriation . . .	(( <del>\$80,000,000</del> ))
2		<u>\$78,000,000</u>
3	<u>Home Visiting Services Account--Federal Appropriation . . . .</u>	<u>\$300,000</u>
4	TOTAL APPROPRIATION . . . . .	(( <del>\$396,882,000</del> ))
5		<u>\$411,606,000</u>

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

8 (1) \$16,028,000 of the general fund--state appropriation for fiscal  
9 year 2012, ((~~\$16,028,000~~)) \$18,028,000 of the general fund--state  
10 appropriation of fiscal year 2013, ((~~\$80,000,000~~)) \$78,000,000 of the  
11 opportunity pathways account appropriation, and \$2,256,000 of the  
12 general fund--federal appropriation are provided solely for the early  
13 childhood education assistance program services. Of these amounts,  
14 \$10,284,000 is a portion of the biennial amount of state maintenance of  
15 effort dollars required to receive federal child care and development  
16 fund grant dollars.

17 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the  
18 department is authorized to increase child care center and child care  
19 family home licensure fees in fiscal years 2012 and 2013 for costs to  
20 the department for the licensure activity, including costs of necessary  
21 inspection. These increases are necessary to support expenditures  
22 authorized in this section.

23 (3) ((~~\$638,000~~)) \$64,000 of the general fund--state appropriation  
24 for fiscal year 2012 ((and)), \$638,000 of the general fund--state  
25 appropriation for fiscal year 2013, and \$574,000 of the general fund--  
26 federal appropriation are provided solely for child care resource and  
27 referral network services.

28 (4) \$200,000 of the general fund--state appropriation for fiscal  
29 year 2012 and \$200,000 of the general fund--state appropriation for  
30 fiscal year 2013 are provided solely to develop and provide culturally  
31 relevant supports for parents, family, and other caregivers.

32 (5) 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 fund the child care

1 subsidies paid by the department of social and health services on  
2 behalf of the department of early learning.

3 (6) The appropriations in this section reflect reductions in the  
4 appropriations for the department's administrative expenses. It is the  
5 intent of the legislature that these reductions shall be achieved, to  
6 the greatest extent possible, by reducing those administrative costs  
7 that do not affect direct client services or direct service delivery or  
8 program.

9 (7) \$934,000 of the general fund--state appropriation for fiscal  
10 year 2012, \$934,000 of the general fund--state appropriation for fiscal  
11 year 2013, and \$2,400,000 of the general fund--federal appropriation  
12 are provided solely for expenditure into the home visiting services  
13 account. This funding is intended to meet federal maintenance of  
14 effort requirements and to secure private matching funds.

15 (a) All federal funds received by the department for home visiting  
16 activities must be deposited into the home visiting services account.

17 (b) The department must consult with stakeholders during the  
18 development of the Washington home visiting plan and any future  
19 proposals for federal funding.

20 (c) No more than \$300,000 of the home visiting services account--  
21 federal appropriation may be expended for program administration for  
22 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be  
23 expended for that purpose.

24 (8)(a) \$153,558,000 of the general fund--federal appropriation is  
25 provided solely for the working connections child care program under  
26 RCW 43.215.135.

27 (b) In addition to groups that were given prioritized access to the  
28 working connections child care program effective March 1, 2011, the  
29 department shall also give prioritized access into the program to  
30 families in which a parent of a child in care is a minor who is not  
31 living with a parent or guardian and who is a full-time student in a  
32 high school that has a school-sponsored on-site child care center.

33 (9)(a) \$50,000 of the general fund--state appropriation for fiscal  
34 year 2012 and \$1,050,000 of the general fund--state appropriation for  
35 fiscal year 2013 are provided solely for implementation and  
36 administration of an electronic benefit transfer system. The system  
37 shall include electronic time keeping, integrated with an eligibility

1 information technology system, and an electronic payment system. The  
2 department shall coordinate implementation of this system with the  
3 department of social and health services.

4 (b) \$100,000 of the general fund--state appropriation in this  
5 subsection is provided solely for the department to contract for an  
6 independent consultant to evaluate and recommend the optimum system for  
7 the eligibility determination process. The evaluation must include an  
8 analysis of lean management processes that, if adopted, could improve  
9 the cost effectiveness and delivery of eligibility determination. The  
10 department shall coordinate with the department of social and health  
11 services for this evaluation. The department must report to the office  
12 of financial management and the appropriate fiscal and policy  
13 committees of the legislature by December 1, 2012.

14 (10) Within available amounts, the department in consultation with  
15 the office of financial management and the department of social and  
16 health services shall report quarterly enrollments and active caseload  
17 for the working connections child care program to the legislative  
18 fiscal committees and the legislative-executive WorkFirst oversight  
19 task force. The report shall also identify the number of cases  
20 participating in both temporary assistance for needy families and  
21 working connections child care.

22 ((+10)) (11) \$1,025,000 of the general fund--state appropriation  
23 for fiscal year 2013 and \$6,712,000 of the general fund--federal  
24 appropriation are provided solely for the seasonal child care program  
25 in fiscal year 2013.

26 (12) \$2,522,000 of the general fund--state appropriation for fiscal  
27 year 2012, \$2,522,000 of the general fund--state appropriation for  
28 fiscal year 2013, and \$4,304,000 of the general fund--federal  
29 appropriation are provided solely for the medicaid treatment child care  
30 (MTCC) program. The department shall contract for MTCC services to  
31 provide therapeutic child care and other specialized treatment services  
32 to abused, neglected, at-risk, and/or drug-affected children. Priority  
33 for services shall be given to children referred from the department of  
34 social and health services children's administration. In addition to  
35 referrals made by children's administration, the department shall  
36 authorize services for children referred to the MTCC program, as long  
37 as the children meet the eligibility requirements as outlined in the

1 Washington state plan for the MTCC program. Of the amounts  
2 appropriated in this subsection, \$60,000 per fiscal year may be used by  
3 the department for administering the MTCC program, if needed.

4 (13)(a) The department shall establish a birth-to-three  
5 subcommittee of the early learning advisory council. The subcommittee  
6 will be cochaired by the department and nongovernmental private-public  
7 partnership created in RCW 43.215.070. The subcommittee shall include  
8 at least one representative from each of the following:

9 (i) The early learning advisory council;

10 (ii) The office of the superintendent of public instruction;

11 (iii) The department of social and health services;

12 (iv) The department of early learning;

13 (v) The nongovernmental private-public partnership created in RCW  
14 43.215.070;

15 (vi) The early learning action alliance; and

16 (vii) Additional stakeholders with expertise in birth-to-three  
17 policy and programs and quality child care, as designated by the early  
18 learning advisory council.

19 (b) The subcommittee may convene advisory subgroups on specific  
20 topics as necessary to assure participation and input from a broad  
21 array of diverse stakeholders.

22 (c) The subcommittee shall be monitored and overseen by the early  
23 learning advisory council created in RCW 43.215.090.

24 (d) The subcommittee shall develop a birth-to-three implementation  
25 proposal, which shall include further development of the Washington  
26 state birth-to-three plan.

27 (e) The subcommittee must include recommendations on the following  
28 in its birth-to-three proposal:

29 (i) Eligibility criteria for providers and programs;

30 (ii) The level of funding necessary to implement birth-to-three  
31 programs, including an option which makes available funding equivalent  
32 to thirty percent of the funding provided for the program of early  
33 learning established in RCW 43.215.141;

34 (iii) Options for funding sources for birth-to-three programs;

35 (iv) Governance responsibilities for the department of early  
36 learning; and

37 (v) A timeline for implementation that is concurrent with the  
38 expansion to the early learning program outlined in RCW 43.215.142.

1     The subcommittee must present its recommendations to the early  
2 learning advisory council and the appropriate committees of the  
3 legislature by December 1, 2012.

4     (14) \$300,000 of the general fund--federal appropriation is  
5 provided solely for a contract with a nonprofit entity experienced in  
6 the provision of promoting early literacy for children through  
7 pediatric office visits.

8         **Sec. 616.** 2011 2nd sp.s. c 9 s 613 (uncodified) is amended to read  
9 as follows:

10 **FOR THE STATE SCHOOL FOR THE BLIND**

11	General Fund--State Appropriation (FY 2012) . . . . .	(((\$5,782,000))
12		<u>\$5,776,000</u>
13	General Fund--State Appropriation (FY 2013) . . . . .	(((\$5,749,000))
14		<u>\$5,671,000</u>
15	<del>((General Fund--Private/Local Appropriation . . . . .</del>	<del>\$1,961,000))</del>
16	TOTAL APPROPRIATION . . . . .	(((\$13,492,000))
17		<u>\$11,447,000</u>

18     ~~((The appropriations in this section are subject to the following~~  
19 ~~conditions and limitations: \$271,000 of the general fund--~~  
20 ~~private/local appropriation is provided solely for the school for the~~  
21 ~~blind to offer short course programs, allowing students the opportunity~~  
22 ~~to leave their home schools for short periods and receive intensive~~  
23 ~~training. The school for the blind shall provide this service to the~~  
24 ~~extent that it is funded by contracts with school districts and~~  
25 ~~educational services districts.))~~

26         **Sec. 617.** 2011 2nd sp.s. c 9 s 614 (uncodified) is amended to read  
27 as follows:

28 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**  
29 **LOSS**

30	General Fund--State Appropriation (FY 2012) . . . . .	(((\$8,449,000))
31		<u>\$8,439,000</u>
32	General Fund--State Appropriation (FY 2013) . . . . .	(((\$8,446,000))
33		<u>\$8,335,000</u>
34	<del>((General Fund--Private/Local Appropriation . . . . .</del>	<del>\$526,000))</del>
35	TOTAL APPROPRIATION . . . . .	(((\$17,421,000))
36		<u>\$16,774,000</u>





PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2011 2nd sp.s. c 9 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 2012), General Fund--State Appropriation (FY 2013), 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 Retire 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 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

Sec. 702. 2011 2nd sp.s. c 9 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING

1 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**  
2 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

3	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$27,516,000</del> ))
4		<u>\$27,400,000</u>
5	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$30,758,000</del> ))
6		<u>\$30,572,000</u>
7	Nondebt-Limit Reimbursable Bond Retirement	
8	Account--State Appropriation . . . . .	\$140,128,000
9	TOTAL APPROPRIATION . . . . .	(( <del>\$198,402,000</del> ))
10		<u>\$198,100,000</u>

11 The appropriations in this section are subject to the following  
12 conditions and limitations: The general fund appropriation is for  
13 expenditure into the nondebt-limit general fund bond retirement  
14 account. The entire general fund--state appropriation for fiscal year  
15 2012 shall be expended into the nondebt-limit general fund bond  
16 retirement account by June 30, 2012.

17 **Sec. 703.** 2011 1st sp.s. c 50 s 715 (uncodified) is amended to  
18 read as follows:

19 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**  
20 **COSTS**

21	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$591,000</del> ))
22		<u>\$1,102,000</u>

23 The appropriation in this section is subject to the following  
24 conditions and limitations: The director of financial management shall  
25 distribute ((~~\$338,000~~)) \$501,000 to Franklin county, \$128,000 to  
26 Jefferson county, ((and)) \$125,000 to Okanogan county, \$161,000 to  
27 Yakima county, and \$187,000 to King county for extraordinary criminal  
28 justice costs.

29 NEW SECTION. **Sec. 704.** 2011 2nd sp.s. c 9 s 705 (uncodified) is  
30 repealed.

31 NEW SECTION. **Sec. 705.** 2011 2nd sp.s. c 9 s 707 (uncodified) is  
32 repealed.

33 NEW SECTION. **Sec. 706.** A new section is added to 2011 1st sp.s.  
34 c 50 (uncodified) to read as follows:

1 **FOR THE DEPARTMENT OF NATURAL RESOURCES--DISTRIBUTION OF EXCESS FUNDS**  
2 **FROM THE FOREST DEVELOPMENT ACCOUNT**

3 Forest Development Account--State Appropriation . . . . . \$10,000,000

4 The appropriation in this section is provided solely for  
5 distribution of state forest land revenues to taxing authorities that  
6 received such revenue from fiscal year 2002 through fiscal year 2011  
7 and is subject to the following conditions and limitations:

8 (1) Within fifteen days of the effective date of this section, the  
9 department shall transmit funds in the amounts specified in subsection  
10 (3) of this section to the county treasurers of the counties receiving  
11 the funds.

12 (2) The county treasurers of the counties listed in this section  
13 shall distribute funds received from this appropriation to taxing  
14 authorities in proportion to the state forest transfer land funds  
15 distributed to the taxing authorities based on information available  
16 for the fiscal years 2002 through 2011. Funds to be credited to the  
17 state of Washington and funds credited to school district general  
18 levies shall be remitted to the state of Washington within thirty days  
19 after the effective date of this section for deposit into the state  
20 general fund.

21 (3) Funds shall be distributed in the following amounts:

22	Clallam	\$848,854
23	Clark	\$630,368
24	Cowlitz	\$418,159
25	Grays Harbor	\$266,365
26	Jefferson	\$239,722
27	King	\$328,725
28	Kitsap	\$73,839
29	Klickitat	\$197,968
30	Lewis	\$887,679
31	Mason	\$425,935
32	Okanogan	\$4
33	Pacific	\$352,540
34	Pierce	\$334,179
35	Skagit	\$1,534,497



1 (b) The office of financial management will report to the  
2 appropriate fiscal committees in both legislative chambers on the  
3 income and tax burden of Washingtonians.

4 (c) The report must be delivered by September 1, 2012, and must  
5 include:

6 (i) Estimates of the income and the wealth distribution of  
7 Washingtonians by income quintile, or, if possible, by decile;

8 (ii) The combined state/local tax burden of Washingtonians by  
9 income quintile, or, if possible, decile;

10 (iii) The tax burden of Washingtonians using longitudinal data:

11 (A) As a percentage of aggregate income;

12 (B) Using per capita data; and

13 (C) Using tax burden per \$1,000 of income;

14 (iv) The amount of state and local government revenue combined in  
15 Washington state as a share of the gross state product using  
16 longitudinal data; and

17 (v) Year-over-year estimates of real income gains (or losses) by  
18 income quintile, or, if possible, decile.

19 (d) Where feasible, the office of financial management must use  
20 established state and federal data sets to compile this report. The  
21 office of financial management must make estimates or projections based  
22 on historic data to fill in years if actual data is not yet available.

23 NEW SECTION. **Sec. 709.** A new section is added to 2011 1st sp.s.  
24 c 50 (uncodified) to read as follows:

25 **FOR THE SAVINGS INCENTIVE ACCOUNT AND EDUCATION SAVINGS ACCOUNT**

26 For fiscal years 2012 and 2013, no appropriations are made for  
27 deposit to the savings incentive account or the education savings  
28 account under RCW 43.79.460 and 43.79.465.

29 The following acts or parts of acts are hereby repealed:

30 (1) 2011 1st sp.s. c 50 s 709 (uncodified); and

31 (2) 2011 1st sp.s. c 50 s 710 (uncodified).

32 NEW SECTION. **Sec. 710.** 2011 2nd sp.s. c 9 s 706 (uncodified) is  
33 repealed.

34 NEW SECTION. **Sec. 711.** 2011 2nd sp.s. c 9 s 708 (uncodified) is  
35 repealed.



1 fund--state allotments by \$5,000,000 for fiscal year 2013 to reflect  
2 savings associated with a reduction in expenditures related to  
3 information technology, pursuant to allotment schedules prepared by the  
4 office of financial management. The allotment reductions under this  
5 section shall be placed in unallotted status and remain unexpended.  
6 For agencies with appropriations from accounts other than the general  
7 fund--state, the office of financial management shall work with  
8 agencies to achieve similar savings in other accounts.

9 NEW SECTION. **Sec. 715.** A new section is added to 2011 1st sp.s.  
10 c 50 (uncodified) to read as follows:

11 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--LEGAL SERVICES REVOLVING**  
12 **ACCOUNT**

13	General Fund--State Appropriation (FY 2012) . . . . .	\$324,000
14	General Fund--State Appropriation (FY 2013) . . . . .	\$648,000
15	Other Appropriated Funds . . . . .	\$1,779,000
16	TOTAL APPROPRIATION . . . . .	\$2,751,000

17 The appropriations in this section are subject to the following  
18 conditions and limitations: In accordance with schedules prepared by  
19 the office of financial management, the appropriations in this section  
20 shall be distributed to state agencies by the office of financial  
21 management to support the level of appropriations in this act from the  
22 legal services revolving account for legal services provided to state  
23 agencies by the office of the attorney general.

(End of part)



PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2011 1st sp.s. c 50 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 . . . . . ((~~\$8,368,000~~)) \$8,289,000

General Fund Appropriation for public utility district excise tax distributions . . . . . ((~~\$49,418,000~~)) \$44,078,000

General Fund Appropriation for prosecuting attorney distributions . . . . . \$6,281,000

General Fund Appropriation for boating safety and education distributions . . . . . \$4,000,000

General Fund Appropriation for other tax distributions . . . . . \$58,000

General Fund Appropriation for habitat conservation program distributions . . . . . \$3,000,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies . . . . . \$2,960,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution . . . . . \$160,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties . . . . . ((~~\$40,421,000~~)) \$58,229,000

County Criminal Justice Assistance Appropriation . . . . . ((~~\$69,801,000~~)) \$69,566,000

Municipal Criminal Justice Assistance Appropriation . . . . . ((~~\$26,950,000~~)) \$26,843,000

City-County Assistance Account Appropriation for local government financial assistance distribution . . . . . ((~~\$16,589,000~~)) \$12,159,000

Liquor Excise Tax Account Appropriation for liquor

1	excise tax distribution . . . . .	(( <del>\$52,152,000</del> ))
2		<u>\$25,617,000</u>
3	Streamlined Sales and Use Tax Mitigation Account	
4	Appropriation for distribution to local taxing	
5	jurisdictions to mitigate the unintended revenue	
6	redistribution effect of the sourcing law	
7	changes . . . . .	(( <del>\$49,635,000</del> ))
8		<u>\$49,309,000</u>
9	Columbia River Water Delivery Account Appropriation for	
10	the Confederated Tribes of the Colville	
11	Reservation . . . . .	(( <del>\$7,441,000</del> ))
12		<u>\$7,478,000</u>
13	Columbia River Water Delivery Account Appropriation for	
14	the Spokane Tribe of Indians . . . . .	(( <del>\$4,748,000</del> ))
15		<u>\$4,794,000</u>
16	Liquor Revolving Account Appropriation for liquor	
17	profits distribution . . . . .	(( <del>\$69,318,000</del> ))
18		<u>\$85,132,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$411,301,000</del> ))
20		<u>\$407,953,000</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 **Sec. 802.** 2011 1st sp.s. c 50 s 802 (uncodified) is amended to  
25 read as follows:

26 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**  
27 **ACCOUNT**

28	Impaired Driver Safety Account Appropriation . . . . .	(( <del>\$2,501,000</del> ))
29		<u>\$2,439,000</u>

30 The appropriation in this section is subject to the following  
31 conditions and limitations: The amount appropriated in this section  
32 shall be distributed quarterly during the 2011-2013 fiscal biennium in  
33 accordance with RCW 82.14.310. This funding is provided to counties  
34 for the costs of implementing criminal justice legislation including,  
35 but not limited to: Chapter 206, Laws of 1998 (drunk driving  
36 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,  
37 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998

1 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock  
2 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,  
3 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication  
4 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter  
5 215, Laws of 1998 (DUI provisions).

6 **Sec. 803.** 2011 1st sp.s. c 50 s 803 (uncodified) is amended to  
7 read as follows:

8 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**  
9 Impaired Driver Safety Account Appropriation . . . . . (~~(\$1,666,000)~~)  
10 \$1,626,000

11 The appropriation in this section is subject to the following  
12 conditions and limitations: The amount appropriated in this section  
13 shall be distributed quarterly during the 2011-2013 biennium to all  
14 cities ratably based on population as last determined by the office of  
15 financial management. The distributions to any city that substantially  
16 decriminalizes or repeals its criminal code after July 1, 1990, and  
17 that does not reimburse the county for costs associated with criminal  
18 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in  
19 which the city is located. This funding is provided to cities for the  
20 costs of implementing criminal justice legislation including, but not  
21 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);  
22 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998  
23 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license  
24 suspension); chapter 210, Laws of 1998 (ignition interlock violations);  
25 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998  
26 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels  
27 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,  
28 Laws of 1998 (DUI provisions).

29 **Sec. 804.** 2011 2nd sp.s. c 9 s 801 (uncodified) is amended to read  
30 as follows:

31 **FOR THE STATE TREASURER--TRANSFERS**  
32 State Treasurer's Service Account: For transfer to  
33 the state general fund, \$16,300,000  
34 for fiscal year 2012 and (~~(\$21,300,000)~~)  
35 \$24,800,000 for fiscal year 2013 . . . . . (~~(\$37,600,000)~~)  
36 \$41,100,000

1 Waste Reduction, Recycling, and Litter Control  
2 Account: For transfer to the state general  
3 fund, (~~(\$3,500,000)~~) \$4,847,000 for fiscal year  
4 2012 and (~~(\$3,500,000)~~) \$4,847,000 for fiscal year  
5 2013 . . . . . (~~(\$7,000,000)~~)  
6 \$9,694,000  
7 Aquatics Lands Enhancement Account: For transfer to  
8 the state general fund, \$3,500,000 for fiscal  
9 year 2012 and \$3,500,000 for fiscal year 2013 . . . . . \$7,000,000  
10 Savings Incentive Account: For transfer to the state  
11 general fund, \$44,618,000 for fiscal year 2012 . . . . . \$44,618,000  
12 Distinguished Professorship Trust Fund: For transfer to  
13 the state general fund for fiscal year 2012, an amount  
14 not to exceed the actual cash balance of the fund . . . . \$3,024,000  
15 Washington Graduate Fellowship Trust Fund: For transfer  
16 to the state general fund for fiscal year 2012, an  
17 amount not to exceed the actual cash balance of  
18 the fund . . . . . \$1,028,000  
19 College Faculty Awards Trust Fund: For transfer  
20 to the state general fund for fiscal year 2012, an amount  
21 not to exceed the actual cash balance of the fund . . . . \$1,996,000  
22 Data Processing Revolving Account: For transfer  
23 to the state general fund, \$5,960,000 for fiscal  
24 year 2012 . . . . . \$5,960,000  
25 Drinking Water Assistance Account: For transfer to  
26 the drinking water assistance repayment account . . . . \$38,000,000  
27 Economic Development Strategic Reserve Account: For  
28 transfer to the state general fund, \$2,100,000  
29 for fiscal year 2012 and \$2,100,000 for fiscal  
30 year 2013 . . . . . \$4,200,000  
31 General Fund: For transfer to the streamlined sales  
32 and use tax account, (~~(\$24,846,000)~~) \$24,520,000  
33 for fiscal year 2012 and \$24,789,000 for fiscal  
34 year 2013 . . . . . (~~(\$49,635,000)~~)  
35 \$49,309,000  
36 Public Works Assistance Account: For transfer to the  
37 water pollution control revolving account,  
38 \$7,750,000 for fiscal year 2012 and \$7,750,000 for

1 fiscal year 2013 . . . . . \$15,500,000  
2 The Charitable, Educational, Penal, and Reformatory  
3 Institutions Account: For transfer to the state  
4 general fund, \$4,500,000 for fiscal year 2012 and  
5 \$4,500,000 for fiscal year 2013 . . . . . \$9,000,000  
6 Thurston County Capital Facilities Account: For  
7 transfer to the state general fund, \$4,000,000  
8 for fiscal year 2012 and \$4,000,000 for fiscal  
9 year 2013 . . . . . \$8,000,000  
10 Public Works Assistance Account: For transfer to the  
11 drinking water assistance account, \$10,000,000 for  
12 fiscal year 2012 and \$5,000,000 for fiscal year  
13 2013 . . . . . \$15,000,000  
14 Liquor Control Board Construction and Maintenance  
15 Account: For transfer to the state general fund,  
16 \$500,000 for fiscal year 2012 (~~and \$500,000 for~~  
17 ~~fiscal year 2013~~) . . . . . ((~~\$1,000,000~~))  
18 \$500,000  
19 Education Savings Account: For transfer to the state  
20 general fund, \$54,431,000 for fiscal  
21 year 2012 (~~and \$22,500,000 for fiscal year~~  
22 ~~2013~~) . . . . . ((~~\$76,931,000~~))  
23 \$54,431,000  
24 Department of Retirement Systems Expense Account:  
25 For transfer to the state general fund, (~~(\$250,000)~~)  
26 \$2,330,000 for fiscal year 2012 and (~~(\$250,000)~~)  
27 \$4,330,000 for fiscal year 2013 . . . . . ((~~\$500,000~~))  
28 \$6,660,000  
29 Education Construction Account: For transfer to the  
30 state general fund, \$102,000,000 for fiscal year  
31 2012 and \$102,000,000 for fiscal year 2013 . . . . . \$204,000,000  
32 Public Works Assistance Account: For transfer to the  
33 state general fund, (~~(\$25,000,000)~~) \$40,000,000  
34 for fiscal year 2012 and (~~(\$25,000,000)~~) \$40,000,000  
35 for fiscal year 2013 . . . . . ((~~\$50,000,000~~))  
36 \$80,000,000  
37 Foster Care Endowed Scholarship Trust Fund: For transfer  
38 to the state general fund, \$200,000 for fiscal year



1 Washington State Heritage Center Account: For transfer  
2 to the state general fund, \$2,000,000 for fiscal  
3 year 2013 . . . . . \$2,000,000  
4 Local Toxics Control Account: For transfer to the state  
5 toxics control account, \$15,000,000 for fiscal  
6 year 2012 and \$16,000,000 for fiscal year 2013 . . . . . \$31,000,000  
7 Coastal Protection Account: For transfer to the state  
8 general fund, \$500,000 for fiscal year 2012 and  
9 \$500,000 for fiscal year 2013 . . . . . \$1,000,000  
10 Multimodal Transportation Account--State: For transfer  
11 to the Public Transportation Grant Program Account  
12 for the purposes of distributions of \$3,000,000 on  
13 each of the last working days of December, March,  
14 and June in fiscal year 2013 . . . . . \$9,000,000  
15 Aquatic Lands Enhancement Account: For transfer to  
16 the marine resources stewardship trust account,  
17 \$2,100,000 for fiscal year 2013 . . . . . \$2,100,000

(End of part)





1 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WPEA, WPEA CC**  
2 **COALITION, WFSE CC COALITION, WFSE CWU, WFSE TESC**

3 Agreements have been reached between the governor and the following  
4 unions: Washington public employees association, Washington public  
5 employees association higher education community college coalition,  
6 Washington federation of state employees higher education community  
7 college coalition, Washington federation of state employees Central  
8 Washington University, and Washington federation of state employees The  
9 Evergreen State College, under the provisions of chapter 41.80 RCW for  
10 fiscal year 2013. Funding is reduced to reflect a 3.0 percent  
11 temporary salary reduction for all employees whose monthly full-time  
12 equivalent salary is \$2,500 or more per month through June 29, 2013.  
13 Effective June 30, 2013, the salary schedules effective July 1, 2009,  
14 through June 30, 2011, will be reinstated. For employees entitled to  
15 leave, temporary salary reduction leave is granted for fiscal year  
16 2013.

17 NEW SECTION. **Sec. 903.** A new section is added to 2011 1st sp.s.  
18 c 50 (uncodified) to read as follows:

19 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--YAKIMA VALLEY**  
20 **COMMUNITY COLLEGE--WASHINGTON PUBLIC EMPLOYEES ASSOCIATION**

21 An agreement has been reached between Yakima Valley Community  
22 College and Washington public employees association under the  
23 provisions of chapter 41.80 RCW for fiscal year 2013. The agreement is  
24 consistent with the funding reduction provided in the 2011-2013 omnibus  
25 appropriations act, which reflected a 3.0 percent temporary salary  
26 reduction to all employees whose monthly full-time equivalent salary is  
27 \$2,500 or more per month through June 29, 2013.

28 NEW SECTION. **Sec. 904.** A new section is added to 2011 1st sp.s.  
29 c 50 (uncodified) to read as follows:

30 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WESTERN WASHINGTON**  
31 **UNIVERSITY--PUBLIC SCHOOL EMPLOYEES OF WASHINGTON**

32 An agreement has been reached between Western Washington University  
33 and the Washington public school employees of Washington bargaining  
34 units D and PTE under the provisions of chapter 41.80 RCW for fiscal  
35 year 2013. The agreement is consistent with the funding reduction  
36 provided in the 2011-2013 omnibus appropriations act, which reflected

1 a 3.0 percent temporary salary reduction to all employees whose monthly  
2 full-time equivalent salary is \$2,500 or more per month through June  
3 29, 2013. The reduction will be implemented according to the terms and  
4 conditions of this agreement.

5 NEW SECTION. **Sec. 905.** A new section is added to 2011 1st sp.s.  
6 c 50 (uncodified) to read as follows:

7 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WESTERN WASHINGTON**  
8 **UNIVERSITY--WFSE**

9 An agreement has been reached between Western Washington University  
10 and the Washington federation of state employees bargaining units A, B,  
11 and E under the provisions of chapter 41.80 RCW for fiscal year 2013.  
12 The agreement is consistent with the funding reduction provided in the  
13 2011-2013 omnibus appropriations act, which reflected a 3.0 percent  
14 temporary salary reduction to all employees whose monthly full-time  
15 equivalent salary is \$2,500 or more per month through June 29, 2013.  
16 The reduction will be implemented according to the terms and conditions  
17 of this agreement.

18 NEW SECTION. **Sec. 906.** A new section is added to 2011 1st sp.s.  
19 c 50 (uncodified) to read as follows:

20 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--EASTERN WASHINGTON**  
21 **UNIVERSITY--WFSE**

22 An agreement has been reached between Eastern Washington University  
23 and the Washington federation of state employees under the provisions  
24 of chapter 41.80 RCW for fiscal year 2013. The agreement is consistent  
25 with the funding reduction provided in the 2011-2013 omnibus  
26 appropriations act, which reflected a 3.0 percent temporary salary  
27 reduction to all employees whose monthly full-time equivalent salary is  
28 \$2,500 or more per month through June 29, 2013. The reduction will be  
29 implemented according to the terms and conditions of this agreement.

30 NEW SECTION. **Sec. 907.** A new section is added to 2011 1st sp.s.  
31 c 50 (uncodified) to read as follows:

32 **COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--SEIU**  
33 **HEALTHCARE 775NW HOMECARE WORKERS**

34 If the governor and the service employees international union  
35 healthcare 775nw under chapter 74.39A RCW reach agreement on the

1 state's contribution to the training partnership pursuant to the  
2 appropriations in sections 205 and 206 of this act, the new  
3 contribution amount shall become a part of the parties' existing  
4 2011-2013 collective bargaining agreement.

5 NEW SECTION. **Sec. 908.** A new section is added to 2011 1st sp.s.  
6 c 50 (uncodified) to read as follows:

7 **COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--WSRCC ADULT**  
8 **FAMILY HOMES**

9 If the governor and the Washington state residential care council  
10 under chapter 41.56 RCW reach agreement on a modification of the daily  
11 rate for the impacts of training and license fees pursuant to the  
12 appropriations in sections 205 and 206 of this act, the new rate shall  
13 become a part of the parties' existing 2011-2013 collective bargaining  
14 agreement.

15 **Sec. 909.** 2011 1st sp.s. c 50 s 920 (uncodified) is amended to  
16 read as follows:

17 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

18 Appropriations for state agencies in this act are sufficient for  
19 nonrepresented state employee health benefits for state agencies,  
20 including institutions of higher education, and are subject to the  
21 following 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 \$850 per eligible employee for  
25 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
26 rate shall not exceed (~~(\$850)~~) \$800 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 point-of-  
30 service cost sharing, the implementation of managed competition, or  
31 make other changes to benefits consistent with RCW 41.05.065.

32 (c) The health care authority shall deposit any moneys received on  
33 behalf of the uniform medical plan as a result of rebates on  
34 prescription drugs, audits of hospitals, subrogation payments, or any  
35 other moneys recovered as a result of prior uniform medical plan claims

1 payments, into the public employees' and retirees' insurance account to  
2 be used for insurance benefits. Such receipts shall not be used for  
3 administrative expenditures.

4 (2) The health care authority, subject to the approval of the  
5 public employees' benefits board, shall provide subsidies for health  
6 benefit premiums to eligible retired or disabled public employees and  
7 school district employees who are eligible for medicare, pursuant to  
8 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
9 \$150.00 per month.

10 (3) Technical colleges, school districts, and educational service  
11 districts shall remit to the health care authority for deposit into the  
12 public employees' and retirees' insurance account established in RCW  
13 41.05.120 the following amounts:

14 (a) For each full-time employee, \$66.01 per month beginning  
15 September 1, 2011, and (~~(\$67.91)~~) \$65.17 beginning September 1, 2012;

16 (b) For each part-time employee, who at the time of the remittance  
17 is employed in an eligible position as defined in RCW 41.32.010 or  
18 41.40.010 and is eligible for employer fringe benefit contributions for  
19 basic benefits, \$66.01 each month beginning September 1, 2011, and  
20 (~~(\$67.91)~~) \$65.17 beginning September 1, 2012, prorated by the  
21 proportion of employer fringe benefit contributions for a full-time  
22 employee that the part-time employee receives. The remittance  
23 requirements specified in this subsection shall not apply to employees  
24 of a technical college, school district, or educational service  
25 district who purchase insurance benefits through contracts with the  
26 health care authority.

27 **Sec. 910.** 2011 1st sp.s. c 50 s 921 (uncodified) is amended to  
28 read as follows:

29 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**  
30 **BENEFITS**

31 Appropriations for state agencies in this act are sufficient for  
32 represented employees outside the super coalition for health benefits,  
33 and are subject to the following conditions and limitations:

34 (1)(a) The monthly employer funding rate for insurance benefit  
35 premiums, public employees' benefits board administration, and the  
36 uniform medical plan, shall not exceed \$850 per eligible employee for

1 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
2 rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

3 (b) In order to achieve the level of funding provided for health  
4 benefits, the public employees' benefits board shall require any or all  
5 of the following: Employee premium copayments, increases in point-of-  
6 service cost sharing, the implementation of managed competition, or  
7 make other changes to benefits consistent with RCW 41.05.065.

8 (c) The health care authority shall deposit any moneys received on  
9 behalf of the uniform medical plan as a result of rebates on  
10 prescription drugs, audits of hospitals, subrogation payments, or any  
11 other moneys recovered as a result of prior uniform medical plan claims  
12 payments, into the public employees' and retirees' insurance account to  
13 be used for insurance benefits. Such receipts shall not be used for  
14 administrative expenditures.

15 (2) The health care authority, subject to the approval of the  
16 public employees' benefits board, shall provide subsidies for health  
17 benefit premiums to eligible retired or disabled public employees and  
18 school district employees who are eligible for medicare, pursuant to  
19 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
20 \$150.00 per month.

21 (3) Technical colleges, school districts, and educational service  
22 districts shall remit to the health care authority for deposit into the  
23 public employees' and retirees' insurance account established in RCW  
24 41.05.120 the following amounts:

25 (a) For each full-time employee, \$66.01 per month beginning  
26 September 1, 2011, and (~~(\$67.91)~~) \$65.17 beginning September 1, 2012;

27 (b) For each part-time employee, who at the time of the remittance  
28 is employed in an eligible position as defined in RCW 41.32.010 or  
29 41.40.010 and is eligible for employer fringe benefit contributions for  
30 basic benefits, \$66.01 each month beginning September 1, 2011, and  
31 (~~(\$67.91)~~) \$65.17 beginning September 1, 2012, prorated by the  
32 proportion of employer fringe benefit contributions for a full-time  
33 employee that the part-time employee receives. The remittance  
34 requirements specified in this subsection shall not apply to employees  
35 of a technical college, school district, or educational service  
36 district who purchase insurance benefits through contracts with the  
37 health care authority.

1       **Sec. 911.** 2011 1st sp.s. c 50 s 922 (uncodified) is amended to  
2 read as follows:

3       **COMPENSATION--REPRESENTED       EMPLOYEES--SUPER       COALITION--INSURANCE**  
4       **BENEFITS**

5       The collective bargaining agreement negotiated with the super  
6 coalition under chapter 41.80 RCW includes employer premiums at 85  
7 percent of the total weighted average of the projected health care  
8 premiums across all plans and tiers. Appropriations in this act for  
9 state agencies, including institutions of higher education are  
10 sufficient to fund state employees health benefits for employees  
11 represented by the super coalition on health benefits, and are subject  
12 to the following conditions and limitations:

13       (1)(a) The monthly employer funding rate for insurance benefit  
14 premiums, public employees' benefits board administration, and the  
15 uniform medical plan, shall not exceed \$850 per eligible employee for  
16 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
17 rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

18       (b) In order to achieve the level of funding provided for health  
19 benefits, the public employees' benefits board shall require any or all  
20 of the following: Employee premium copayments, increases in point-of-  
21 service cost sharing, the implementation of managed competition, or  
22 make other changes to benefits consistent with RCW 41.05.065.

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       (2) The health care authority, subject to the approval of the  
31 public employees' benefits board, shall provide subsidies for health  
32 benefit premiums to eligible retired or disabled public employees and  
33 school district employees who are eligible for medicare, pursuant to  
34 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
35 \$150.00 per month.

36       NEW SECTION. **Sec. 912.** A new section is added to 2011 1st sp.s.  
37 c 50 (uncodified) to read as follows:

1 For purposes of RCW 43.88.110(7), any cash deficit in existence at  
2 the close of fiscal year 2012 shall be liquidated over the remainder of  
3 the 2011-2013 fiscal biennium.

4 **Sec. 913.** RCW 2.68.020 and 2009 c 564 s 1802 and 2009 c 564 s 918  
5 are each reenacted and amended to read as follows:

6 There is created an account in the custody of the state treasurer  
7 to be known as the judicial information system account. The  
8 administrative office of the courts shall maintain and administer the  
9 account, in which shall be deposited all moneys received from in-state  
10 noncourt users and any out-of-state users of the judicial information  
11 system and moneys as specified in RCW 2.68.040 for the purposes of  
12 providing judicial information system access to noncourt users and  
13 providing an adequate level of automated services to the judiciary.  
14 The legislature shall appropriate the funds in the account for the  
15 purposes of the judicial information system. The account shall be used  
16 for the acquisition of equipment, software, supplies, services, and  
17 other costs incidental to the acquisition, development, operation, and  
18 administration of information services, telecommunications, systems,  
19 software, supplies, and equipment, including the payment of principal  
20 and interest on items paid in installments. (~~During the 2007-2009~~  
21 ~~fiscal biennium, the legislature may transfer from the judicial~~  
22 ~~information system account to the state general fund such amounts as~~  
23 ~~reflect the excess fund balance of the account. During the 2009-2011~~  
24 ~~fiscal biennium, the legislature may transfer from the judicial~~  
25 ~~information system account to the state general fund such amounts as~~  
26 ~~reflect the excess fund balance of the account.)) During the 2011-2013  
27 fiscal biennium, the judicial information systems account may be  
28 appropriated to support the state law library.~~

29 **Sec. 914.** RCW 28B.15.067 and 2011 1st sp.s. c 10 s 3 are each  
30 amended to read as follows:

31 (1) Tuition fees shall be established under the provisions of this  
32 chapter.

33 (2) Beginning in the 2011-12 academic year, reductions or increases  
34 in full-time tuition fees shall be as provided in the omnibus  
35 appropriations act for resident undergraduate students at community and  
36 technical colleges. The governing boards of the state universities,

1 regional universities, and The Evergreen State College; and the state  
2 board for community and technical colleges may reduce or increase full-  
3 time tuition fees for all students other than resident undergraduates,  
4 including nonresident students, summer school students, and students in  
5 other self-supporting degree programs. Percentage increases in full-  
6 time tuition may exceed the fiscal growth factor. Except during the  
7 2011-2013 fiscal biennium, the state board for community and technical  
8 colleges may pilot or institute differential tuition models. The board  
9 may define scale, scope, and rationale for the models.

10 (3)(a) Beginning with the 2011-12 academic year and through the end  
11 of the 2014-15 academic year, the governing boards of the state  
12 universities, the regional universities, and The Evergreen State  
13 College may reduce or increase full-time tuition fees for all students,  
14 including summer school students and students in other self-supporting  
15 degree programs. Percentage increases in full-time tuition fees may  
16 exceed the fiscal growth factor. Reductions or increases may be made  
17 for all or portions of an institution's programs, campuses, courses, or  
18 students; however, during the 2011-2013 fiscal biennium, reductions or  
19 increases in tuition must be uniform among resident undergraduate  
20 students.

21 (b) Prior to reducing or increasing tuition for each academic year,  
22 the governing boards of the state universities, the regional  
23 universities, and The Evergreen State College shall consult with  
24 existing student associations or organizations with student  
25 undergraduate and graduate representatives regarding the impacts of  
26 potential tuition increases. Governing boards shall be required to  
27 provide data regarding the percentage of students receiving financial  
28 aid, the sources of aid, and the percentage of total costs of  
29 attendance paid for by aid.

30 (c) Prior to reducing or increasing tuition for each academic year,  
31 the state board for community and technical college system shall  
32 consult with existing student associations or organizations with  
33 undergraduate student representation regarding the impacts of potential  
34 tuition increases. The state board for community and technical  
35 colleges shall provide data regarding the percentage of students  
36 receiving financial aid, the sources of aid, and the percentage of  
37 total costs of attendance paid for by aid.



1 (4) Beginning with the 2015-16 academic year through the 2018-19  
2 academic year, the governing boards of the state universities, regional  
3 universities, and The Evergreen State College may set tuition for  
4 resident undergraduates as follows:

5 (a) If state funding for a college or university falls below the  
6 state funding provided in the operating budget for fiscal year 2011,  
7 the governing board may increase tuition up to the limits set in (d) of  
8 this subsection, reduce enrollments, or both;

9 (b) If state funding for a college or university is at least at the  
10 level of state funding provided in the operating budget for fiscal year  
11 2011, the governing board may increase tuition up to the limits set in  
12 (d) of this subsection and shall continue to at least maintain the  
13 actual enrollment levels for fiscal year 2011 or increase enrollments  
14 as required in the omnibus appropriations act; (~~and~~)

15 (c) If state funding is increased so that combined with resident  
16 undergraduate tuition the sixtieth percentile of the total per-student  
17 funding at similar public institutions of higher education in the  
18 global challenge states under RCW 28B.15.068 is exceeded, the governing  
19 board shall decrease tuition by the amount needed for the total per-  
20 student funding to be at the sixtieth percentile under RCW 28B.15.068;  
21 and

22 (d) The amount of tuition set by the governing board for an  
23 institution under this subsection (4) may not exceed the sixtieth  
24 percentile of the resident undergraduate tuition of similar public  
25 institutions of higher education in the global challenge states.

26 (5) The tuition fees established under this chapter shall not apply  
27 to high school students enrolling in participating institutions of  
28 higher education under RCW 28A.600.300 through 28A.600.400.

29 (6) The tuition fees established under this chapter shall not apply  
30 to eligible students enrolling in a dropout reengagement program  
31 through an interlocal agreement between a school district and a  
32 community or technical college under RCW 28A.175.100 through  
33 28A.175.110.

34 (7) The tuition fees established under this chapter shall not apply  
35 to eligible students enrolling in a community or technical college  
36 participating in the pilot program under RCW 28B.50.534 for the purpose  
37 of obtaining a high school diploma.

1 (8) Beginning in the 2019-20 academic year, reductions or increases  
2 in full-time tuition fees for resident undergraduates at four-year  
3 institutions of higher education shall be as provided in the omnibus  
4 appropriations act.

5 (9) The legislative advisory committee to the committee on advanced  
6 tuition payment established in RCW 28B.95.170 shall:

7 (a) Review the impact of differential tuition rates on the funded  
8 status and future unit price of the Washington advanced college tuition  
9 payment program; and

10 (b) No later than January 14, 2013, make a recommendation to the  
11 appropriate policy and fiscal committees of the legislature regarding  
12 how differential tuition should be addressed in order to maintain the  
13 ongoing solvency of the Washington advanced college tuition payment  
14 program.

15 **Sec. 915.** RCW 38.52.540 and 2010 1st sp.s. c 19 s 18 are each  
16 amended to read as follows:

17 (1) The enhanced 911 account is created in the state treasury. All  
18 receipts from the state enhanced 911 excise taxes imposed by RCW  
19 82.14B.030 must be deposited into the account. Moneys in the account  
20 must be used only to support the statewide coordination and management  
21 of the enhanced 911 system, for the implementation of wireless enhanced  
22 911 statewide, for the modernization of enhanced 911 emergency  
23 communications systems statewide, and to help supplement, within  
24 available funds, the operational costs of the system, including  
25 adequate funding of counties to enable implementation of wireless  
26 enhanced 911 service and reimbursement of radio communications service  
27 companies for costs incurred in providing wireless enhanced 911 service  
28 pursuant to negotiated contracts between the counties or their agents  
29 and the radio communications service companies. For the 2011-2013  
30 fiscal biennium, the account may be used for modernizing narrowband  
31 radio capability in the department of corrections. A county must show  
32 just cause, including but not limited to a true and accurate accounting  
33 of the funds expended, for any inability to provide reimbursement to  
34 radio communications service companies of costs incurred in providing  
35 enhanced 911 service.

36 (2) Funds generated by the enhanced 911 excise tax imposed by RCW  
37 82.14B.030(5) may not be distributed to any county that has not imposed

1 the maximum county enhanced 911 excise tax allowed under RCW  
2 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed  
3 by RCW 82.14B.030(6) may not be distributed to any county that has not  
4 imposed the maximum county enhanced 911 excise tax allowed under RCW  
5 82.14B.030(2).

6 (3) The state enhanced 911 coordinator, with the advice and  
7 assistance of the enhanced 911 advisory committee, is authorized to  
8 enter into statewide agreements to improve the efficiency of enhanced  
9 911 services for all counties and shall specify by rule the additional  
10 purposes for which moneys, if available, may be expended from this  
11 account.

12 **Sec. 916.** RCW 41.06.560 and 2011 1st sp.s. c 39 s 11 are each  
13 amended to read as follows:

14 From February 15, 2010, until June 30, 2013, no monetary  
15 performance-based awards or incentives may be granted by the director  
16 or employers to employees covered by rules adopted under this section.  
17 This section does not prohibit the payment of awards provided for in  
18 chapter 41.60 RCW. For institutions of higher education, this section  
19 does not prohibit the payment of specific cash awards from private  
20 donations from individuals or businesses including, but not limited to,  
21 endowments.

22 From July 1, 2011, until June 30, 2013, no performance-based awards  
23 or incentives may be granted by the director or employers to employees  
24 pursuant to a performance management confirmation granted by the  
25 department of personnel under WAC 357-37-055.

26 **Sec. 917.** RCW 43.07.129 and 2011 1st sp.s. c 50 s 940 are each  
27 amended to read as follows:

28 The Washington state heritage center account is created in the  
29 custody of the state treasurer. All moneys received under RCW  
30 36.18.010(11) and 43.07.128 must be deposited in the account.  
31 Expenditures from the account may be made only for the following  
32 purposes:

- 33 (1) Payment of the certificate of participation issued for the
- 34 Washington state heritage center;
- 35 (2) Capital maintenance of the Washington state heritage center;
- 36 and

1 (3) Program operations that serve the public, relate to the  
2 collections and exhibits housed in the Washington state heritage  
3 center, or fulfill the missions of the state archives, state library,  
4 and capital museum.

5 Only the secretary of state or the secretary of state's designee  
6 may authorize expenditures from the account. An appropriation is not  
7 required for expenditures, but the account is subject to allotment  
8 procedures under chapter 43.88 RCW. During the 2011-2013 fiscal  
9 biennium, the legislature may appropriate from the Washington state  
10 heritage center account for the purposes of state arts, historical, and  
11 library programs. Additionally, during the 2011-2013 fiscal biennium,  
12 the legislature may transfer from the Washington state heritage center  
13 account to the state general fund such amounts as reflect the excess  
14 fund balance of the fund.

15 **Sec. 918.** RCW 43.17.390 and 2009 c 564 s 931 are each amended to  
16 read as follows:

17 Starting in ((2012)) 2014, and at least once every three years  
18 thereafter, each agency shall apply to the Washington state quality  
19 award, or similar organization, for an independent assessment of its  
20 quality management, accountability, and performance system. The  
21 assessment shall evaluate the effectiveness of all elements of its  
22 management, accountability, and performance system, including:  
23 Leadership, strategic planning, customer focus, analysis and  
24 information, employee performance management, and process improvement.  
25 The purpose of the assessment is to recognize best practice and  
26 identify improvement opportunities.

27 **Sec. 919.** RCW 43.30.720 and 2003 1st sp.s. c 25 s 938 are each  
28 amended to read as follows:

29 All receipts from the sale of stock or seed shall be deposited in  
30 a state forest nursery revolving fund to be maintained by the  
31 department, which is hereby authorized to use all money in said fund  
32 for the maintenance of the state tree nursery or the planting of  
33 denuded state owned lands.

34 During the ((2003-2005)) 2011-2013 fiscal biennium, the legislature  
35 may transfer from the state forest nursery revolving fund to the state

1 general fund such amounts as reflect the excess fund balance of the  
2 fund.

3 **Sec. 920.** RCW 43.88.110 and 2009 c 518 s 3 are each amended to  
4 read as follows:

5 This section sets forth the expenditure programs and the allotment  
6 and reserve procedures to be followed by the executive branch for  
7 public funds.

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

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

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

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

23 (a) Appropriations made for capital projects including  
24 transportation projects;

25 (b) Estimates of total project costs including past, current,  
26 ensuing, and future biennial costs;

27 (c) Comparisons of actual costs to estimated costs;

28 (d) Comparisons of estimated construction start and completion  
29 dates with actual dates;

30 (e) Documentation of fund shifts between projects.

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

34 (5) The office of financial management, prior to approving  
35 allotments for major capital construction projects valued over five  
36 million dollars, shall institute procedures for reviewing such projects

1 at the predesign stage that will reduce long-term costs and increase  
2 facility efficiency. The procedures shall include, but not be limited  
3 to, the following elements:

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

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

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

10 (6) No expenditure may be incurred or obligation entered into for  
11 such major capital construction projects including, without exception,  
12 land acquisition, site development, predesign, design, construction,  
13 and equipment acquisition and installation, until the allotment of the  
14 funds to be expended has been approved by the office of financial  
15 management. This limitation does not prohibit the continuation of  
16 expenditures and obligations into the succeeding biennium for projects  
17 for which allotments have been approved in the immediate prior  
18 biennium.

19 (7)(a) Beginning January 1, 2013, if at any time during the fiscal  
20 period the governor projects a cash deficit in a particular fund or  
21 account as defined by RCW 43.88.050, the governor shall make across-  
22 the-board reductions in allotments for that particular fund or account  
23 so as to prevent a cash deficit, unless the legislature has directed  
24 the liquidation of the cash deficit over one or more fiscal periods.

25 (b)(i) From the effective date of this section until January 1,  
26 2013, if at any time during the fiscal period the governor projects a  
27 cash deficit in a particular fund or account as defined by RCW  
28 43.88.050, then as set forth in (b) of this subsection the governor  
29 shall make across-the-board reductions in the total amount allotted to  
30 each agency from each appropriation from that fund or account so as to  
31 prevent a cash deficit, unless the legislature has directed the  
32 liquidation of the cash deficit over one or more fiscal periods.

33 (ii) The percentage reduction applied to individual allotments of  
34 an agency's total allotments from each appropriation from that fund or  
35 account may vary, but each agency's total allotments from each  
36 appropriation from that fund or account must be uniformly reduced by  
37 the percentage necessary to prevent a cash deficit. Where a portion of

1 an appropriation is provided solely for a particular purpose,  
2 allotments of that portion of the appropriation may be reduced only by  
3 the same percentage as the overall appropriation.

4 (iii) Allotments for the following programs may be reduced only by  
5 a percentage equal to one-half of the percentage reduction applied to  
6 total allotments of appropriations under (b)(ii) of this subsection:

7 (A) Direct custody in the department of corrections and the  
8 juvenile rehabilitation administration; and

9 (B) The special commitment center of the department of social and  
10 health services.

11 (iv) Basic education programs, debt service on state bonds, state  
12 contributions to retirement systems, and programs for which a defined  
13 benefit is specifically mandated in statute are exempt from across-the-  
14 board allotment reductions under this subsection (7)(b) and allotments  
15 for these purposes shall not be included when calculating the allotment  
16 reductions.

17 (8) Except for the legislative and judicial branches and other  
18 agencies headed by elective officials, the governor shall review the  
19 statement of proposed operating expenditures for reasonableness and  
20 conformance with legislative intent. The governor may request  
21 corrections of proposed allotments submitted by the legislative and  
22 judicial branches and agencies headed by elective officials if those  
23 proposed allotments contain significant technical errors.

24 (9) Once the governor approves the proposed allotments, further  
25 revisions may at the request of the office of financial management or  
26 upon the agency's initiative be made on a quarterly basis and must be  
27 accompanied by an explanation of the reasons for significant changes.  
28 If the governor initiates across-the-board allotment revisions under  
29 subsection (7)(b) of this section, the office of financial management  
30 shall provide notice to the appropriate legislative fiscal committees  
31 of the proposed revisions, including the explanation for the  
32 significant changes, and the revisions may not take effect until ten  
33 days after this notice is provided. However, changes in appropriation  
34 level authorized by the legislature, changes required by across-the-  
35 board reductions mandated by the governor, changes caused by executive  
36 increases to spending authority, and changes caused by executive  
37 decreases to spending authority for failure to comply with the  
38 provisions of chapter 36.70A RCW may require additional revisions.

1 Revisions shall not be made retroactively. However, the governor may  
2 assign to a reserve status any portion of an agency appropriation  
3 withheld as part of across-the-board reductions made by the governor  
4 and any portion of an agency appropriation conditioned on a contingent  
5 event by the appropriations act. The governor may remove these amounts  
6 from reserve status if the across-the-board reductions are subsequently  
7 modified or if the contingent event occurs. The director of financial  
8 management shall enter approved statements of proposed expenditures  
9 into the state budgeting, accounting, and reporting system within  
10 forty-five days after receipt of the proposed statements from the  
11 agencies. If an agency or the director of financial management is  
12 unable to meet these requirements, the director of financial management  
13 shall provide a timely explanation in writing to the legislative fiscal  
14 committees.

15 ~~((+8))~~ (10) It is expressly provided that all agencies shall be  
16 required to maintain accounting records and to report thereon in the  
17 manner prescribed in this chapter and under the regulations issued  
18 pursuant to this chapter. Within ninety days of the end of the fiscal  
19 year, all agencies shall submit to the director of financial management  
20 their final adjustments to close their books for the fiscal year.  
21 Prior to submitting fiscal data, written or oral, to committees of the  
22 legislature, it is the responsibility of the agency submitting the data  
23 to reconcile it with the budget and accounting data reported by the  
24 agency to the director of financial management.

25 ~~((+9))~~ (11) The director of financial management may exempt  
26 certain public funds from the allotment controls established under this  
27 chapter if it is not practical or necessary to allot the funds.  
28 Allotment control exemptions expire at the end of the fiscal biennium  
29 for which they are granted. The director of financial management shall  
30 report any exemptions granted under this subsection to the legislative  
31 fiscal committees.

32 **Sec. 921.** RCW 70.105D.070 and 2011 1st sp.s. c 50 s 964 are each  
33 reenacted and amended to read as follows:

34 (1) The state toxics control account and the local toxics control  
35 account are hereby created in the state treasury.

36 (2) The following moneys shall be deposited into the state toxics  
37 control account: (a) Those revenues which are raised by the tax



1 imposed under RCW 82.21.030 and which are attributable to that portion  
2 of the rate equal to thirty-three one-hundredths of one percent; (b)  
3 the costs of remedial actions recovered under this chapter or chapter  
4 70.105A RCW; (c) penalties collected or recovered under this chapter;  
5 and (d) any other money appropriated or transferred to the account by  
6 the legislature. Moneys in the account may be used only to carry out  
7 the purposes of this chapter, including but not limited to the  
8 following activities:

9 (i) The state's responsibility for hazardous waste planning,  
10 management, regulation, enforcement, technical assistance, and public  
11 education required under chapter 70.105 RCW;

12 (ii) The state's responsibility for solid waste planning,  
13 management, regulation, enforcement, technical assistance, and public  
14 education required under chapter 70.95 RCW;

15 (iii) The hazardous waste cleanup program required under this  
16 chapter;

17 (iv) State matching funds required under the federal cleanup law;

18 (v) Financial assistance for local programs in accordance with  
19 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

20 (vi) State government programs for the safe reduction, recycling,  
21 or disposal of hazardous wastes from households, small businesses, and  
22 agriculture;

23 (vii) Hazardous materials emergency response training;

24 (viii) Water and environmental health protection and monitoring  
25 programs;

26 (ix) Programs authorized under chapter 70.146 RCW;

27 (x) A public participation program, including regional citizen  
28 advisory committees;

29 (xi) Public funding to assist potentially liable persons to pay for  
30 the costs of remedial action in compliance with cleanup standards under  
31 RCW 70.105D.030(2)(e) but only when the amount and terms of such  
32 funding are established under a settlement agreement under RCW  
33 70.105D.040(4) and when the director has found that the funding will  
34 achieve both (A) a substantially more expeditious or enhanced cleanup  
35 than would otherwise occur, and (B) the prevention or mitigation of  
36 unfair economic hardship;

37 (xii) Development and demonstration of alternative management

1 technologies designed to carry out the hazardous waste management  
2 priorities of RCW 70.105.150;

3 (xiii) During the 2009-2011 and 2011-2013 fiscal biennia, shoreline  
4 update technical assistance;

5 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional  
6 permitting teams; (~~and~~)

7 (xv) During the 2011-2013 fiscal biennium, actions for reducing  
8 public exposure to toxic air pollution; and

9 (xvi) During the 2011-2013 fiscal biennium, the department of  
10 ecology's water quality, shorelands and environmental assessment,  
11 hazardous waste, waste to resources, nuclear waste, and air quality  
12 programs.

13 (3) The following moneys shall be deposited into the local toxics  
14 control account: Those revenues which are raised by the tax imposed  
15 under RCW 82.21.030 and which are attributable to that portion of the  
16 rate equal to thirty-seven one-hundredths of one percent.

17 (a) Moneys deposited in the local toxics control account shall be  
18 used by the department for grants or loans to local governments for the  
19 following purposes in descending order of priority:

20 (i) Remedial actions;

21 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

22 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,  
23 70.95I, and 70.105 RCW;

24 (iv) Funds for a program to assist in the assessment and cleanup of  
25 sites of methamphetamine production, but not to be used for the initial  
26 containment of such sites, consistent with the responsibilities and  
27 intent of RCW 69.50.511; and

28 (v) Cleanup and disposal of hazardous substances from abandoned or  
29 derelict vessels, defined for the purposes of this section as vessels  
30 that have little or no value and either have no identified owner or  
31 have an identified owner lacking financial resources to clean up and  
32 dispose of the vessel, that pose a threat to human health or the  
33 environment.

34 (b) Funds for plans and programs shall be allocated consistent with  
35 the priorities and matching requirements established in chapters  
36 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that  
37 is a Puget Sound partner, as defined in RCW 90.71.010, along with any  
38 project that is referenced in the action agenda developed by the Puget

1 Sound partnership under RCW 90.71.310, shall, except as conditioned by  
2 RCW 70.105D.120, receive priority for any available funding for any  
3 grant or funding programs or sources that use a competitive bidding  
4 process. During the 2007-2009 fiscal biennium, moneys in the account  
5 may also be used for grants to local governments to retrofit public  
6 sector diesel equipment and for storm water planning and implementation  
7 activities.

8 (c) To expedite cleanups throughout the state, the department shall  
9 partner with local communities and liable parties for cleanups. The  
10 department is authorized to use the following additional strategies in  
11 order to ensure a healthful environment for future generations:

12 (i) The director may alter grant-matching requirements to create  
13 incentives for local governments to expedite cleanups when one of the  
14 following conditions exists:

15 (A) Funding would prevent or mitigate unfair economic hardship  
16 imposed by the clean-up liability;

17 (B) Funding would create new substantial economic development,  
18 public recreational, or habitat restoration opportunities that would  
19 not otherwise occur; or

20 (C) Funding would create an opportunity for acquisition and  
21 redevelopment of vacant, orphaned, or abandoned property under RCW  
22 70.105D.040(5) that would not otherwise occur;

23 (ii) The use of outside contracts to conduct necessary studies;

24 (iii) The purchase of remedial action cost-cap insurance, when  
25 necessary to expedite multiparty clean-up efforts.

26 (d) To facilitate and expedite cleanups using funds from the local  
27 toxics control account, during the 2009-2011 fiscal biennium the  
28 director may establish grant-funded accounts to hold and disperse local  
29 toxics control account funds and funds from local governments to be  
30 used for remedial actions.

31 (4) Except for unanticipated receipts under RCW 43.79.260 through  
32 43.79.282, moneys in the state and local toxics control accounts may be  
33 spent only after appropriation by statute.

34 (5) Except during the (~~2009-2011~~) 2011-2013 fiscal biennium, one  
35 percent of the moneys deposited into the state and local toxics control  
36 accounts shall be allocated only for public participation grants to  
37 persons who may be adversely affected by a release or threatened  
38 release of a hazardous substance and to not-for-profit public interest

1 organizations. The primary purpose of these grants is to facilitate  
2 the participation by persons and organizations in the investigation and  
3 remedying of releases or threatened releases of hazardous substances  
4 and to implement the state's solid and hazardous waste management  
5 priorities. No grant may exceed sixty thousand dollars. Grants may be  
6 renewed annually. Moneys appropriated for public participation from  
7 either account which are not expended at the close of any biennium  
8 shall revert to the state toxics control account.

9 (6) No moneys deposited into either the state or local toxics  
10 control account may be used for solid waste incinerator feasibility  
11 studies, construction, maintenance, or operation, or, after January 1,  
12 2010, for projects designed to address the restoration of Puget Sound,  
13 funded in a competitive grant process, that are in conflict with the  
14 action agenda developed by the Puget Sound partnership under RCW  
15 90.71.310.

16 (7) The department shall adopt rules for grant or loan issuance and  
17 performance.

18 (8) During the (~~2007-2009 and 2009-2011~~) 2011-2013 fiscal  
19 (~~biennia~~) biennium, the legislature may transfer from the local  
20 toxics control account to (~~either~~) the state (~~general fund or the~~  
21 ~~oil spill prevention account, or both~~) toxics control account such  
22 amounts as reflect excess fund balance in the account.

23 (~~9~~) ~~During the 2009-2011 fiscal biennium, the local toxics~~  
24 ~~control account may also be used for a standby rescue tug at Neah Bay,~~  
25 ~~local government shoreline update grants, private and public sector~~  
26 ~~diesel equipment retrofit, and oil spill prevention, preparedness, and~~  
27 ~~response activities.~~

28 (~~10~~) ~~During the 2009-2011 fiscal biennium, the legislature may~~  
29 ~~transfer from the state toxics control account to the state general~~  
30 ~~fund such amounts as reflect the excess fund balance in the account.~~

31 (~~11~~) (9) During the 2011-2013 fiscal biennium, the local toxics  
32 control account may also be used for local government shoreline update  
33 grants and actions for reducing public exposure to toxic air pollution.

34 **Sec. 922.** RCW 74.48.090 and 2011 1st sp.s. c 7 s 21 are each  
35 amended to read as follows:

36 (1) The department and the department of health, in consultation  
37 with the Washington state health care association, and aging services

1 of Washington, shall design a system of skilled nursing facility  
2 quality incentive payments. The design of the system shall be  
3 submitted to the relevant policy and fiscal committees of the  
4 legislature by (~~December 15, 2011~~) January 1, 2013. For the 2011-  
5 2013 fiscal biennial budget period, the department shall not implement  
6 a system of skilled nursing facility quality incentive payments  
7 designed pursuant to this section. The system shall be based upon the  
8 following principles:

9 (a) Evidence-based treatment and processes shall be used to improve  
10 health care outcomes for skilled nursing facility residents;

11 (b) Effective purchasing strategies to improve the quality of  
12 health care services should involve the use of common quality  
13 improvement measures, while recognizing that some measures may not be  
14 appropriate for application to facilities with high bariatric,  
15 behaviorally challenged, or rehabilitation populations;

16 (c) Quality measures chosen for the system should be consistent  
17 with the standards that have been developed by national quality  
18 improvement organizations, such as the national quality forum, the  
19 federal centers for medicare and medicaid services, or the federal  
20 agency for healthcare research and quality. New reporting burdens to  
21 skilled nursing facilities should be minimized by giving priority to  
22 measures skilled nursing facilities that are currently required to  
23 report to governmental agencies, such as the nursing home compare  
24 measures collected by the federal centers for medicare and medicaid  
25 services;

26 (d) Benchmarks for each quality improvement measure should be set  
27 at levels that are feasible for skilled nursing facilities to achieve,  
28 yet represent real improvements in quality and performance for a  
29 majority of skilled nursing facilities in Washington state; and

30 (e) Skilled nursing facilities performance and incentive payments  
31 should be designed in a manner such that all facilities in Washington  
32 are able to receive the incentive payments if performance is at or  
33 above the benchmark score set in the system established under this  
34 section.

35 (2) Pursuant to an appropriation by the legislature, for state  
36 fiscal year (~~2013~~) 2014 and each fiscal year thereafter, assessments  
37 may be increased to support an additional one percent increase in

1 skilled nursing facility reimbursement rates for facilities that meet  
2 the quality incentive benchmarks established under this section.

3 **Sec. 923.** RCW 76.04.610 and 2007 c 110 s 1 are each amended to  
4 read as follows:

5 (1)(a) If any owner of forest land within a forest protection zone  
6 neglects or fails to provide adequate fire protection as required by  
7 RCW 76.04.600, the department shall provide such protection and shall  
8 annually impose the following assessments on each parcel of such land:  
9 (i) A flat fee assessment of seventeen dollars and fifty cents; and  
10 (ii) twenty-seven cents on each acre exceeding fifty acres.

11 (b) Assessors may, at their option, collect the assessment on tax  
12 exempt lands. If the assessor elects not to collect the assessment,  
13 the department may bill the landowner directly.

14 (2) An owner who has paid assessments on two or more parcels, each  
15 containing fewer than fifty acres and each within the same county, may  
16 obtain the following refund:

17 (a) If all the parcels together contain less than fifty acres, then  
18 the refund is equal to the flat fee assessments paid, reduced by the  
19 total of (i) seventeen dollars and (ii) the total of the amounts  
20 retained by the county from such assessments under subsection (5) of  
21 this section.

22 (b) If all the parcels together contain fifty or more acres, then  
23 the refund is equal to the flat fee assessments paid, reduced by the  
24 total of (i) seventeen dollars, (ii) twenty-seven cents for each acre  
25 exceeding fifty acres, and (iii) the total of the amounts retained by  
26 the county from such assessments under subsection (5) of this section.

27 Applications for refunds shall be submitted to the department on a  
28 form prescribed by the department and in the same year in which the  
29 assessments were paid. The department may not provide refunds to  
30 applicants who do not provide verification that all assessments and  
31 property taxes on the property have been paid. Applications may be  
32 made by mail.

33 In addition to the procedures under this subsection, property  
34 owners with multiple parcels in a single county who qualify for a  
35 refund under this section may apply to the department on an application  
36 listing all the parcels owned in order to have the assessment computed

1 on all parcels but billed to a single parcel. Property owners with the  
2 following number of parcels may apply to the department in the year  
3 indicated:

4	Year	Number of Parcels
5	2002	10 or more parcels
6	2003	8 or more parcels
7	2004 and thereafter	6 or more parcels

8 The department must compute the correct assessment and allocate one  
9 parcel in the county to use to collect the assessment. The county must  
10 then bill the forest fire protection assessment on that one allocated  
11 identified parcel. The landowner is responsible for notifying the  
12 department of any changes in parcel ownership.

13 (3) Beginning January 1, 1991, under the administration and at the  
14 discretion of the department up to two hundred thousand dollars per  
15 year of this assessment shall be used in support of those rural fire  
16 districts assisting the department in fire protection services on  
17 forest lands.

18 (4) For the purpose of this chapter, the department may divide the  
19 forest lands of the state, or any part thereof, into districts, for  
20 fire protection and assessment purposes, may classify lands according  
21 to the character of timber prevailing, and the fire hazard existing,  
22 and place unprotected lands under the administration of the proper  
23 district. Amounts paid or contracted to be paid by the department for  
24 protection of forest lands from funds at its disposal shall be a lien  
25 upon the property protected, unless reimbursed by the owner within ten  
26 days after October 1st of the year in which they were incurred. The  
27 department shall be prepared to make statement thereof, upon request,  
28 to a forest owner whose own protection has not been previously approved  
29 as to its adequacy, the department shall report the same to the  
30 assessor of the county in which the property is situated. The assessor  
31 shall extend the amounts upon the tax rolls covering the property, and  
32 upon authorization from the department shall levy the forest protection  
33 assessment against the amounts of unimproved land as shown in each  
34 ownership on the county assessor's records. The assessor may then

1 segregate on the records to provide that the improved land and  
2 improvements thereon carry the millage levy designed to support the  
3 rural fire protection districts as provided for in RCW 52.16.170.

4 (5) The amounts assessed shall be collected at the time, in the  
5 same manner, by the same procedure, and with the same penalties  
6 attached that general state and county taxes on the same property are  
7 collected, except that errors in assessments may be corrected at any  
8 time by the department certifying them to the treasurer of the county  
9 in which the land involved is situated. Assessments shall be known and  
10 designated as assessments of the year in which the amounts became  
11 reimbursable. Upon the collection of assessments the county treasurer  
12 shall place fifty cents of the total assessments paid on a parcel for  
13 fire protection into the county current expense fund to defray the  
14 costs of listing, billing, and collecting these assessments. The  
15 treasurer shall then transmit the balance to the department.  
16 Collections shall be applied against expenses incurred in carrying out  
17 the provisions of this section, including necessary and reasonable  
18 administrative costs incurred by the department in the enforcement of  
19 these provisions. The department may also expend sums collected from  
20 owners of forest lands or received from any other source for necessary  
21 administrative costs in connection with the enforcement of RCW  
22 76.04.660.

23 (6) When land against which forest protection assessments are  
24 outstanding is acquired for delinquent taxes and sold at public  
25 auction, the state shall have a prior lien on the proceeds of sale over  
26 and above the amount necessary to satisfy the county's delinquent tax  
27 judgment. The county treasurer, in case the proceeds of sale exceed  
28 the amount of the delinquent tax judgment, shall immediately remit to  
29 the department the amount of the outstanding forest protection  
30 assessments.

31 (7) All nonfederal public bodies owning or administering forest  
32 land included in a forest protection zone shall pay the forest  
33 protection assessments provided in this section and the special forest  
34 fire suppression account assessments under RCW 76.04.630. The forest  
35 protection assessments and special forest fire suppression account  
36 assessments shall be payable by nonfederal public bodies from available  
37 funds within thirty days following receipt of the written notice from  
38 the department which is given after October 1st of the year in which



1 the protection was provided. Unpaid assessments are not a lien against  
2 the nonfederal publicly owned land but shall constitute a debt by the  
3 nonfederal public body to the department and are subject to interest  
4 charges at the legal rate. During the 2011-2013 fiscal biennium, the  
5 forest fire protection assessment account may be appropriated to The  
6 Evergreen State College for analysis and recommendations to improve the  
7 efficiency and effectiveness of the state's mechanisms for funding fire  
8 prevention and suppression activities.

9 (8) A public body, having failed to previously pay the forest  
10 protection assessments required of it by this section, which fails to  
11 suppress a fire on or originating from forest lands owned or  
12 administered by it, is liable for the costs of suppression incurred by  
13 the department or its agent and is not entitled to reimbursement of  
14 costs incurred by the public body in the suppression activities.

15 (9) The department may adopt rules to implement this section,  
16 including, but not limited to, rules on levying and collecting forest  
17 protection assessments.

18 **Sec. 924.** RCW 77.12.201 and 2009 c 479 s 63 are each amended to  
19 read as follows:

20 The legislative authority of a county may elect, by giving written  
21 notice to the director and the treasurer prior to January 1st of any  
22 year, to obtain for the following year an amount in lieu of real  
23 property taxes on game lands as provided in RCW 77.12.203. Upon the  
24 election, the county shall keep a record of all fines, forfeitures,  
25 reimbursements, and costs assessed and collected, in whole or in part,  
26 under this title for violations of law or rules adopted pursuant to  
27 this title, with the exception of the 2011-2013 fiscal biennium, and  
28 shall monthly remit an amount equal to the amount collected to the  
29 state treasurer for deposit in the state general fund. The election  
30 shall continue until the department is notified differently prior to  
31 January 1st of any year.

32 **Sec. 925.** RCW 77.12.203 and 2005 c 303 s 14 are each amended to  
33 read as follows:

34 (1) Except as provided in subsection (5) of this section and  
35 notwithstanding RCW 84.36.010 or other statutes to the contrary, the  
36 director shall pay by April 30th of each year on game lands in each

1 county, if requested by an election under RCW 77.12.201, an amount in  
2 lieu of real property taxes equal to that amount paid on similar  
3 parcels of open space land taxable under chapter 84.34 RCW or the  
4 greater of seventy cents per acre per year or the amount paid in 1984  
5 plus an additional amount for control of noxious weeds equal to that  
6 which would be paid if such lands were privately owned. This amount  
7 shall not be assessed or paid on department buildings, structures,  
8 facilities, game farms, fish hatcheries, tidelands, or public fishing  
9 areas of less than one hundred acres.

10 (2) "Game lands," as used in this section and RCW 77.12.201, means  
11 those tracts one hundred acres or larger owned in fee by the department  
12 and used for wildlife habitat and public recreational purposes. All  
13 lands purchased for wildlife habitat, public access or recreation  
14 purposes with federal funds in the Snake River drainage basin shall be  
15 considered game lands regardless of acreage.

16 (3) This section shall not apply to lands transferred after April  
17 23, 1990, to the department from other state agencies.

18 (4) The county shall distribute the amount received under this  
19 section in lieu of real property taxes to all property taxing districts  
20 except the state in appropriate tax code areas the same way it would  
21 distribute local property taxes from private property. The county  
22 shall distribute the amount received under this section for weed  
23 control to the appropriate weed district.

24 (5) For the 2011-2013 fiscal biennium, the director shall pay by  
25 April 30th of each year on game lands in each county, if requested by  
26 an election under RCW 77.12.201, an amount in lieu of real property  
27 taxes and shall be distributed as follows:

28 **County**

29

30 Adams.....1,909

31 Asotin.....36,123

32 Chelan..... 24,757

33 Columbia..... 7,795

34 Ferry..... 6,781

35 Garfield..... 4,840

36 Grant.....37,443

1	<u>Grays Harbor</u> .....	7,264
2	<u>Kittitas</u> .....	143,974
3	<u>Klickitat</u> .....	21,906
4	<u>Lincoln</u> .....	13,535
5	<u>Okanogan</u> .....	151,402
6	<u>Pend Oreille</u> .....	3,309
7	<u>Yakima</u> .....	126,225

8 These amounts shall not be assessed or paid on department buildings,  
9 structures, facilities, game farms, fish hatcheries, tidelands, or  
10 public fishing areas of less than one hundred acres.

11 **Sec. 926.** RCW 79.22.010 and 2003 c 334 s 205 are each amended to  
12 read as follows:

13 (1) The department has the power to accept gifts and bequests of  
14 money or other property, made in its own name, or made in the name of  
15 the state, to promote generally the interests of reforestation or for  
16 a specific named purpose in connection with reforestation, and to  
17 acquire in the name of the state, by purchase or gift, any lands which  
18 by reason of their location, topography, or geological formation, are  
19 chiefly valuable for purpose of developing and growing timber, and to  
20 designate such lands and any lands of the same character belonging to  
21 the state as state forest lands; and may acquire by gift or purchase  
22 any lands of the same character.

23 (2) The department has the power to seed, plant, and develop  
24 forests on any lands, purchased, acquired, or designated by it as state  
25 forest lands, and shall furnish such care and fire protection for such  
26 lands as it shall deem advisable.

27 (3) Upon approval of the board of county commissioners of the  
28 county in which the land is located such gift or donation of land may  
29 be accepted subject to delinquent general taxes thereon, and upon such  
30 acceptance of such gift or donation subject to such taxes, the  
31 department shall record the deed of conveyance thereof and file with  
32 the assessor and treasurer of the county wherein such land is situated,  
33 written notice of acquisition of such land, and that all delinquent  
34 general taxes thereon, except state taxes, shall be canceled, and the  
35 county treasurer shall thereupon proceed to make such cancellation in  
36 the records of the county treasurer. ~~((Thereafter, such lands))~~

1       (4)(a) Lands acquired under this section shall be held in trust,  
2 protected, managed, and administered upon, and the proceeds therefrom  
3 disposed of, under RCW 79.22.040.

4       (b) During the 2011-2013 fiscal biennium, the legislature may  
5 appropriate moneys derived subject to this section from the forest  
6 development account consistent with RCW 79.64.100.

7       **Sec. 927.** RCW 79.22.040 and 2003 c 334 s 206 are each amended to  
8 read as follows:

9       (1) If any land acquired by a county through foreclosure of tax  
10 liens, or otherwise, comes within the classification of land described  
11 in RCW 79.22.010 and can be used as state forest land and if the  
12 department deems such land necessary for the purposes of this chapter,  
13 the county shall, upon demand by the department, deed such land to the  
14 department and the land shall become a part of the state forest lands.

15       (2) Such land shall be held in trust and administered and protected  
16 by the department in the same manner as other state forest lands.

17       (3)(a) In the event that the department sells logs using the  
18 contract harvesting process described in RCW 79.15.500 through  
19 79.15.530, the moneys derived subject to this section are the net  
20 proceeds from the contract harvesting sale.

21       (b) During the 2011-2013 fiscal biennium, the legislature may  
22 appropriate moneys derived subject to this section from the forest  
23 development account consistent with RCW 79.64.100.

24       **Sec. 928.** RCW 79.64.040 and 2011 1st sp.s. c 50 s 966 and 2011 c  
25 216 s 16 are each reenacted and amended to read as follows:

26       (1) The board shall determine the amount deemed necessary in order  
27 to achieve the purposes of this chapter and shall provide by rule for  
28 the deduction of this amount from the moneys received from all leases,  
29 sales, contracts, licenses, permits, easements, and rights-of-way  
30 issued by the department and affecting state lands, community forest  
31 trust lands, and aquatic lands, provided that no deduction shall be  
32 made from the proceeds from agricultural college lands.

33       (2) Moneys received as deposits from successful bidders, advance  
34 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150  
35 prior to December 1, 1981, which have not been subjected to deduction  
36 under this section are not subject to deduction under this section.

1 (3) Except as otherwise provided in subsections (4) and (6) of this  
2 section, the deductions authorized under this section shall not exceed  
3 twenty-five percent of the moneys received by the department in  
4 connection with any one transaction pertaining to state lands and  
5 aquatic lands other than second-class tide and shore lands and the beds  
6 of navigable waters, and fifty percent of the moneys received by the  
7 department pertaining to second-class tide and shore lands and the beds  
8 of navigable waters.

9 (4) Deductions authorized under this section for transactions  
10 pertaining to community forest trust lands must be established at a  
11 level sufficient to defray over time the management costs for  
12 activities prescribed in a parcel's management plan adopted pursuant to  
13 RCW 79.155.080, and, if deemed appropriate by the board consistent with  
14 RCW 79.155.090, to reimburse the state and any local entities' eligible  
15 financial contributions for acquisition of the parcel.

16 (5) In the event that the department sells logs using the contract  
17 harvesting process described in RCW 79.15.500 through 79.15.530, the  
18 moneys received subject to this section are the net proceeds from the  
19 contract harvesting sale.

20 (6) During the ((2009-2011)) 2011-2013 fiscal biennium ((and fiscal  
21 year-2012)), the twenty-five percent limitation on deductions set in  
22 subsection (3) of this section may be increased up to thirty percent by  
23 the board.

24 **Sec. 929.** RCW 79.64.100 and 2003 c 334 s 219 are each amended to  
25 read as follows:

26 There is created a forest development account in the state  
27 treasury. The state treasurer shall keep an account of all sums  
28 deposited therein and expended or withdrawn therefrom. Any sums placed  
29 in the forest development account shall be pledged for the purpose of  
30 paying interest and principal on the bonds issued by the department  
31 under RCW 79.22.080 and 79.22.090 and the provisions of this chapter,  
32 and for the purchase of land for growing timber. Any bonds issued  
33 shall constitute a first and prior claim and lien against the account  
34 for the payment of principal and interest. No sums for the above  
35 purposes shall be withdrawn or paid out of the account except upon  
36 approval of the department.

1 Appropriations may be made by the legislature from the forest  
2 development account to the department for the purpose of carrying on  
3 the activities of the department on state forest lands, lands managed  
4 on a sustained yield basis as provided for in RCW 79.10.320, and for  
5 reimbursement of expenditures that have been made or may be made from  
6 the resource management cost account in the management of state forest  
7 lands. For the 2011-2013 fiscal biennium, moneys from the forest  
8 development account shall be distributed as directed in section 706 of  
9 this act to the beneficiaries of the revenues derived from state forest  
10 lands. During the 2011-2013 fiscal biennium, the legislature may  
11 appropriate moneys in the forest development account to support  
12 emergency fire suppression activities in a manner that, at a maximum,  
13 represents the proportion of land that the department manages in  
14 comparison to the total land the department conducts emergency fire  
15 suppression activities on.

16 **Sec. 930.** RCW 79.105.150 and 2011 2nd sp.s. c 9 s 911 are each  
17 amended to read as follows:

18 (1) After deduction for management costs as provided in RCW  
19 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys  
20 received by the state from the sale or lease of state-owned aquatic  
21 lands and from the sale of valuable material from state-owned aquatic  
22 lands shall be deposited in the aquatic lands enhancement account which  
23 is hereby created in the state treasury. After appropriation, these  
24 funds shall be used solely for aquatic lands enhancement projects; for  
25 the purchase, improvement, or protection of aquatic lands for public  
26 purposes; for providing and improving access to the lands; and for  
27 volunteer cooperative fish and game projects. During the ~~((2009-2011~~  
28 ~~and))~~ 2011-2013 fiscal ~~((biennia))~~ biennium, the aquatic lands  
29 enhancement account may also be used for scientific research as part of  
30 the adaptive management process and for developing a planning report  
31 for McNeil Island. During the ~~((2009-2011~~  
32 ~~and))~~ 2011-2013 fiscal ~~((biennia))~~ biennium, the legislature may transfer from the aquatic  
33 lands enhancement account to the state general fund such amounts as  
34 reflect excess fund balance of the account. During the 2011-2013  
35 fiscal biennium, the aquatic lands enhancement account may be used to  
36 support the shellfish program, the ballast water program, parks,  
37 hatcheries, and the Puget Sound toxic sampling program at the

1 department of fish and wildlife, and the knotweed program at the  
2 department of agriculture. During the 2011-2013 fiscal biennium, the  
3 legislature may transfer from the aquatic lands enhancement account to  
4 the marine resources stewardship trust account funds for the purposes  
5 of RCW 43.372.070.

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. 931.** RCW 79.105.240 and 2005 c 155 s 147 are each amended to  
34 read as follows:

35 Except as otherwise provided by this chapter, annual rent rates for  
36 the lease of state-owned aquatic lands for water-dependent uses shall  
37 be determined as follows:

1 (1)(a) The assessed land value, exclusive of improvements, as  
2 determined by the county assessor, of the upland tax parcel used in  
3 conjunction with the leased area or, if there are no such uplands, of  
4 the nearest upland tax parcel used for water-dependent purposes divided  
5 by the parcel area equals the upland value.

6 (b) The upland value times the area of leased aquatic lands times  
7 thirty percent equals the aquatic land value.

8 (2) As of July 1, 1989, and each July 1st thereafter, the  
9 department shall determine the real capitalization rate to be applied  
10 to water-dependent aquatic land leases commencing or being adjusted  
11 under subsection (3)(a) of this section in that fiscal year. The real  
12 capitalization rate shall be the real rate of return, except that until  
13 June 30, 1989, the real capitalization rate shall be five percent and  
14 thereafter it shall not change by more than one percentage point in any  
15 one year or be more than seven percent or less than three percent.

16 (3) The annual rent shall be:

17 (a) Determined initially, and redetermined every four years or as  
18 otherwise provided in the lease, by multiplying the aquatic land value  
19 times the real capitalization rate; and

20 (b) Adjusted by the inflation rate each year in which the rent is  
21 not determined under (a) of this subsection.

22 (4) If the upland parcel used in conjunction with the leased area  
23 is not assessed or has an assessed value inconsistent with the purposes  
24 of the lease, the nearest comparable upland parcel used for similar  
25 purposes shall be substituted and the lease payment determined in the  
26 same manner as provided in this section.

27 (5) For the purposes of this section, "upland tax parcel" is a tax  
28 parcel, some portion of which has upland characteristics. Filled  
29 tidelands or shorelands with upland characteristics which abut state-  
30 owned aquatic land shall be considered as uplands in determining  
31 aquatic land values.

32 (6) The annual rent for filled state-owned aquatic lands that have  
33 the characteristics of uplands shall be determined in accordance with  
34 RCW 79.105.270 in those cases in which the state owns the fill and has  
35 a right to charge for the fill.

36 (7) For all new leases for other water-dependent uses, issued after  
37 December 31, 1997, the initial annual water-dependent rent shall be



1 determined by the methods in subsections (1) through (6) of this  
2 section.

3 (8) During the 2011-2013 fiscal biennium, the department may  
4 calculate annual rent for qualifying marinas as provided in section  
5 308(12) of this act.

6 **Sec. 932.** RCW 79A.25.200 and 2007 c 241 s 53 are each amended to  
7 read as follows:

8 The recreation resource account is created in the state treasury.  
9 Moneys in this account are subject to legislative appropriation. The  
10 board shall administer the account in accordance with this chapter and  
11 chapter 79A.35 RCW and shall hold it separate and apart from all other  
12 money, funds, and accounts of the board. Moneys received from the  
13 marine fuel tax refund account under RCW 79A.25.070 shall be deposited  
14 into the account. Grants, gifts, or other financial assistance,  
15 proceeds received from public bodies as administrative cost  
16 contributions, and moneys made available to the state of Washington by  
17 the federal government for outdoor recreation may be deposited into the  
18 account. During the 2011-2013 fiscal biennia, the recreation resource  
19 account may be used by the department of fish and wildlife for the  
20 purposes of activities related to aquatic and marine enforcement.

21 **Sec. 933.** RCW 86.26.007 and 2011 1st sp.s. c 50 s 976 are each  
22 amended to read as follows:

23 The flood control assistance account is hereby established in the  
24 state treasury. At the beginning of the 2005-2007 fiscal biennium, the  
25 state treasurer shall transfer three million dollars from the general  
26 fund to the flood control assistance account. Each biennium thereafter  
27 the state treasurer shall transfer four million dollars from the  
28 general fund to the flood control assistance account, except that  
29 during the ((2009-2011 and)) 2011-2013 fiscal ((biennia)) biennium, the  
30 state treasurer shall transfer ((two)) one million dollars from the  
31 general fund to the flood control assistance account. Moneys in the  
32 flood control assistance account may be spent only after appropriation  
33 for purposes specified under this chapter.

34 **Sec. 934.** RCW 90.48.390 and 2008 c 329 s 925 are each amended to  
35 read as follows:

1 The coastal protection fund is established to be used by the  
2 department as a revolving fund for carrying out the purposes of  
3 restoration of natural resources under this chapter and chapter 90.56  
4 RCW. To this fund there shall be credited penalties, fees, damages,  
5 charges received pursuant to the provisions of this chapter and chapter  
6 90.56 RCW, compensation for damages received under this chapter and  
7 chapter 90.56 RCW, and an amount equivalent to one cent per gallon from  
8 each marine use refund claim under RCW 82.36.330.

9 Moneys in the fund not needed currently to meet the obligations of  
10 the department in the exercise of its powers, duties, and functions  
11 under RCW 90.48.142, 90.48.366, 90.48.367, and 90.48.368 shall be  
12 deposited with the state treasurer to the credit of the fund. During  
13 the 2007-2009 fiscal biennium, the coastal protection fund may also be  
14 used for a standby rescue tug at Neah Bay. During the 2011-2013 fiscal  
15 biennium, the legislature may transfer from the coastal protection fund  
16 to the state general fund such amounts as reflect excess fund balance  
17 derived from penalties, forfeits, and seizures.

18 **Sec. 935.** 2010 c 23 s 205 (uncodified) is amended to read as  
19 follows:

20 (1) The legislature finds that this state's tax policy with respect  
21 to the taxation of transactions between affiliated entities and the  
22 income derived from such transactions (intercompany transactions) has  
23 motivated some taxpayers to engage in transactions designed solely or  
24 primarily to minimize the tax effects of intercompany transactions.  
25 The legislature further finds that some intercompany transactions  
26 result from taxpayers that are required to establish affiliated  
27 entities to comply with regulatory mandates and that transactions  
28 between such affiliates effectively increases the tax burden in this  
29 state on the affiliated group of entities.

30 (2) Therefore, as existing resources allow, the department of  
31 revenue is directed to conduct a review of the state's tax policy with  
32 respect to the taxation of intercompany transactions. The review must  
33 include the impacts of such transactions under the state's business and  
34 occupation tax and state and local sales and use taxes. The department  
35 may include other taxes in the review as it deems appropriate.

36 (3) In conducting the review, the department must examine how this  
37 state's tax policy compares to the tax policy of other states with

1 respect to the taxation of intercompany transactions. The department's  
2 review must include an analysis of potential alternatives to the  
3 current policy of taxing intercompany transactions, including their  
4 estimated revenue impacts if practicable.

5 (4) In conducting this review, the department may seek input from  
6 members of the business community and others as it deems appropriate.

7 (5) The department must report its findings to the fiscal  
8 committees of the house of representatives and senate by December 1,  
9 2010. However, if the department has not completed its review by  
10 December 1, 2010, the department must provide the fiscal committees of  
11 the legislature with a brief status report by December 1, 2010, and the  
12 final report by December 1, (~~2011~~) 2012.

13 NEW SECTION. Sec. 936. A new section is added to 2011 1st sp.s.  
14 c 50 (uncodified) to read as follows:

15 It is the intent of the legislature that regulatory agencies  
16 receiving appropriations in this act work with the office of regulatory  
17 assistance to:

18 (1) Establish a small business liaison team to assist small  
19 businesses with permitting and regulatory issues.

20 (2) Take action to assure that additional violations or corrective  
21 actions that could have been discovered and noted in the original  
22 violation or correction notice are not subsequently added and to  
23 provide a single list of any violations discovered during the  
24 regulatory visit or inspection;

25 (3) Provide notice about when the business may expect the results  
26 of a technical assistance or regulatory visit;

27 (4) Provide information about how the business may provide  
28 anonymous feedback regarding a technical assistance or other regulatory  
29 visit; and

30 (5) Provide information regarding the role of the agency's small  
31 business liaison as a neutral party within the agency, as well as  
32 contact information for the liaison.

33 NEW SECTION. Sec. 937. A new section is added to 2011 1st sp.s.  
34 c 50 (uncodified) to read as follows:

35 Chapter 50, Laws of 2011 1st sp. sess. (the biennial operating  
36 budget) included funding for the pension system cost of legislation

1 adopted during the 2011 session of the legislature. No supplemental  
2 rates are authorized for funding that legislation during the remainder  
3 of the 2011-2013 fiscal biennium. Pension contribution rates for the  
4 public employees' retirement system, the public safety employees'  
5 retirement system, the school employees' retirement systems, and the  
6 teachers' retirement system are established.

7 (1) For the public employees' retirement system:

8 (a) Beginning April 1, 2012, an employer contribution rate of 7.08  
9 percent shall be charged;

10 (b) Beginning July 1, 2012, an employer contribution rate of 7.21  
11 percent shall be charged.

12 (2) For the public safety employees' retirement system:

13 (a) Beginning April 1, 2012, an employer contribution rate of 8.74  
14 percent shall be charged;

15 (b) Beginning July 1, 2012, an employer contribution rate of 8.87  
16 percent shall be charged.

17 (3) For the school employees' retirement system:

18 (a) Beginning April 1, 2012, an employer contribution rate of 7.58  
19 percent shall be charged;

20 (b) Beginning September 1, 2012, an employer contribution rate of  
21 7.59 percent shall be charged.

22 (4) For the teachers' retirement system:

23 (a) Beginning April 1, 2012, an employer contribution rate of 8.04  
24 percent shall be charged; and

25 (b) Beginning September 1, 2012, an employer contribution rate of  
26 8.05 percent shall be charged.

27 These rates are inclusive of a department of retirement systems  
28 expense charge of 0.16 percent. The department of retirement systems  
29 shall collect employee contributions as provided in chapter 41.45 RCW.

30 NEW SECTION. **Sec. 938.** If any provision of this act or its  
31 application to any person or circumstance is held invalid, the  
32 remainder of the act or the application of the provision to other  
33 persons or circumstances is not affected.

34 NEW SECTION. **Sec. 939.** This act is necessary for the immediate  
35 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect  
2 immediately.

(End of Bill)

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**ADOPTED 04/11/2012**

1           On page 1, line 1 of the title, after "matters;" strike the  
2 remainder of the title and insert "amending RCW 28B.15.067, 38.52.540,  
3 41.06.560, 43.07.129, 43.17.390, 43.30.720, 43.88.110, 74.48.090,  
4 76.04.610, 77.12.201, 77.12.203, 79.22.010, 79.22.040, 79.64.100,  
5 79.105.150, 79.105.240, 79A.25.200, 86.26.007, and 90.48.390; amending  
6 2012 c 86 (ESHB 2190) (uncodified); amending 2011 2nd sp.s. c 9 ss 101,  
7 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115,  
8 116, 117, 118, 119, 120, 121, 122, 123, 125, 128, 129, 130, 131, 126,  
9 127, 132, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212,  
10 213, 214, 215, 216, 217, 218, 219, 220, 221, 301, 302, 303, 304, 305,  
11 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 507,  
12 508, 509, 510, 511, 513, 514, 515, 601, 602, 603, 604, 605, 606, 607,  
13 608, 609, 612, 613, 614, 615, 616, 617, 701, 702, and 801 (uncodified);  
14 amending 2011 1st sp.s. c 50 ss 103, 104, 106, 105, 108, 112, 115, 117,  
15 120, 124, 128, 132, 133, 137, 136, 142, 147, 151, 149, 214, 516, 616,  
16 715, 801, 802, 803, 910, 920, 921, and 922 (uncodified); amending 2010  
17 c 23 s 205 (uncodified); reenacting and amending RCW 2.68.020,  
18 70.105D.070, and 79.64.040; adding new sections to 2011 1st sp.s. c 50  
19 (uncodified); repealing 2011 2nd sp.s. c 9 ss 610, 611, 705, 706, 707,  
20 and 708 (uncodified); repealing 2011 1st sp.s. c 50 ss 709 and 710  
21 (uncodified); making appropriations; and declaring an emergency."

--- END ---