
SECOND ENGROSSED SUBSTITUTE HOUSE BILL 2127

State of Washington 62nd Legislature 2012 1st Special Session

By House Ways & Means (originally sponsored by Representative Hunter;
by request of Governor Gregoire)

READ FIRST TIME 02/27/12.

1 AN ACT Relating to fiscal matters; amending RCW 28B.15.067,
2 38.52.540, 41.06.560, 43.07.129, 43.17.390, 43.30.720, 43.88.110,
3 74.48.090, 76.04.610, 77.12.201, 77.12.203, 77.95.090, 79.22.010,
4 79.22.040, 79.64.100, 79.105.150, 79A.25.200, 86.26.007, and 90.48.390;
5 amending 2012 c 86 (ESHB 2190) (uncodified); amending 2011 2nd sp.s. c
6 9 ss 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113,
7 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 125, 128, 129, 130,
8 131, 126, 127, 132, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210,
9 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 301, 302, 303,
10 304, 305, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504,
11 505, 507, 508, 509, 510, 511, 513, 514, 515, 601, 602, 603, 604, 605,
12 606, 607, 608, 609, 612, 613, 614, 615, 616, 617, 701, 702, and 801
13 (uncodified); amending 2011 1st sp.s. c 50 ss 103, 104, 106, 105, 108,
14 112, 115, 117, 120, 124, 128, 132, 133, 137, 136, 142, 147, 151, 149,
15 214, 516, 616, 715, 801, 802, 803, 910, 920, 921, and 922 (uncodified);
16 amending 2011 1st sp.s. c 7 s 11 (uncodified); amending 2010 c 23 s 205
17 (uncodified); reenacting and amending RCW 2.68.020, 70.105D.070, and
18 79.64.040; adding new sections to 2011 1st sp.s. c 50 (uncodified);
19 repealing 2011 2nd sp.s. c 9 ss 610, 611, 705, 706, 707, and 708
20 (uncodified); repealing 2011 1st sp.s. c 50 ss 709 and 710

1 (uncodified); making appropriations; and declaring an emergency.

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

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)	((\$29,934,000))
9		<u>\$29,734,000</u>
10	General Fund--State Appropriation (FY 2013)	((\$30,465,000))
11		<u>\$28,205,000</u>
12	Motor Vehicle Account--State Appropriation	((\$1,316,000))
13		<u>\$1,491,000</u>
14	TOTAL APPROPRIATION	((\$61,715,000))
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
30 disbursement of excess liquor revenues. In completing its review and
31 recommendations, the joint select committee shall seek pertinent
32 information and advice from: (a) Organizations representing counties,
33 cities, and junior taxing districts; (b) counties, cities, and junior
34 taxing districts; (c) the department of revenue; and (d) the state
35 auditor.

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

3 **FOR THE SENATE**

4	General Fund--State Appropriation (FY 2012)	((\$21,770,000))
5		<u>\$21,455,000</u>
6	General Fund--State Appropriation (FY 2013)	((\$23,864,000))
7		<u>\$21,791,000</u>
8	Motor Vehicle Account--State Appropriation	((\$1,400,000))
9		<u>\$1,421,000</u>
10	TOTAL APPROPRIATION	((\$47,034,000))
11		<u>\$44,667,000</u>

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

32 **Sec. 103.** 2011 1st sp.s. c 50 s 103 (uncodified) is amended to
33 read as follows:

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

35	General Fund--State Appropriation (FY 2012)	((\$2,680,000))
36		<u>\$2,589,000</u>
37	General Fund--State Appropriation (FY 2013)	((\$2,741,000))

1		<u>\$2,531,000</u>
2	Medical Aid Account--State Appropriation	\$85,000
3	Accident Account--State Appropriation	\$85,000
4	TOTAL APPROPRIATION	((\$5,591,000))
5		<u>\$5,290,000</u>

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

8 (1) Notwithstanding the provisions of this section, the joint
9 legislative audit and review committee may adjust the due dates for
10 projects included on the committee's 2011-13 work plan as necessary to
11 efficiently manage workload.

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

20 (3) Within the amounts appropriated in this section, the committee
21 shall conduct a review of marketing and vendor expenditures and
22 incentive payment programs at the state lottery commission to identify
23 cost savings and efficiencies to maximize contributions to
24 beneficiaries under this act. This review shall include examination of
25 the following:

26 (a) An analysis of marketing expenses and the impact on ticket
27 sales; the impact to sales of tickets from the change in lottery
28 beneficiaries; the competitive contracting processes for marketing
29 services and vendors and comparison to other states; identification of
30 whether there are duplicative or unproductive marketing activities; and
31 identification of whether savings may occur from changing vendors.

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

35 (4) \$85,000 of the medical aid account--state appropriation and
36 \$85,000 of the accident account--state appropriation are provided
37 solely for the purposes of House Bill No. 2123 (workers' compensation).

1 If the bill is not enacted by June 30, 2011, the amounts provided in
2 this subsection shall lapse.

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

11 (6) The joint legislative audit and review committee will assess
12 the costs of the department of fish and wildlife to produce trout to
13 achieve the department's desired freshwater stocking objectives and
14 compare these costs to the costs of the alternatives for producing
15 trout such as contracting for services. As part of its assessment, the
16 committee will consider the following:

17 (a) The total costs to the department for producing trout at
18 department trout production facilities, by category of trout
19 production, to achieve the department's desired freshwater stocking
20 objectives;

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

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

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

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

30 FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE	
31 General Fund--State Appropriation (FY 2012)	((\$2,027,000))
	<u>\$2,025,000</u>
33 General Fund--State Appropriation (FY 2013)	((\$2,193,000))
	<u>\$1,720,000</u>
35 TOTAL APPROPRIATION	((\$4,220,000))
	<u>\$3,745,000</u>

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

3 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

4	General Fund--State Appropriation (FY 2012)	((\$8,016,000))
5		<u>\$8,013,000</u>
6	General Fund--State Appropriation (FY 2013)	((\$7,911,000))
7		<u>\$7,666,000</u>
8	TOTAL APPROPRIATION	((\$15,927,000))
9		<u>\$15,679,000</u>

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

12 **FOR THE OFFICE OF THE STATE ACTUARY**

13	((General Fund--State Appropriation (FY 2012) \$24,000	
14	General Fund--State Appropriation (FY 2013) \$24,000))	
15	Department of Retirement Systems Expense	
16	Account--State Appropriation	((\$3,344,000))
17		<u>\$3,323,000</u>
18	((TOTAL APPROPRIATION \$3,392,000))	

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

30 (1) Among the issues related to the merger of the law enforcement
31 officers' and fire fighters' retirement system plans 1 and 2 into a
32 single retirement plan that shall be examined:

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

36 (b) Changes to the projected contributions that might be required
37 of members, employers, and the state based on a range of possible

1 economic and demographic experience and a variety of funding policies,
2 including both continued application of current funding policy to the
3 benefit obligations of each plan, and application of the law
4 enforcement officers' and fire fighters' retirement system plan 2
5 funding policies to the combined benefits of both plans;

6 (2) The state actuary shall solicit the input of the law
7 enforcement officers' and fire fighters' retirement system plan 2
8 retirement board and organizations representing members and retirees of
9 the law enforcement officers' and fire fighters' retirement system plan
10 1 on the issue of the merger of the two plans, and include
11 representative submissions of the input of the organizations along with
12 the report.

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

15 **FOR THE STATUTE LAW COMMITTEE**

16	General Fund--State Appropriation (FY 2012)	((\$4,248,000))
17		<u>\$4,245,000</u>
18	General Fund--State Appropriation (FY 2013)	((\$4,689,000))
19		<u>\$4,523,000</u>
20	TOTAL APPROPRIATION	((\$8,937,000))
21		<u>\$8,768,000</u>

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

24 **FOR THE REDISTRICTING COMMISSION**

25	General Fund--State Appropriation (FY 2012)	\$1,627,000
26	General Fund--State Appropriation (FY 2013)	\$154,000
27	TOTAL APPROPRIATION	\$1,781,000

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

30 (1) \$443,000 of the general fund--state appropriation for fiscal
31 year 2012 is provided solely for the support of legislative
32 redistricting efforts. The commission shall enter into an interagency
33 agreement with the house of representatives and the senate for the
34 expenditure of these funds.

35 (2) The entire general fund--state appropriation for fiscal year
36 2013 is provided solely for the payment of expenses associated with the

1 cessation of the commission's operations. The secretary of the senate
2 and chief clerk of the house of representatives may jointly authorize
3 the expenditure of these funds.

4 NEW SECTION. Sec. 109. A new section is added to 2011 1st sp.s.
5 c 50 (uncodified) to read as follows:

6 **FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES**
7 General Fund--State Appropriation (FY 2013) \$3,016,000

8 NEW SECTION. Sec. 110. A new section is added to 2011 1st sp.s.
9 c 50 (uncodified) to read as follows:

10 **LEGISLATIVE AGENCIES**
11 In order to achieve operating efficiencies within the financial
12 resources available to the legislative branch, the executive rules
13 committee of the house of representatives and the facilities and
14 operations committee of the senate by joint action may transfer funds
15 among the house of representatives, senate, joint legislative audit and
16 review committee, legislative evaluation and accountability program
17 committee, legislative transportation committee, office of the state
18 actuary, joint legislative systems committee, statute law committee,
19 office of legislative support services, and redistricting commission.

20 **Sec. 111.** 2011 2nd sp.s. c 9 s 104 (uncodified) is amended to read
21 as follows:

22 **FOR THE SUPREME COURT**
23 General Fund--State Appropriation (FY 2012) ((~~\$6,724,000~~))
24 \$6,757,000
25 General Fund--State Appropriation (FY 2013) ((~~\$6,738,000~~))
26 \$6,561,000
27 TOTAL APPROPRIATION ((~~\$13,462,000~~))
28 \$13,318,000

29 **Sec. 112.** 2011 2nd sp.s. c 9 s 105 (uncodified) is amended to read
30 as follows:

31 **FOR THE LAW LIBRARY**
32 General Fund--State Appropriation (FY 2012) ((~~\$1,506,000~~))
33 \$1,504,000
34 ((~~General Fund--State Appropriation (FY 2013) \$1,466,000~~))

1	<u>Judicial Information System Account--State</u>	
2	<u>Appropriation</u>	<u>\$1,500,000</u>
3	TOTAL APPROPRIATION	<u>((\$2,972,000))</u>
4		<u>\$3,004,000</u>

5 The appropriations in this section are subject to the following
6 conditions and limitations: \$50,000 of the judicial information system
7 account--state appropriation is provided solely to evaluate the state
8 law library and assess its operational structure to determine the most
9 effective delivery model for providing library services.
10

11 **Sec. 113.** 2011 1st sp.s. c 50 s 112 (uncodified) is amended to
12 read as follows:

13	FOR THE COMMISSION ON JUDICIAL CONDUCT	
14	General Fund--State Appropriation (FY 2012)	<u>((\$1,057,000))</u>
15		<u>\$1,053,000</u>
16	General Fund--State Appropriation (FY 2013)	<u>((\$991,000))</u>
17		<u>\$975,000</u>
18	TOTAL APPROPRIATION	<u>((\$2,048,000))</u>
19		<u>\$2,028,000</u>

20 **Sec. 114.** 2011 2nd sp.s. c 9 s 106 (uncodified) is amended to read
21 as follows:

22	FOR THE COURT OF APPEALS	
23	General Fund--State Appropriation (FY 2012)	<u>((\$15,285,000))</u>
24		<u>\$15,275,000</u>
25	General Fund--State Appropriation (FY 2013)	<u>((\$15,290,000))</u>
26		<u>\$15,168,000</u>
27	TOTAL APPROPRIATION	<u>((\$30,575,000))</u>
28		<u>\$30,443,000</u>

29 **Sec. 115.** 2011 2nd sp.s. c 9 s 107 (uncodified) is amended to read
30 as follows:

31	FOR THE ADMINISTRATOR FOR THE COURTS	
32	General Fund--State Appropriation (FY 2012)	<u>((\$50,692,000))</u>
33		<u>\$50,725,000</u>
34	General Fund--State Appropriation (FY 2013)	<u>((\$50,235,000))</u>
35		<u>\$48,429,000</u>
36	General Fund--Federal Appropriation	\$2,532,000

1	General Fund--Private/Local Appropriation	\$390,000
2	Judicial Information Systems Account--State	
3	Appropriation	((\$42,414,000))
4		<u>\$42,362,000</u>
5	Judicial Stabilization Trust Account--State	
6	Appropriation	((\$5,414,000))
7		<u>\$5,954,000</u>
8	TOTAL APPROPRIATION	((\$151,677,000))
9		<u>\$150,392,000</u>

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

12 (1) \$1,800,000 of the general fund--state appropriation for fiscal
13 year 2012 and ((~~\$1,800,000~~)) \$1,399,000 of the general fund--state
14 appropriation for fiscal year 2013 are provided solely for school
15 districts for petitions to juvenile court for truant students as
16 provided in RCW 28A.225.030 and 28A.225.035. The office of the
17 administrator for the courts shall develop an interagency agreement
18 with the superintendent of public instruction to allocate the funding
19 provided in this subsection. Allocation of this money to school
20 districts shall be based on the number of petitions filed. This
21 funding includes amounts school districts may expend on the cost of
22 serving petitions filed under RCW 28A.225.030 by certified mail or by
23 personal service or for the performance of service of process for any
24 hearing associated with RCW 28A.225.030.

25 (2)(a) \$8,252,000 of the general fund--state appropriation for
26 fiscal year 2012 and ((~~\$8,253,000~~)) \$7,313,000 of the general fund--
27 state appropriation for fiscal year 2013 are provided solely for
28 distribution to county juvenile court administrators to fund the costs
29 of processing truancy, children in need of services, and at-risk youth
30 petitions. The administrator for the courts, in conjunction with the
31 juvenile court administrators, shall develop an equitable funding
32 distribution formula. The formula shall neither reward counties with
33 higher than average per-petition processing costs nor shall it penalize
34 counties with lower than average per-petition processing costs.

35 (b) Each fiscal year during the 2011-2013 fiscal biennium, each
36 county shall report the number of petitions processed and the total
37 actual costs of processing truancy, children in need of services, and
38 at-risk youth petitions. Counties shall submit the reports to the

1 administrator for the courts no later than 45 days after the end of the
2 fiscal year. The administrator for the courts shall electronically
3 transmit this information to the chairs and ranking minority members of
4 the house of representatives and senate ways and means committees no
5 later than 60 days after a fiscal year ends. These reports are deemed
6 informational in nature and are not for the purpose of distributing
7 funds.

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

13 (4) \$265,000 of the general fund--state appropriation for fiscal
14 year 2012 is provided solely for the office of public guardianship to
15 provide guardianship services for low-income incapacitated persons.

16 (5) \$1,178,000 of the judicial information systems account--state
17 appropriation is provided solely for replacing computer equipment at
18 state courts and state judicial agencies.

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

32 (7) In order to gather better data on juveniles in the criminal
33 justice system, the administrative office of the courts shall modify
34 the judgment and sentence form for juvenile and adult sentences to
35 include one or more check boxes indicating whether (a) the adult
36 superior court had original jurisdiction for a defendant who was
37 younger than eighteen years of age at the time the case was filed; (b)
38 the case was originally filed in juvenile court but transferred to

1 adult superior court jurisdiction; or (c) the case was originally filed
2 in adult superior court or transferred to adult superior court but then
3 returned to the juvenile court.

4 (8) \$540,000 of the judicial stabilization trust account--state
5 appropriation is provided solely for the office of public guardianship
6 to continue guardianship services for those low-income incapacitated
7 persons who were receiving services on June 30, 2012.

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

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

24 **FOR THE OFFICE OF PUBLIC DEFENSE**

25	General Fund--State Appropriation (FY 2012)	((\$25,030,000))
26		<u>\$25,025,000</u>
27	General Fund--State Appropriation (FY 2013)	((\$24,972,000))
28		<u>\$29,138,000</u>
29	Judicial Stabilization Trust Account--State	
30	Appropriation	((\$2,490,000))
31		<u>\$4,368,000</u>
32	TOTAL APPROPRIATION	((\$52,492,000))
33		<u>\$58,531,000</u>

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

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

1 (2) By December 1, 2011, the office of public defense shall submit
2 to the appropriate policy and fiscal committees of the legislature a
3 proposal for office of public defense to assume the effective and
4 efficient administration of defense services for indigent persons
5 throughout the state who are involved in proceedings under chapter
6 71.09 RCW. In developing its proposal, the office of public defense
7 should consult with interested stakeholders, including the King county
8 public defender, the Washington defender association, the Washington
9 association of criminal defense lawyers, the administrative office of
10 the courts, the superior court judges association, the office of the
11 attorney general, the King county prosecuting attorney, the Washington
12 association of counties, and the department of social and health
13 services. At a minimum, the proposal should identify:

14 (a) Procedures to control costs and require accountability,
15 consistent with the state's obligation to ensure the right to counsel
16 under both the United States Constitution and the Washington
17 Constitution;

18 (b) Appropriate practice standards for trial-level defense of
19 indigent persons involved in proceedings under chapter 71.09 RCW, an
20 estimated number of attorneys statewide who are qualified to provide
21 such representation, and reasonable compensation for such defense
22 services;

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

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

27 (3) \$6,065,000 of the general fund--state appropriation for fiscal
28 year 2013 is provided solely to implement Substitute Senate Bill No.
29 6493 (sexual predator commitment). If the bill is not enacted by June
30 30, 2012, the amount provided in this subsection shall lapse.

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

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

34 General Fund--State Appropriation (FY 2012)	(\$11,038,000)
	<u>\$11,037,000</u>
36 General Fund--State Appropriation (FY 2013)	(\$11,048,000)
	<u>\$10,555,000</u>

37

1		<u>\$7,074,000</u>
2	Charitable Organization Education Account--State	
3	Appropriation	((\$452,000))
4		<u>\$362,000</u>
5	Local Government Archives Account--State	
6	Appropriation	((\$10,557,000))
7		<u>\$8,516,000</u>
8	Election Account--Federal Appropriation	((\$17,288,000))
9		<u>\$17,284,000</u>
10	Washington State Heritage Center Account--State	
11	Appropriation	((\$1,028,000))
12		<u>\$5,028,000</u>
13	TOTAL APPROPRIATION	((\$73,489,000))
14		<u>\$70,249,000</u>

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

17 (1) \$3,898,000 of the general fund--state appropriation for fiscal
18 year 2012 is provided solely to reimburse counties for the state's
19 share of primary and general election costs and the costs of conducting
20 mandatory recounts on state measures. Counties shall be reimbursed
21 only for those odd-year election costs that the secretary of state
22 validates as eligible for reimbursement.

23 (2)(a) \$1,847,000 of the general fund--state appropriation for
24 fiscal year 2012 and \$1,926,000 of the general fund--state
25 appropriation for fiscal year 2013 are provided solely for contracting
26 with a nonprofit organization to produce gavel-to-gavel television
27 coverage of state government deliberations and other events of
28 statewide significance during the 2011-2013 biennium. The funding
29 level for each year of the contract shall be based on the amount
30 provided in this subsection. The nonprofit organization shall be
31 required to raise contributions or commitments to make contributions,
32 in cash or in kind, in an amount equal to forty percent of the state
33 contribution. The office of the secretary of state may make full or
34 partial payment once all criteria in this subsection have been
35 satisfactorily documented.

36 (b) The legislature finds that the commitment of on-going funding
37 is necessary to ensure continuous, autonomous, and independent coverage

1 of public affairs. For that purpose, the secretary of state shall
2 enter into a contract with the nonprofit organization to provide public
3 affairs coverage.

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

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

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

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

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

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

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

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

25	General Fund--State Appropriation (FY 2012)	((\$259,000))
26		<u>\$257,000</u>
27	General Fund--State Appropriation (FY 2013)	((\$267,000))
28		<u>\$260,000</u>
29	TOTAL APPROPRIATION	((\$526,000))
30		<u>\$517,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations: The office shall assist the department of
33 enterprise services on providing the government-to-government training
34 sessions for federal, state, local, and tribal government employees.
35 The training sessions shall cover tribal historical perspectives, legal
36 issues, tribal sovereignty, and tribal governments. Costs of the
37 training sessions shall be recouped through a fee charged to the

1 participants of each session. The department of enterprise services
2 shall be responsible for all of the administrative aspects of the
3 training, including the billing and collection of the fees for the
4 training.

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

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

8	General Fund--State Appropriation (FY 2012)	((\$236,000))
9		<u>\$234,000</u>
10	General Fund--State Appropriation (FY 2013)	((\$219,000))
11		<u>\$212,000</u>
12	TOTAL APPROPRIATION	((\$455,000))
13		<u>\$446,000</u>

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

16 **FOR THE STATE TREASURER**

17	State Treasurer's Service Account--State	
18	Appropriation	((\$14,994,000))
19		<u>\$13,706,000</u>

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

22 **FOR THE STATE AUDITOR**

23	State Auditing Services Revolving Account--State	
24	Appropriation	((\$10,293,000))
25		<u>\$9,209,000</u>
26	Performance Audit of Government Account--State	
27	Appropriation	\$1,461,000
28	TOTAL APPROPRIATION	((\$11,754,000))
29		<u>\$10,670,000</u>

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

- 32 (1) Audits of school districts by the division of municipal
33 corporations shall include findings regarding the accuracy of: (a)
34 Student enrollment data; and (b) the experience and education of the

1 district's certified instructional staff, as reported to the
2 superintendent of public instruction for allocation of state funding.

3 (2) \$1,461,000 of the performance audits of government account
4 appropriation is provided solely for staff and related costs to verify
5 the accuracy of reported school district data submitted for state
6 funding purposes; conduct school district program audits of state
7 funded public school programs; establish the specific amount of state
8 funding adjustments whenever audit exceptions occur and the amount is
9 not firmly established in the course of regular public school audits;
10 and to assist the state special education safety net committee when
11 requested.

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

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

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

23	General Fund--State Appropriation (FY 2012)	((\$158,000))
24		<u>\$141,000</u>
25	General Fund--State Appropriation (FY 2013)	((\$195,000))
26		<u>\$186,000</u>
27	TOTAL APPROPRIATION	((\$353,000))
28		<u>\$327,000</u>

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

31 **FOR THE ATTORNEY GENERAL**

32	General Fund--State Appropriation (FY 2012)	\$4,758,000
33	General Fund--State Appropriation (FY 2013)	((\$2,727,000))
34		<u>\$7,690,000</u>
35	General Fund--Federal Appropriation	((\$8,819,000))
36		<u>\$10,015,000</u>

1	New Motor Vehicle Arbitration Account--State	
2	Appropriation	((\$972,000))
3		<u>\$968,000</u>
4	Legal Services Revolving Account--State	
5	Appropriation	((\$206,617,000))
6		<u>\$194,305,000</u>
7	Tobacco Prevention and Control Account--State	
8	Appropriation	\$270,000
9	<u>Medicaid Fraud Penalty Account--State Appropriation</u>	<u>\$1,129,000</u>
10	TOTAL APPROPRIATION	((\$224,163,000))
11		<u>\$219,135,000</u>

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

14 (1) The attorney general shall report each fiscal year on actual
15 legal services expenditures and actual attorney staffing levels for
16 each agency receiving legal services. The report shall be submitted to
17 the office of financial management and the fiscal committees of the
18 senate and house of representatives no later than ninety days after the
19 end of each fiscal year. As part of its by agency report to the
20 legislative fiscal committees and the office of financial management,
21 the office of the attorney general shall include information detailing
22 the agency's expenditures for its agency-wide overhead and a breakdown
23 by division of division administration expenses.

24 (2) Prior to entering into any negotiated settlement of a claim
25 against the state that exceeds five million dollars, the attorney
26 general shall notify the director of financial management and the
27 chairs of the senate committee on ways and means and the house of
28 representatives committee on ways and means.

29 (3) The attorney general shall annually report to the fiscal
30 committees of the legislature all new *cy pres* awards and settlements
31 and all new accounts, disclosing their intended uses, balances, the
32 nature of the claim or account, proposals, and intended timeframes for
33 the expenditure of each amount. The report shall be distributed
34 electronically and posted on the attorney general's web site. The
35 report shall not be printed on paper or distributed physically.

36 (4) The attorney general shall enter into an interagency agreement
37 with the department of social and health services for expenditure of

1 the state's proceeds from the *cy pres* settlement in *State of Washington*
2 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204
3 and 213 of this act.

4 (5) \$62,000 of the legal services revolving fund--state
5 appropriation is provided solely to implement House Bill No. 1770
6 (state purchasing). If the bill is not enacted by June 30, 2011, the
7 amount provided in this subsection shall lapse.

8 (6) \$5,924,000 of the legal services revolving account--state
9 appropriation is provided solely to implement House Bill No. 2123
10 (workers' compensation). If the bill is not enacted by June 30, 2011,
11 the amount provided in this subsection shall lapse.

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

16 (8) \$96,000 of the legal services revolving fund--state
17 appropriation is provided solely to implement Senate Bill No. 5076
18 (financial institutions). If the bill is not enacted by June 30, 2011,
19 the amount provided in this subsection shall lapse.

20 (9) \$99,000 of the legal services revolving fund--state
21 appropriation is provided solely to implement Engrossed Second
22 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill
23 is not enacted by June 30, 2011, the amount provided in this subsection
24 shall lapse.

25 (10) \$416,000 of the legal services revolving fund--state
26 appropriation is provided solely to implement Substitute Senate Bill
27 No. 5801 (industrial insurance system). If the bill is not enacted by
28 June 30, 2011, the amount provided in this subsection shall lapse.

29 (11) \$31,000 of the legal services revolving fund--state
30 appropriation is provided solely to implement Engrossed Substitute
31 Senate Bill No. 5021 (election campaign disclosure). If the bill is
32 not enacted by June 30, 2011, the amount provided in this subsection
33 shall lapse.

34 (12) The executive ethics board shall: (a) Develop a statewide
35 plan, with performance measures, to provide overall direction and
36 accountability in all executive branch agencies and statewide elected
37 offices; (b) coordinate and work with the commission on judicial
38 conduct and the legislative ethics board; (c) assess and evaluate each

1 agency's ethical culture through employee and stakeholder surveys,
2 review Washington state quality award feedback reports, and publish an
3 annual report on the results to the public; and (d) solicit outside
4 evaluations, studies, and recommendations for improvements from
5 academics, nonprofit organizations, the public disclosure commission,
6 or other entities with expertise in ethics, integrity, and the public
7 sector.

8 (13) \$11,000 of the legal services revolving fund--state
9 appropriation is provided solely to implement House Bill No. 2301
10 (boxing, martial arts, wrestling). If the bill is not enacted by June
11 30, 2012, the amount provided in this subsection shall lapse.

12 (14) \$56,000 of the legal services revolving fund--state
13 appropriation is provided solely to implement House Bill No. 2319
14 (affordable care act). If the bill is not enacted by June 30, 2012,
15 the amount provided in this subsection shall lapse.

16 (15) \$5,743,000 of the general fund--state appropriation for fiscal
17 year 2013 is provided solely for the legal costs associated with the
18 evaluation, filing, prosecution, response to petitions for release, and
19 appeal of sexually violent predator civil commitment cases, as provided
20 in chapter 71.09 RCW. Within the amount provided in this subsection,
21 the attorney general may enter into an interagency agreement with a
22 county prosecutor to perform prosecution services pursuant to chapter
23 71.09 RCW.

24 (16) \$94,000 of the legal services revolving fund--state
25 appropriation is provided solely to implement Senate Bill No. 6103
26 (reflexology and massage therapy). If the bill is not enacted by June
27 30, 2012, the amount provided in this subsection shall lapse.

28 (17) \$57,000 of the legal services revolving fund--state
29 appropriation is provided solely for implementation of Engrossed
30 Substitute Senate Bill No. 6237 (medical assistants). If the bill is
31 not enacted by June 30, 2012, the amount provided in this subsection
32 shall lapse.

33 (18) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)
34 is not enacted by June 30, 2012, the amounts appropriated in this
35 section from the medicaid fraud penalty account--state appropriation
36 shall lapse and an additional \$730,000 shall be appropriated from the
37 general fund--state for fiscal year 2013 for fraud detection and

1 prevention activities, recovery of improper payments, and for other
2 medicaid fraud enforcement activities.

3 (19) \$56,000 of the legal services revolving fund--state
4 appropriation is provided solely to implement House Bill No. 2592
5 (extended foster care). If the bill is not enacted by June 30, 2012,
6 the amount provided in this subsection shall lapse.

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

9 **FOR THE CASELOAD FORECAST COUNCIL**

10	General Fund--State Appropriation (FY 2012)	((\$1,310,000))
11		<u>\$1,277,000</u>
12	General Fund--State Appropriation (FY 2013)	((\$1,309,000))
13		<u>\$1,180,000</u>
14	TOTAL APPROPRIATION	((\$2,619,000))
15		<u>\$2,457,000</u>

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

18 (1) The appropriations in this section include funding for
19 activities transferred from the sentencing guidelines commission to the
20 caseload forecast council pursuant to Engrossed Substitute Senate Bill
21 No. 5891 (criminal justice cost savings). Prior to the effective date
22 of Engrossed Substitute Senate Bill No. 5891, the appropriations in
23 this section may be expended for the continued operations and expenses
24 of the sentencing guidelines commission pursuant to the expenditure
25 authority schedule produced by the office of financial management in
26 accordance with chapter 43.88 RCW.

27 (2) \$57,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$57,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for the implementation of Senate
30 Bill No. 5304 (college bound scholarship).

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

33 **FOR THE DEPARTMENT OF COMMERCE**

34	General Fund--State Appropriation (FY 2012)	((\$57,261,000))
35		<u>\$51,799,000</u>
36	General Fund--State Appropriation (FY 2013)	((\$72,459,000))

1		<u>\$72,839,000</u>
2	General Fund--Federal Appropriation	((\$282,185,000))
3		<u>\$340,184,000</u>
4	General Fund--Private/Local Appropriation	((\$4,989,000))
5		<u>\$5,036,000</u>
6	Public Works Assistance Account--State	
7	Appropriation	((\$2,764,000))
8		<u>\$2,733,000</u>
9	Drinking Water Assistance Administrative	
10	Account--State Appropriation	\$437,000
11	Lead Paint Account--State Appropriation	\$65,000
12	Building Code Council Account--State Appropriation	\$13,000
13	Home Security Fund Account--State Appropriation	((\$16,652,000))
14		<u>\$21,007,000</u>
15	Affordable Housing for All Account--State	
16	Appropriation	((\$11,902,000))
17		<u>\$11,899,000</u>
18	County Research Services Account--State	
19	Appropriation	((\$1,081,000))
20		<u>\$540,000</u>
21	Financial Fraud and Identity Theft Crimes Investigation	
22	and Prosecution Account--State Appropriation	\$1,166,000
23	Low-Income Weatherization Assistance Account--State	
24	Appropriation	((\$5,778,000))
25		<u>\$2,427,000</u>
26	City and Town Research Services Account--State	
27	Appropriation	((\$5,166,000))
28		<u>\$2,577,000</u>
29	((Manufacturing Innovation and Modernization	
30	 Account--State Appropriation	\$61,000))
31	Community and Economic Development Fee Account--State	
32	Appropriation	((\$6,488,000))
33		<u>\$6,781,000</u>
34	Washington Housing Trust Account--State	
35	Appropriation	((\$17,498,000))
36		<u>\$17,444,000</u>
37	Prostitution Prevention and Intervention Account--	
38	State Appropriation	\$86,000

1	Public Facility Construction Loan Revolving	
2	Account--State Appropriation	((\$755,000))
3		<u>\$748,000</u>
4	Washington Community Technology Opportunity Account--	
5	State Appropriation	\$713,000
6	<u>Liquor Revolving Account--State Appropriation</u>	<u>\$2,802,000</u>
7	TOTAL APPROPRIATION	((\$487,519,000))
8		<u>\$541,296,000</u>

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

11 (1) Repayments of outstanding mortgage and rental assistance
12 program loans administered by the department under RCW 43.63A.640 shall
13 be remitted to the department, including any current revolving account
14 balances. The department shall collect payments on outstanding loans,
15 and deposit them into the state general fund. Repayments of funds owed
16 under the program shall be remitted to the department according to the
17 terms included in the original loan agreements.

18 (2) \$500,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$500,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for a grant to resolution
21 Washington to building statewide capacity for alternative dispute
22 resolution centers and dispute resolution programs that guarantee that
23 citizens have access to low-cost resolution as an alternative to
24 litigation.

25 (3) \$306,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$306,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for a grant to the retired senior
28 volunteer program.

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

32 (5) \$1,800,000 of the home security fund--state appropriation is
33 provided for transitional housing assistance or partial payments for
34 rental assistance under the independent youth housing program.

35 (6) \$5,000,000 of the home security fund--state appropriation is
36 for the operation, repair, and staffing of shelters in the homeless
37 family shelter program.

1 (7) \$198,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$198,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the Washington new Americans
4 program.

5 (8) \$2,949,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$2,949,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for associate development
8 organizations.

9 (9) \$127,000 of the general fund--federal appropriation is provided
10 solely for implementation of Substitute House Bill No. 1886
11 (Ruckelshaus center process). If the bill is not enacted by June 30,
12 2011, the amount provided in this subsection shall lapse.

13 (10) Up to \$200,000 of the general fund--private/local
14 appropriation is for a grant to the Washington tourism alliance for the
15 maintenance of the Washington state tourism web site
16 www.experiencewa.com and its related sub-sites. The department may
17 transfer ownership of the web site and other tourism promotion assets
18 and assign obligations to the Washington tourism alliance for purposes
19 of tourism promotion throughout the state. The alliance may use the
20 assets only in a manner consistent with the purposes for which they
21 were created. Any revenue generated from these assets must be used by
22 the alliance for the sole purposes of statewide Washington tourism
23 promotion. The legislature finds that the Washington tourism alliance,
24 a not-for-profit, 501.c.6 organization established, funded, and
25 governed by Washington tourism industry stakeholders to sustain
26 destination tourism marketing across Washington, is an appropriate body
27 to receive funding and assets from and assume obligations of the
28 department for the purposes described in this section.

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

32 (12) \$2,000,000 of the community and economic development fee
33 account appropriation is provided solely for the department of commerce
34 for services to homeless families through the Washington families fund.

35 (13) (~~(\$260,000)~~) \$234,000 of the general fund--state appropriation
36 for fiscal year 2012 and (~~(\$259,000)~~) \$233,000 of the general fund--
37 state appropriation for fiscal year 2013 are provided solely for the
38 Washington asset building coalitions.

1 (14) \$1,859,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$1,859,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for innovative research teams,
4 also known as entrepreneurial STARS, at higher education research
5 institutions, and for entrepreneurs-in-residence programs at higher
6 education research institutions and entrepreneurial assistance
7 organizations. Of these amounts no more than \$50,000 in fiscal year
8 2012 and no more than \$50,000 in fiscal year 2013 may be provided for
9 the operation of entrepreneurs-in-residence programs at entrepreneurial
10 assistance organizations external to higher education research
11 institutions.

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

17 (16) \$16,000 of the general fund--state appropriation for fiscal
18 year 2012 is provided solely to implement section 503 of Substitute
19 House Bill No. 1277 (licensed settings for vulnerable adults). The
20 long-term care ombudsman shall convene an adult family home quality
21 assurance panel to review problems concerning the quality of care for
22 residents in adult family homes. If Substitute House Bill No. 1277
23 (licensed settings for vulnerable adults) is not enacted by June 30,
24 2011, the amount provided in this subsection shall lapse.

25 (17) (~~(\$24,605,000)~~) \$19,605,000 of the general fund--state
26 appropriation for fiscal year 2012 and \$39,527,000 of the general
27 fund--state appropriation for fiscal year 2013 are provided solely for
28 establishment of the essential needs and housing support program
29 created in Engrossed Substitute House Bill No. 2082 (essential needs
30 and assistance program). The department of commerce shall contract for
31 these services with counties or community-based organizations involved
32 in providing essential needs and housing supports to low-income persons
33 who meet eligibility pursuant to Engrossed Substitute House Bill No.
34 2082. The department shall limit the funding used for administration
35 of the program to no more than five percent. Counties and community
36 providers shall limit the funding used for administration of the
37 program to no more than seven percent.

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

9 (b) Of the amounts provided in this subsection, ~~((\$30,000,000))~~
10 \$55,000,000 is provided solely for housing support services to
11 individuals who are homeless or who may become homeless, and are
12 eligible for services under this program pursuant to Engrossed
13 Substitute House Bill No. 2082.

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

19 (18) \$4,380,000 of the home security fund--state appropriation is
20 provided solely for the department to provide homeless housing services
21 in accordance with Engrossed Substitute House Bill No. 2048 (housing
22 assistance surcharges). If Engrossed Substitute House Bill No. 2048
23 (housing assistance surcharges) is not enacted by June 30, 2012, the
24 amounts provided in this subsection shall lapse.

25 (19) \$85,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for the developmental disabilities council
27 to contract for a family-to-family mentor program to provide
28 information and support to families and guardians of persons who are
29 transitioning out of residential habilitation centers. To the maximum
30 extent allowable under federal law, these funds shall be matched under
31 medicaid through the department of social and health services and
32 federal funds shall be transferred to the department for the purposes
33 stated in this subsection.

34 (20) \$2,802,000 of the liquor revolving account--state
35 appropriation is provided solely for the department to contract with
36 the municipal research and services center of Washington.

37 (21) \$1,000,000 of the general fund--state appropriation for fiscal
38 year 2013 is provided solely for deposit in the shelter to housing

1 project account, hereby created in the custody of the state treasurer
 2 as a nonappropriated account. The department may expend funds from the
 3 account solely for a two-year pilot project to enable young adults to
 4 move from temporary emergency shelter housing to transitional and
 5 permanent housing throughout King county. The pilot project will be
 6 administered under contract with the YMCA of greater Seattle in
 7 collaboration with the rising out of the shadows young adult shelter.
 8 Funding may be used for case management, housing subsidy,
 9 transportation, shelter services, training and evaluation. The pilot
 10 project and the shelter to housing project account expire December 31,
 11 2014.

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

17 (23) \$100,000 of the general fund--private/local appropriation is
 18 provided solely for the department to provide analysis and an advisory
 19 opinion on whether a proposed electric generation project or
 20 conservation resource qualifies to meet mandatory conservation targets
 21 in accordance with Substitute Senate Bill No. 6414 (review
 22 process/utilities). The department is authorized to require an
 23 applicant to pay an application fee to cover the cost of reviewing the
 24 project and preparing an advisory opinion. If Substitute Senate Bill
 25 No. 6414 (review process/utilities) is not enacted by June 30, 2012,
 26 the amount provided in this subsection shall lapse.

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

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

30	General Fund--State Appropriation (FY 2012)	((\$674,000))
31		<u>\$648,000</u>
32	General Fund--State Appropriation (FY 2013)	((\$728,000))
33		<u>\$789,000</u>
34	Lottery Administrative Account--State Appropriation	\$50,000
35	TOTAL APPROPRIATION	((\$1,452,000))
36		<u>\$1,487,000</u>

1 The appropriations in this section are subject to the following
 2 conditions and limitations: \$90,000 of the general fund--state
 3 appropriation for fiscal year 2013 is provided solely to implement
 4 House Bill No. 2827 (balanced budget). If the bill is not enacted by
 5 June 30, 2012, the amount provided in this subsection shall lapse.

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

8 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

9	General Fund--State Appropriation (FY 2012)	((\$18,627,000))
10		<u>\$18,369,000</u>
11	General Fund--State Appropriation (FY 2013)	((\$18,851,000))
12		<u>\$18,584,000</u>
13	General Fund--Federal Appropriation	((\$31,534,000))
14		<u>\$31,530,000</u>
15	General Fund--Private/Local Appropriation	((\$1,270,000))
16		<u>\$1,370,000</u>
17	Performance Audits of Government Account--State	
18	Appropriation	((\$25,000))
19		<u>\$198,000</u>
20	Economic Development Strategic Reserve Account--State	
21	Appropriation	\$280,000
22	Department of Personnel Services--State	
23	Appropriation	((\$7,827,000))
24		<u>\$8,551,000</u>
25	Data Processing Revolving Account--State	
26	Appropriation	((\$5,208,000))
27		<u>\$5,910,000</u>
28	Higher Education Personnel Services Account--State	
29	Appropriation	\$1,537,000
30	Aquatic Lands Enhancement Account--State Appropriation	\$100,000
31	TOTAL APPROPRIATION	((\$85,259,000))
32		<u>\$86,429,000</u>

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

- 35 (1) \$1,210,000 of the general fund--state appropriation for fiscal
 36 year 2012 and \$1,210,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for implementation of House Bill
2 No. 1178 (regulatory assistance office). If the bill is not enacted by
3 June 30, 2011, the amounts provided in this subsection shall lapse.

4 (2) \$150,000 of the general fund--state appropriation for fiscal
5 year 2012 is provided solely for the office of financial management to
6 contract with an independent consultant to evaluate and recommend the
7 most cost-effective provision of services required to support the
8 department of social and health services special commitment center on
9 McNeil Island. The evaluation shall include island operation services
10 that include, but are not limited to: (a) Marine transport of
11 passengers and goods; (b) wastewater treatment; (c) fire protection and
12 suppression; (d) electrical supply; (e) water supply; and (f) road
13 maintenance.

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

19 (3) \$100,000 of the aquatic lands enhancement account--state
20 appropriation is provided solely for the office of financial management
21 to prepare a report to be used to initiate a comprehensive, long-range
22 planning process for the future of McNeil Island during the 2013-2015
23 fiscal biennium.

24 (a) The report on the initiation of the process must document:

25 (i) Ownership issues, including consultation with the federal
26 government about its current legal requirements associated with the
27 island;

28 (ii) Federal and state decision-making processes to change use or
29 ownership;

30 (iii) Tribal treaty interests;

31 (iv) Fish and wildlife species and their habitats;

32 (v) Land use and public safety needs;

33 (vi) Recreational opportunities for the general public;

34 (vii) Historic and archaeological resources; and

35 (viii) Revenue from and necessary to support potential future uses
36 of the island.

37 (b) The report shall develop and recommend a comprehensive, long-

1 range planning process for the future of the island and associated
2 aquatic resources, addressing the items in (a) of this subsection.

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

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

9 (i) Federal agencies with relevant responsibilities;

10 (ii) Tribal governments;

11 (iii) State agencies;

12 (iv) Local governments and communities in the area, including the
13 Anderson Island community, Steilacoom, and Pierce county; and

14 (v) Interested private organizations and individuals.

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

17 (4) The appropriations in this section include funding for
18 activities transferred from the sentencing guidelines commission to the
19 office of financial management pursuant to Engrossed Substitute Senate
20 Bill No. 5891 (criminal justice cost savings). Prior to the effective
21 date of Engrossed Substitute Senate Bill No. 5891, the appropriations
22 in this section may be expended for the continued operations and
23 expenses of the sentencing guidelines commission pursuant to the
24 expenditure authority schedule produced by the office of financial
25 management in accordance with chapter 43.88 RCW.

26 (5) \$23,000 of the general fund--state appropriation for fiscal
27 year 2013 is provided solely for the office of regulatory assistance to
28 implement the following:

29 (a) Coordination of an agency small business liaison team to assist
30 small businesses with permitting and regulatory issues. The small
31 business liaison team, as part of the biennial report submitted by the
32 office of regulatory assistance, must provide recommendations for
33 improvements to inspection and compliance practices and ways to improve
34 customer service for regulatory agencies. The office must work with
35 regulatory agencies to: (i) Assure that additional violations or
36 corrective actions that could have been discovered and noted in the
37 original violation or correction notice are not subsequently added and
38 to provide a single list of any violations discovered during the

1 regulatory visit or inspection; (ii) provide notice about when the
2 business may expect the results of a technical assistance or regulatory
3 visit; (iii) provide information about how the business may provide
4 anonymous feedback regarding a technical assistance or other regulatory
5 visit; and (iv) provide information regarding the role of the agency's
6 small business liaison as a neutral party within the agency, as well as
7 contact information for the liaison.

8 (b) In coordination with regulatory agencies, development of an
9 anonymous customer service survey that regulated entities may complete
10 after an inspection or a technical assistance visit under chapter 43.05
11 RCW, or a consultative visit under RCW 49.17.250. The survey must
12 include questions addressing the points in this subsection (b) but may
13 be designed in a way that best serves the needs of the multiple
14 agencies and customers that will be using the survey. The survey must
15 provide a way of identifying the agency that performed the inspection,
16 and if possible within the resources allowed, provide a means of
17 identifying the inspector who provided services. Questions should
18 address the following topics:

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

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

23 (iii) Whether the inspector informed the customer why the customer
24 received a site visit or inspection, described the site visit or
25 inspection process, answered questions about the process, and explained
26 regulatory requirements; and

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

29 The survey must be available on the office web site. The results
30 of the surveys must be summarized, by agency, in a report and forwarded
31 to the agency director, the governor, and the appropriate committees of
32 the legislature. Each agency shall receive a copy of all relevant
33 survey information. No identifying information may be included that
34 would reveal the identity of the respondent.

35 (6) \$115,000 of the general fund--state appropriation for fiscal
36 year 2013 is provided solely for implementation of Engrossed Substitute
37 House Bill No. 2483 (higher education coordination). If the bill is

1 not enacted by June 30, 2012, the amount provided in this subsection
2 shall lapse.

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

8 (i) How agencies currently procure interpreter services;

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

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

12 (b) The office of financial management, in consultation with the
13 department of enterprise services, must also examine approaches to
14 procuring interpreter services, including using the department of
15 enterprise services' master contract, limiting overhead costs
16 associated with interpreter contracts, and direct scheduling of
17 interpreters. The report must include recommendations for the state to
18 procure services in a more consistent and cost-effective manner.

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

23 (d) The report must include:

24 (i) Analysis of the current process for procuring interpreter
25 services;

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

28 (iii) Estimates for potential cost savings.

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

31 (8) \$25,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$225,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for implementation of House Bill
34 No. 2824 (education funding). If the bill is not enacted by June 30,
35 2012, the amount provided in this subsection shall lapse.

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

1 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

2 Administrative Hearings Revolving Account--State
3 Appropriation ((~~\$34,043,000~~))
4 \$35,713,000

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

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

13 **FOR THE WASHINGTON STATE LOTTERY**

14 Lottery Administrative Account--State
15 Appropriation ((~~\$25,709,000~~))
16 \$24,664,000

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

19 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

20 General Fund--State Appropriation (FY 2012) ((~~\$246,000~~))
21 \$244,000
22 General Fund--State Appropriation (FY 2013) ((~~\$250,000~~))
23 \$244,000
24 TOTAL APPROPRIATION ((~~\$496,000~~))
25 \$488,000

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

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

29 General Fund--State Appropriation (FY 2012) ((~~\$239,000~~))
30 \$237,000
31 General Fund--State Appropriation (FY 2013) ((~~\$238,000~~))
32 \$232,000
33 TOTAL APPROPRIATION ((~~\$477,000~~))
34 \$469,000

1		<u>\$100,691,000</u>
2	General Fund--State Appropriation (FY 2013)	((\$100,801,000))
3		<u>\$99,207,000</u>
4	Timber Tax Distribution Account--State Appropriation	((\$5,940,000))
5		<u>\$5,900,000</u>
6	Waste Reduction/Recycling/Litter Control--State	
7	Appropriation	\$129,000
8	Waste Tire Removal Account--State Appropriation	\$2,000
9	State Toxics Control Account--State Appropriation	\$87,000
10	Oil Spill Prevention Account--State Appropriation	\$19,000
11	Master License Fund--State Appropriation	((\$14,012,000))
12		<u>\$13,922,000</u>
13	Vehicle License Fraud Account--State Appropriation	\$5,000
14	Performance Audits of Government Account--State	
15	Appropriation	\$3,188,000
16	TOTAL APPROPRIATION	((\$225,110,000))
17		<u>\$223,150,000</u>

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

20 **FOR THE BOARD OF TAX APPEALS**

21	General Fund--State Appropriation (FY 2012)	((\$1,241,000))
22		<u>\$1,189,000</u>
23	General Fund--State Appropriation (FY 2013)	((\$1,219,000))
24		<u>\$1,150,000</u>
25	TOTAL APPROPRIATION	((\$2,460,000))
26		<u>\$2,339,000</u>

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

29 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

30	OMWBE Enterprises Account--State Appropriation	((\$3,264,000))
31		<u>\$3,654,000</u>

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

34 **FOR THE INSURANCE COMMISSIONER**

35	<u>General Fund--State Appropriation (FY 2013)</u>	<u>\$650,000</u>
----	--	------------------

1 General Fund--Federal Appropriation ((\$4,452,000))
2 \$4,450,000
3 Insurance Commissioners Regulatory Account--State
4 Appropriation ((\$47,514,000))
5 \$47,987,000
6 TOTAL APPROPRIATION ((\$51,966,000))
7 \$53,087,000

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

10 (1) \$75,000 of the insurance commissioner's regulatory
11 account--state appropriation is provided solely for the implementation
12 of Substitute Senate Bill No. 5445 (health benefit exchange).

13 (2) \$42,000 of the insurance commissioner's regulatory
14 account--state appropriation is provided solely for the implementation
15 of Senate Bill No. 5213 (insurance statutes).

16 (3) \$758,000 of the insurance commissioners regulatory account--
17 state appropriation is provided solely to implement Engrossed Second
18 Substitute House Bill No. 2319 (affordable care act). If the bill is
19 not enacted by June 30, 2012, the amount provided in this subsection
20 shall lapse.

21 (4) \$650,000 of the general fund--state appropriation for fiscal
22 year 2013 is provided solely to implement House Bill No. 2829 (public
23 school employees' insurance benefits). If the bill is not enacted by
24 June 30, 2012, the amount provided in this subsection shall lapse.

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

27 **FOR THE STATE INVESTMENT BOARD**

28 State Investment Board Expense Account--State
29 Appropriation ((\$29,256,000))
30 \$29,075,000

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

33 **FOR THE LIQUOR CONTROL BOARD**

34 Liquor Control Board Construction and Maintenance
35 Account--State Appropriation ((\$10,081,000))
36 \$3,063,000

1	Liquor Revolving Account--State Appropriation	((\$176,238,000))
2		<u>\$171,838,000</u>
3	General Fund--Federal Appropriation	((\$120,000))
4		<u>\$945,000</u>
5	<u>General Fund--Private/Local Appropriation</u>	<u>\$25,000</u>
6	TOTAL APPROPRIATION	((\$186,439,000))
7		<u>\$175,871,000</u>

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

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

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

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

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

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

33 (c) The following job classifications are eligible:

34 (i) Liquor store clerk;

35 (ii) Retail assistant store manager 1;

36 (iii) Retail assistant store manager 2;

37 (iv) Retail store manager 3;

38 (v) Retail store manager 4;

- 1 (vi) Retail district manager;
- 2 (vii) Retail operations manager;
- 3 (viii) Director of retail services;
- 4 (ix) Director of distribution center;
- 5 (x) Director of purchasing;
- 6 (xi) Director of business enterprise;
- 7 (xii) Warehouse operator 1;
- 8 (xiii) Warehouse operator 2;
- 9 (xiv) Warehouse operator 3; and
- 10 (xv) Warehouse operator 4; and
- 11 (d) Should the legislature revoke any remuneration or benefits
- 12 granted under this section, an affected employee shall not be entitled
- 13 thereafter to receive such benefits as a matter of contractual right.

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

16 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

17	General Fund--Federal Appropriation	\$502,000
18	General Fund--Private/Local Appropriation	(\$11,175,000)
19		<u>\$11,166,000</u>
20	Public Service Revolving Account--State	
21	Appropriation	(\$30,992,000)
22		<u>\$30,872,000</u>
23	Pipeline Safety Account--State Appropriation	(\$3,201,000)
24		<u>\$3,183,000</u>
25	Pipeline Safety Account--Federal Appropriation	(\$2,848,000)
26		<u>\$2,844,000</u>
27	TOTAL APPROPRIATION	(\$48,718,000)
28		<u>\$48,567,000</u>

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

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

36 (2) \$15,000 of the pipeline safety account--state appropriation is

1 provided solely for the implementation of Engrossed Second Substitute
2 House Bill No. 1634 (underground utilities).

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

6 (4) \$169,000 of the public service revolving account--state
7 appropriation is provided solely for the implementation of Second
8 Substitute Senate Bill No. 5034 (private infrastructure).

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

11 **FOR THE MILITARY DEPARTMENT**

12	General Fund--State Appropriation (FY 2012)	((\$7,175,000))
13		<u>\$7,116,000</u>
14	General Fund--State Appropriation (FY 2013)	((\$7,175,000))
15		<u>\$6,872,000</u>
16	General Fund--Federal Appropriation	((\$159,181,000))
17		<u>\$159,075,000</u>
18	Enhanced 911 Account--State Appropriation	((\$46,556,000))
19		<u>\$48,620,000</u>
20	Disaster Response Account--State Appropriation	((\$17,933,000))
21		<u>\$23,119,000</u>
22	Disaster Response Account--Federal Appropriation	((\$66,266,000))
23		<u>\$91,368,000</u>
24	Military Department Rent and Lease Account--State	
25	Appropriation	\$615,000
26	Worker and Community Right-to-Know Account--State	
27	Appropriation	((\$2,165,000))
28		<u>\$2,163,000</u>
29	TOTAL APPROPRIATION	((\$307,066,000))
30		<u>\$338,948,000</u>

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

33 (1) \$18,018,000 of the disaster response account--state
34 appropriation and \$66,266,000 of the disaster response account--federal
35 appropriation may be spent only on disasters declared by the governor
36 and with the approval of the office of financial management. The
37 military department shall submit a report to the office of financial

1 management and the legislative fiscal committees on October 1st and
2 February 1st of each year detailing information on the disaster
3 response account, including: (a) The amount and type of deposits into
4 the account; (b) the current available fund balance as of the reporting
5 date; and (c) the projected fund balance at the end of the 2011-2013
6 biennium based on current revenue and expenditure patterns.

7 (2) \$75,000,000 of the general fund--federal appropriation is
8 provided solely for homeland security, subject to the following
9 conditions:

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

13 (b) The department shall submit an annual report to the office of
14 financial management and the legislative fiscal committees detailing
15 the governor's domestic security advisory group recommendations;
16 homeland security revenues and expenditures, including estimates of
17 total federal funding for the state; and incremental changes from the
18 previous estimate.

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

21 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

22 General Fund--State Appropriation (FY 2012)	((\$2,346,000))
	<u>\$2,104,000</u>
24 General Fund--State Appropriation (FY 2013)	((\$2,400,000))
	<u>\$2,130,000</u>
26 Higher Education Personnel Services Account--State	
27 Appropriation	((\$251,000))
	<u>\$276,000</u>
29 Department of Personnel Service Account--State	
30 Appropriation	((\$3,309,000))
	<u>\$3,290,000</u>
32 TOTAL APPROPRIATION	((\$8,306,000))
	<u>\$7,800,000</u>

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

1 **FOR THE BOARD OF ACCOUNTANCY**

2 Certified Public Accountants' Account--State
3 Appropriation ((~~\$2,808,000~~))
4 \$2,642,000

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

7 **FOR THE FORENSIC INVESTIGATION COUNCIL**

8 Death Investigations Account--State Appropriation ((~~\$286,000~~))
9 \$490,000

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

12 (1) \$250,000 of the death investigations account appropriation is
13 provided solely for providing financial assistance to local
14 jurisdictions in multiple death investigations. The forensic
15 investigation council shall develop criteria for awarding these funds
16 for multiple death investigations involving an unanticipated,
17 extraordinary, and catastrophic event or those involving multiple
18 jurisdictions.

19 (2) \$210,000 of the death investigations account appropriation is
20 provided solely for providing financial assistance to local
21 jurisdictions in identifying human remains.

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

24 **FOR THE HORSE RACING COMMISSION**

25 Horse Racing Commission Operating Account--State
26 Appropriation ((~~\$4,007,000~~))
27 \$3,923,000

28 **Sec. 149.** 2011 2nd sp.s. c 9 s 132 (uncodified) is amended to read
29 as follows:

30 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

31 General Fund--State Appropriation (FY 2012) ((~~\$3,501,000~~))
32 \$3,401,000
33 General Fund--State Appropriation (FY 2013) ((~~\$3,495,000~~))
34 \$3,309,000
35 General Fund--Federal Appropriation \$177,000

1	General Fund--Private/Local Appropriation	\$368,000
2	Building Code Council Account--State Appropriation	(\$1,187,000)
3		<u>\$1,186,000</u>
4	Department of Personnel Service Account--State	
5	Appropriation	(\$11,119,000)
6		<u>\$11,117,000</u>
7	Enterprise Services Account--State Appropriation	(\$26,540,000)
8		<u>\$26,336,000</u>
9	TOTAL APPROPRIATION	(\$46,387,000)
10		<u>\$45,894,000</u>

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

13 (1) The appropriations in this section are for the operations and
14 expenses of the department of enterprise services as established by
15 Engrossed Substitute Senate Bill No. 5931 (central service functions of
16 state government), effective October 1, 2011. Prior to October 1,
17 2011, the appropriations in this section may be expended for the
18 continued operations and expenses of the office of financial
19 management, the department of general administration, the department of
20 information services, and the department of personnel, pursuant to the
21 expenditure authority schedules produced by the office of financial
22 management, in accordance with chapter 43.88 RCW.

23 (2) ~~(\$3,090,000)~~ \$3,028,000 of the general fund--state
24 appropriation for fiscal year 2012 and ~~(\$3,090,000)~~ \$2,967,000 of the
25 general fund--state appropriation for fiscal year 2013 are provided
26 solely for the payment of facilities and services charges, utilities
27 and contracts charges, public and historic facilities charges, and
28 capital projects surcharges allocable to the senate, house of
29 representatives, statute law committee, and joint legislative systems
30 committee. The department shall allocate charges attributable to these
31 agencies among the affected revolving funds. The department shall
32 maintain an interagency agreement with these agencies to establish
33 performance standards, prioritization of preservation and capital
34 improvement projects, and quality assurance provisions for the delivery
35 of services under this subsection. The legislative agencies named in
36 this subsection shall continue to enjoy all of the same rights of
37 occupancy and space use on the capitol campus as historically
38 established.

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

4 (4) The building code council account appropriation is provided
5 solely for the operation of the state building code council as required
6 by statute and modified by the standards established by executive order
7 10-06. The council shall not consider any proposed code amendment or
8 take any other action not authorized by statute or in compliance with
9 the standards established in executive order 10-06. No member of the
10 council may receive compensation, per diem, or reimbursement for
11 activities other than physical attendance at those meetings of the
12 state building code council or the council's designated committees, at
13 which the opportunity for public comment is provided generally and on
14 all agenda items upon which the council proposes to take action.

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

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

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

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

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

29 **Sec. 150.** 2011 1st sp.s. c 50 s 147 (uncodified) is amended to
30 read as follows:

31 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

32 Volunteer Firefighters' and Reserve Officers'

33 Administrative Account--State Appropriation ((\$1,064,000))
34 \$1,039,000

35 **Sec. 151.** 2011 1st sp.s. c 50 s 151 (uncodified) is amended to
36 read as follows:

1	FOR INNOVATE WASHINGTON	
2	General Fund--State Appropriation (FY 2012)	((\$2,999,000))
3		<u>\$2,879,000</u>
4	General Fund--State Appropriation (FY 2013)	((\$3,011,000))
5		<u>\$2,755,000</u>
6	TOTAL APPROPRIATION	((\$6,010,000))
7		<u>\$5,634,000</u>

8 The appropriations in this section are subject to the following
9 conditions and limitations: \$65,000 of the general fund--state
10 appropriation for fiscal year 2013 is provided solely for the
11 implementation of Substitute Senate Bill No. 5982 (aerospace technology
12 innovation). If the bill is not enacted by June 30, 2012, the amount
13 provided in this subsection shall lapse.

14 **Sec. 152.** 2011 1st sp.s. c 50 s 149 (uncodified) is amended to
15 read as follows:

16	FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION	
17	Washington State Heritage Center Account--State	
18	Appropriation	((\$2,517,000))
19		<u>\$2,487,000</u>
20	General Fund--Federal Appropriation	((\$1,908,000))
21		<u>\$1,904,000</u>
22	General Fund--Private/Local Appropriation	\$14,000
23	TOTAL APPROPRIATION	((\$4,439,000))
24		<u>\$4,405,000</u>

(End of part)

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

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

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

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

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

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

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

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

12 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**
 13 **SERVICES PROGRAM**

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

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

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

36 (2) \$668,000 of the general fund--state appropriation for fiscal
 37 year 2012 and \$668,000 of the general fund--state appropriation for

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

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

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

37 (4) \$176,000 of the general fund--state appropriation for fiscal
38 year 2012, \$177,000 of the general fund--state appropriation for fiscal

1 year 2013, \$656,000 of the general fund--private/local appropriation,
2 \$253,000 of the general fund--federal appropriation, and \$725,000 of
3 the education legacy trust account--state appropriation are provided
4 solely for children's administration to contract with an educational
5 advocacy provider with expertise in foster care educational outreach.
6 The amounts in this subsection are provided solely for contracted
7 education coordinators to assist foster children in succeeding in K-12
8 and higher education systems and to assure a focus on education during
9 the transition to performance based contracts. Funding shall be
10 prioritized to regions with high numbers of foster care youth and/or
11 regions where backlogs of youth that have formerly requested
12 educational outreach services exist. The department shall utilize
13 private matching funds to maintain educational advocacy services.

14 (5) \$670,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$670,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for services provided through
17 children's advocacy centers.

18 (6) To ensure expenditures remain within available funds
19 appropriated in this section as required by RCW 74.13A.005 and
20 74.13A.020, the secretary shall not set the amount of any adoption
21 assistance payment or payments, made pursuant to RCW 26.33.320 and
22 74.13A.005 through 74.13A.080, to more than ninety percent of the
23 foster care maintenance payment for that child had he or she remained
24 in a foster family home during the same period. This subsection does
25 not apply to adoption assistance agreements in existence on the
26 effective date of this section.

27 (7) \$10,741,000 of the home security fund--state appropriation is
28 provided solely for the department to contract for services pursuant to
29 RCW 13.32A.030 and 74.15.220. The department shall contract and
30 collaborate with service providers in a manner that maintains the
31 availability and geographic representation of secure and semi-secure
32 crisis residential centers and HOPE centers. To achieve efficiencies
33 and increase utilization, the department shall allow the co-location of
34 these centers, except that a youth may not be placed in a secure
35 facility or the secure portion of a co-located facility except as
36 specifically authorized by chapter 13.32A RCW. The reductions to
37 appropriations in this subsection related to semi-secure crisis
38 residential centers reflect a reduction to the number of beds for semi-

1 secure crisis residential centers and not a reduction in rates. Any
2 secure crisis residential center or semi-secure crisis residential
3 center bed reduction shall not be based solely upon bed utilization.
4 The department is to exercise its discretion in reducing the number of
5 beds but to do so in a manner that maintains availability and
6 geographic representation of semi-secure and secure crisis residential
7 centers.

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

14 (9) \$564,000 of the general fund--federal appropriation is provided
15 solely to implement Second Substitute House Bill No. 1128 (extended
16 foster care). If the bill is not enacted by June 30, 2011, the amount
17 provided in this subsection shall lapse.

18 (10) \$799,000 of the general fund--state appropriation for fiscal
19 year 2013 and \$799,000 of the general fund--federal appropriation are
20 provided solely for the implementation of Engrossed Second Substitute
21 House Bill No. 2264 (child welfare/contracting). If the bill is not
22 enacted by June 30, 2012, the amounts provided in this subsection shall
23 lapse.

24 (11) \$178,000 of the general fund--federal appropriation is
25 provided solely for the implementation of Engrossed Second Substitute
26 House Bill No. 2592 (extended foster care). If the bill is not enacted
27 by June 30, 2012, the amount provided in this subsection shall lapse.

28 (12) \$616,000 of the general fund--state appropriation for fiscal
29 year 2013 and \$616,000 of the general fund--federal appropriation are
30 provided solely for the implementation of Engrossed Substitute Senate
31 Bill No. 6555 (child protective services). If the bill is not enacted
32 by June 30, 2012, the amounts provided in this subsection shall lapse.

33 **Sec. 203.** 2011 2nd sp.s. c 9 s 203 (uncodified) is amended to read
34 as follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
36 **REHABILITATION PROGRAM**

37 General Fund--State Appropriation (FY 2012) (~~\$86,684,000~~)

1		<u>\$85,723,000</u>
2	General Fund--State Appropriation (FY 2013)	((\$86,505,000))
3		<u>\$85,258,000</u>
4	General Fund--Federal Appropriation	((\$3,758,000))
5		<u>\$3,809,000</u>
6	General Fund--Private/Local Appropriation	\$1,903,000
7	Washington Auto Theft Prevention Authority Account--	
8	State Appropriation	\$196,000
9	Juvenile Accountability Incentive Account--Federal	
10	Appropriation	\$2,801,000
11	TOTAL APPROPRIATION	((\$181,847,000))
12		<u>\$179,690,000</u>

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

15 (1) \$331,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$331,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for deposit in the county criminal
18 justice assistance account for costs to the criminal justice system
19 associated with the implementation of chapter 338, Laws of 1997
20 (juvenile code revisions). The amounts provided in this subsection are
21 intended to provide funding for county adult court costs associated
22 with the implementation of chapter 338, Laws of 1997 and shall be
23 distributed in accordance with RCW 82.14.310.

24 (2) \$2,716,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$2,716,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for the implementation of chapter
27 338, Laws of 1997 (juvenile code revisions). The amounts provided in
28 this subsection are intended to provide funding for county impacts
29 associated with the implementation of chapter 338, Laws of 1997 and
30 shall be distributed to counties as prescribed in the current
31 consolidated juvenile services (CJS) formula.

32 (3) \$3,482,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$3,482,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely to implement community juvenile
35 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
36 code revisions). Funds provided in this subsection may be used solely
37 for community juvenile accountability grants, administration of the
38 grants, and evaluations of programs funded by the grants.

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

11 (5) \$3,123,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$3,123,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for grants to county juvenile
14 courts for the following programs identified by the Washington state
15 institute for public policy (institute) in its October 2006 report:
16 "Evidence-Based Public Policy Options to Reduce Future Prison
17 Construction, Criminal Justice Costs and Crime Rates": Functional
18 family therapy, multi-systemic therapy, aggression replacement training
19 and interagency coordination programs, or other programs with a
20 positive benefit-cost finding in the institute's report. County
21 juvenile courts shall apply to the juvenile rehabilitation
22 administration for funding for program-specific participation and the
23 administration shall provide grants to the courts consistent with the
24 per-participant treatment costs identified by the institute.

25 (6) \$1,537,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$1,537,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for expansion of the following
28 treatments and therapies in juvenile rehabilitation administration
29 programs identified by the Washington state institute for public policy
30 in its October 2006 report: "Evidence-Based Public Policy Options to
31 Reduce Future Prison Construction, Criminal Justice Costs and Crime
32 Rates": Multidimensional treatment foster care, family integrated
33 transitions, and aggression replacement training, or other programs
34 with a positive benefit-cost finding in the institute's report. The
35 administration may concentrate delivery of these treatments and
36 therapies at a limited number of programs to deliver the treatments in
37 a cost-effective manner.

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

28 (b) The juvenile rehabilitation administration shall phase the
29 implementation of the formula provided in subsection (1) of this
30 section by including a stop-loss formula of five percent in fiscal year
31 2012 and five percent in fiscal year 2013.

32 (c) The juvenile rehabilitation administration and the juvenile
33 courts shall establish a block grant funding formula oversight
34 committee with equal representation from the juvenile rehabilitation
35 administration and the juvenile courts. The purpose of this committee
36 is to assess the ongoing implementation of the block grant funding
37 formula, utilizing data-driven decision making and the most current
38 available information. The committee will be cochaired by the juvenile

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

28 (d) The juvenile courts and administrative office of the courts
29 shall be responsible for collecting and distributing information and
30 providing access to the data systems to the juvenile rehabilitation
31 administration and the Washington state institute for public policy
32 related to program and outcome data. The juvenile rehabilitation
33 administration and the juvenile courts will work collaboratively to
34 develop program outcomes that reinforce the greatest cost benefit to
35 the state in the implementation of evidence-based practices and
36 disposition alternatives.

37 (8) The juvenile courts and administrative office of the courts
38 shall collect and distribute information related to program outcome and

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

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

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

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

3 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

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

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

18 (a) \$109,342,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$109,341,000 of the general fund--state
20 appropriation for fiscal year 2013 are provided solely for persons and
21 services not covered by the medicaid program. This is a reduction of
22 \$4,348,000 each fiscal year from the nonmedicaid funding that was
23 allocated for expenditure by regional support networks during fiscal
24 year 2011 prior to supplemental budget reductions. This \$4,348,000
25 reduction shall be distributed among regional support networks
26 proportional to each network's share of the total state population. To
27 the extent possible, levels of regional support network spending shall
28 be maintained in the following priority order: (i) Crisis and
29 commitment services; (ii) community inpatient services; and (iii)
30 residential care services, including personal care and emergency
31 housing assistance.

32 (b) \$6,590,000 of the general fund--state appropriation for fiscal
33 year 2012, \$6,590,000 of the general fund--state appropriation for
34 fiscal year 2013, and \$7,620,000 of the general fund--federal
35 appropriation are provided solely for the department and regional
36 support networks to continue to contract for implementation of high-
37 intensity programs for assertive community treatment (PACT) teams. In
38 determining the proportion of medicaid and nonmedicaid funding provided

1 to regional support networks with PACT teams, the department shall
2 consider the differences between regional support networks in the
3 percentages of services and other costs associated with the teams that
4 are not reimbursable under medicaid. The department may allow regional
5 support networks which have nonmedicaid reimbursable costs that are
6 higher than the nonmedicaid allocation they receive under this section
7 to supplement these funds with local dollars or funds received under
8 section 204(1)(a) of this act. The department and regional support
9 networks shall maintain consistency with all essential elements of the
10 PACT evidence-based practice model in programs funded under this
11 section.

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

20 (d) The number of nonforensic beds allocated for use by regional
21 support networks at eastern state hospital shall be 192 per day. The
22 number of nonforensic beds allocated for use by regional support
23 networks at western state hospital shall be 557 per day through June
24 2012, 527 per day from July 2012 through September 2012, and 497 per
25 day from October 2012 through the remainder of fiscal year 2013.

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

32 (f) \$4,582,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$4,582,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for mental health services for
35 mentally ill offenders while confined in a county or city jail and for
36 facilitating access to programs that offer mental health services upon
37 release from confinement. Beginning in fiscal year 2013, the
38 department shall report regional outcome data on individuals in jail

1 who are referred for regional support network services. By December 1,
2 2012, the department shall provide a report to the relevant fiscal and
3 policy committees of the legislature on the number of individuals
4 referred to the program who had an evaluation for regional support
5 network services either during incarceration or within 30 and 60 days
6 of release from jail; and the number who were made newly eligible or
7 reinstated to eligibility for medical assistance services either during
8 incarceration or within 30 and 60 days of release from jail. In
9 addition, the report shall identify how many of the individuals who
10 were determined to be eligible for regional support network services
11 received additional outpatient services within 30 and 60 days of
12 release from incarceration.

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

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

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

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

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

36 (iii) Mental health services provided in nursing facilities to
37 individuals with dementia, and consultation to facility staff treating
38 those individuals; and

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

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

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

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

23 (l) Given the recent approval of federal medicaid matching funds
24 for the disability lifeline and the alcohol and drug abuse treatment
25 support act programs, the department shall charge regional support
26 networks for only the state share rather than the total cost of
27 community psychiatric hospitalization for persons enrolled in those
28 programs.

29 (m) \$750,000 of the general fund--state appropriation for fiscal
30 year 2012, \$750,000 of the general fund--state appropriation for fiscal
31 year 2013, and \$1,500,000 of the general fund--federal appropriation
32 are provided solely to adjust regional support network capitation rates
33 to account for the per diem rates actually paid for psychiatric care
34 provided at hospitals participating in the certified public expenditure
35 program operated pursuant to section 213 of this act.

36 (n) The appropriations in this section reflect efficiencies to be
37 achieved through voluntary consolidation of regional support networks
38 in accordance with Substitute House Bill No. 2139 (regional support

1 networks). Voluntary consolidation of regional support networks is
2 expected to result in administrative efficiencies and maximize dollars
3 available for direct services to individuals with mental illnesses
4 without corresponding increases in state appropriations.

5 (2) INSTITUTIONAL SERVICES

6	General Fund--State Appropriation (FY 2012)	((\$115,317,000))
7		<u>\$115,017,000</u>
8	General Fund--State Appropriation (FY 2013)	((\$114,111,000))
9		<u>\$106,679,000</u>
10	General Fund--Federal Appropriation	((\$153,324,000))
11		<u>\$153,618,000</u>
12	General Fund--Private/Local Appropriation . . . . .	.\$67,325,000
13	TOTAL APPROPRIATION	((\$450,077,000))
14		<u>\$442,639,000</u>

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

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

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

29 (c) \$45,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$45,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for payment to the city of
32 Lakewood for police services provided by the city at western state
33 hospital and adjacent areas.

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

1 (e) The appropriations in this section reflect efficiencies to be
2 achieved through enactment of Substitute Senate Bill No. 6492
3 (competency to stand trial). These efficiencies are expected to enable
4 the hospitals to substantially increase the timeliness with which
5 evaluations of defendant competency to stand trial are completed, and
6 treatment to restore competency is initiated, without corresponding
7 increases in state appropriations.

8 (3) SPECIAL PROJECTS

9	General Fund--State Appropriation (FY 2012)	((\$1,168,000))
10		<u>\$1,148,000</u>
11	General Fund--State Appropriation (FY 2013)	((\$1,164,000))
12		<u>\$1,276,000</u>
13	General Fund--Federal Appropriation	((\$4,109,000))
14		<u>\$4,198,000</u>
15	General Fund--Private/Local Appropriation	\$700,000
16	TOTAL APPROPRIATION	((\$7,141,000))
17		<u>\$7,322,000</u>

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

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

25 (b) \$700,000 of the general fund--private/local appropriation is
26 provided solely for the University of Washington's evidence-based
27 practice institute which supports the identification, evaluation, and
28 implementation of evidence-based or promising practices for serving
29 children and youth with mental health disorders. The department shall
30 enter into an interagency agreement with the office of the attorney
31 general for expenditure of \$700,000 of the state's proceeds of the *cy*
32 *pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for
33 this purpose.

34 (c) \$135,000 of the general fund--state appropriation for fiscal
35 year 2013 and \$89,000 of the general fund--federal appropriation are
36 provided solely for the department to contract with the University of
37 Washington's evidence-based practice institute and the Washington state
38 institute for public policy to consult with the department and the

1 health care authority on the implementation of Engrossed Second
 2 Substitute House Bill No. 2536 (children services/delivery). The
 3 department's programs responsible for administration of mental health,
 4 child welfare, and juvenile justice programs will coordinate with the
 5 health care authority on the development of contract terms which
 6 facilitate efforts to meet requirements of the bill. If Engrossed
 7 Second Substitute House Bill No. 2536 (children services/delivery) is
 8 not enacted by June 30, 2012, the amounts provided in this subsection
 9 shall lapse.

10 (4) PROGRAM SUPPORT

11	General Fund--State Appropriation (FY 2012)	((\$4,476,000))
12		<u>\$4,482,000</u>
13	General Fund--State Appropriation (FY 2013)	((\$4,261,000))
14		<u>\$4,247,000</u>
15	General Fund--Federal Appropriation	((\$7,227,000))
16		<u>\$7,210,000</u>
17	General Fund--Private/Local Appropriation	\$446,000
18	TOTAL APPROPRIATION	((\$16,410,000))
19		<u>\$16,385,000</u>

20 (a) The appropriations in this subsection are subject to the
 21 following conditions and limitations: In accordance with RCW
 22 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to
 23 increase license and certification fees in fiscal years 2012 and 2013
 24 to support the costs of the regulatory program. The fee schedule
 25 increases must be developed so that the maximum amount of additional
 26 fees paid by providers statewide in the 2011-2013 fiscal biennium is
 27 \$446,000. The department's fee schedule shall have differential rates
 28 for providers with proof of accreditation from organizations that the
 29 department has determined to have substantially equivalent standards to
 30 those of the department, including but not limited to the joint
 31 commission on accreditation of health care organizations, the
 32 commission on accreditation of rehabilitation facilities, and the
 33 council on accreditation. To reflect the reduced costs associated with
 34 regulation of accredited programs, the department's fees for
 35 organizations with such proof of accreditation must reflect the lower
 36 costs of licensing for these programs than for other organizations
 37 which are not accredited.

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

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

13 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
 14 **DISABILITIES PROGRAM**

15 (1) COMMUNITY SERVICES

16	General Fund--State Appropriation (FY 2012)	((\$418,815,000))
17		<u>\$405,412,000</u>
18	General Fund--State Appropriation (FY 2013)	((\$422,854,000))
19		<u>\$418,591,000</u>
20	General Fund--Federal Appropriation	((\$743,532,000))
21		<u>\$753,573,000</u>
22	General Fund--Private/Local Appropriation	((\$184,000))
23		<u>\$226,000</u>
24	TOTAL APPROPRIATION	((\$1,585,385,000))
25		<u>\$1,577,802,000</u>

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

28 (a) Individuals receiving services as supplemental security income
 29 (SSI) state supplemental payments shall not become eligible for medical
 30 assistance under RCW 74.09.510 due solely to the receipt of SSI state
 31 supplemental payments.

32 (b) Amounts appropriated in this subsection reflect a reduction to
 33 funds appropriated for in-home care. The department shall reduce the
 34 number of in-home hours authorized. The reduction shall be scaled
 35 based on the acuity level of care recipients. The largest hour
 36 reductions shall be to lower acuity patients and the smallest hour
 37 reductions shall be to higher acuity patients.

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

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

20 ~~(e) ((\$1,871,000 of the general fund state appropriation for~~
21 ~~fiscal year 2012, \$1,995,000 of the general fund state appropriation~~
22 ~~for fiscal year 2013, and \$3,865,000 of the general fund federal~~
23 ~~appropriation are provided solely for home care agencies to purchase~~
24 ~~health coverage for home care providers. The department shall~~
25 ~~calculate and distribute payments for health care benefits to home care~~
26 ~~agencies at \$558 per month for each worker who cares for publicly~~
27 ~~funded clients at 86 hours or more per month. In order to negotiate~~
28 ~~the most comprehensive health benefits package for its employees, each~~
29 ~~agency may determine benefit levels according to the hours an employee~~
30 ~~works providing state funded personal care. Health benefits shall be~~
31 ~~offered to all employees who care for publicly funded clients for 86~~
32 ~~hours per month or more. At a minimum, employees who care for publicly~~
33 ~~funded clients at 140 hours a month or greater must receive a~~
34 ~~comprehensive medical benefit. Benefits shall not be provided to~~
35 ~~employees who care for publicly funded clients at 85 hours or less per~~
36 ~~month or as interim respite workers. The department shall not pay an~~
37 ~~agency for benefits provided to an employee who otherwise receives~~
38 ~~health care coverage through other family members, other~~

1 ~~employment based coverage, or military or veteran's coverage. The~~
2 ~~department shall require annually, each home care agency to review each~~
3 ~~of its employee's available health coverage and to provide a written~~
4 ~~declaration to the department verifying that health benefits purchased~~
5 ~~with public funds are solely for employees that do not have other~~
6 ~~available coverage. Home care agencies may determine a reasonable~~
7 ~~employee co premium not to exceed 20 percent of the total benefit cost.~~

8 ~~(f) — (\$1,127,000))~~ \$1,329,000 of the general fund--state
9 ~~appropriation for fiscal year 2012, ((\$1,199,000))~~ \$1,622,000 of the
10 ~~general fund--state appropriation for fiscal year 2013, and~~
11 ~~(((\$2,322,000))~~ \$2,947,000 of the general fund--federal appropriation
12 ~~are provided solely for the state's contribution to the training~~
13 ~~partnership, as provided in RCW 74.39A.360, for instructional costs~~
14 ~~associated with the training of individual providers. ((House Bill No.~~
15 ~~1548 and Senate Bill No. 5473 (long term care worker requirements) make~~
16 ~~statutory changes to the increased training requirements and therefore~~
17 ~~the state shall contribute to the partnership \$0.17 per paid hour~~
18 ~~worked by all home care workers. This amount is pursuant to the~~
19 ~~collective bargaining agreement negotiated with the exclusive~~
20 ~~bargaining representative of individual providers established under RCW~~
21 ~~74.39A.270.))~~ Contributions are funded at \$0.22 per benefit-eligible
22 paid hour worked by all home care workers. Expenditures for the
23 purposes specified in this subsection shall not exceed the amounts
24 provided in this subsection, unless the governor and the service
25 employees international union healthcare 775nw can reach agreement on
26 repurposing funding that is currently provided in the individual
27 provider collective bargaining agreement for new individual provider
28 wages paid during training or other training related items.

29 (f) \$104,669,000 of the general fund--state appropriation for
30 fiscal year 2013 and \$104,669,000 of the general fund--federal
31 appropriation are provided solely for the department to provide
32 personal care services to waiver and nonwaiver in-home clients. The
33 department shall provide the legislature with a report by December 5,
34 2012, on the feasibility of converting the medicaid personal care
35 program for in-home adults to a medicaid program as found in section
36 1915(i) of the federal social security act that utilizes the option for
37 self-direction of individualized budgets. The department shall operate
38 the personal care program within the amounts specifically provided.

1 (g)(i) Within the amounts appropriated in this subsection, the
2 department shall revise the current working age adult policy to allow
3 clients to choose between employment and community access activities.
4 Clients age 21 and older who are receiving services through a home- and
5 community-based medicaid waiver shall be offered the choice to
6 transition to a community access program after nine months of
7 enrollment in an employment program, and the option to transition from
8 a community access program to an employment program at any time. The
9 department shall inform clients and their legal representatives of all
10 available options for employment and day services. Information
11 provided to the client and the client's legal representative shall
12 include the types of activities each service option provides, and the
13 amount, scope, and duration of service for which the client would be
14 eligible under each service option. An individual client may be
15 authorized for only one service option, either employment services or
16 community access services. Clients may not participate in more than
17 one of these services at any given time.

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

23 (iii) The appropriation in this subsection includes funding to
24 provide employment or community access services to 168 medicaid
25 eligible young adults with developmental disabilities living with their
26 families who need employment opportunities and assistance after high
27 school graduation.

28 (h) \$75,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$75,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for the restoration of direct
31 support to local organizations that utilize parent-to-parent networks
32 and communication to promote access and quality of care for individuals
33 with developmental disabilities and their families.

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

1 (i) The current annual renewal license fee for adult family homes
 2 shall be increased to \$100 per bed beginning in fiscal year 2012 and
 3 (~~(\$175)~~) \$250 per bed beginning in fiscal year 2013. Adult family
 4 homes shall receive a corresponding vendor rate increase per medicaid
 5 patient day of \$0.22 in fiscal year 2012 and (~~(\$0.43)~~) \$0.59 in fiscal
 6 year 2013 (~~(to cover the cost of the license fee increase for publicly~~
 7 ~~funded beds)~~), or the amount necessary to fully fund the license fee
 8 increase for publicly funded beds, pursuant to the most recent bed
 9 estimates maintained by the department.

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

13 (j) Clients with developmental disabilities have demonstrated a
 14 need and a desire for a day services program as verified by over 900
 15 clients currently accessing day programs through a long- term care
 16 service model. In addition, every individual, to include those with a
 17 developmental disability, should have the opportunity for meaningful
 18 employment which allows them to contribute to their communities and to
 19 become as self-sufficient as possible. Providing choice empowers
 20 recipients of publicly funded services and their families by expanding
 21 their degree of control over the services and supports they need.

22 The department shall work with legislators and stakeholders to
 23 develop a new approach to employment and day services. The objective
 24 of this plan is to ensure that adults with developmental disabilities
 25 have optimum choices, and that employment and day offerings are
 26 comprehensive enough to meet the needs of all clients currently served
 27 on a home and community based waiver. The proposal shall be submitted
 28 to the 2012 legislature for consideration and shall be constructed such
 29 that a client ultimately receives employment, community access, or the
 30 community day option but not more than one service at a time. The
 31 proposal shall include options for program efficiencies within the
 32 current employment and day structure and shall provide details on the
 33 plan to implement a consistent, statewide outcome-based vendor contract
 34 for employment and day services as specified in (c) of this subsection.

35 (2) INSTITUTIONAL SERVICES

36	General Fund--State Appropriation (FY 2012)	((\$80,815,000))
37		<u>\$75,436,000</u>
38	General Fund--State Appropriation (FY 2013)	((\$79,939,000))

1		\$80,356,000
2	General Fund--Federal Appropriation	((\$154,388,000))
3		<u>\$153,570,000</u>
4	General Fund--Private/Local Appropriation	\$22,043,000
5	TOTAL APPROPRIATION	((\$337,185,000))
6		<u>\$331,405,000</u>

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

9 (a) Individuals receiving services as supplemental security income
10 (SSI) state supplemental payments shall not become eligible for medical
11 assistance under RCW 74.09.510 due solely to the receipt of SSI state
12 supplemental payments.

13 (b) \$721,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$721,000 of the general fund--state appropriation for
15 fiscal year 2013 are for the department to fulfill its contracts with
16 the school districts under chapter 28A.190 RCW to provide
17 transportation, building space, and other support services as are
18 reasonably necessary to support the educational programs of students
19 living in residential habilitation centers.

20 (c) \$250,000 of the general fund--state appropriation for fiscal
21 year 2013 is provided solely for allocation under contract to a school
22 district in which a residential habilitation center (RHC) is located.
23 The department must provide the school district with an allocation of
24 \$25,000 for each person under the age of 21 who between July 1, 2011,
25 and June 30, 2013, is newly admitted to the RHC and newly enrolled in
26 the district in which the RHC is located. The purpose of the
27 allocation is to provide supplemental funding for robust supports and
28 extraordinary costs for students who are newly admitted to the RHC and
29 may be experiencing distress while transitioning to a new school
30 environment.

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

35 (i) The committee shall consist of:

36 (A) Three members of the legislature representing the thirty-first
37 legislative district;

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

1 (C) Two persons representing the chambers of commerce of the cities
2 of Enumclaw and Buckley;

3 (D) Two persons representing the friends of Rainier school
4 organization; and

5 (E) One person representing the Pierce county developmental
6 disabilities board.

7 (ii) The committee shall create and submit to the legislature a
8 long-range community vision and development plan for the efficient use
9 of the Rainier school facility to best serve the needs of persons with
10 developmental disabilities, including the establishment of a respite
11 care center for families and other caregivers of persons with
12 developmental disabilities.

13 (3) PROGRAM SUPPORT

14	General Fund--State Appropriation (FY 2012)	((\$1,380,000))
15		<u>\$1,382,000</u>
16	General Fund--State Appropriation (FY 2013)	((\$1,371,000))
17		<u>\$1,366,000</u>
18	General Fund--Federal Appropriation	((\$1,323,000))
19		<u>\$1,319,000</u>
20	TOTAL APPROPRIATION	((\$4,074,000))
21		<u>\$4,067,000</u>

22 (4) SPECIAL PROJECTS

23	General Fund--State Appropriation (FY 2012)	((\$4,648,000))
24		<u>\$4,634,000</u>
25	General Fund--State Appropriation (FY 2013)	((\$4,637,000))
26		<u>\$4,553,000</u>
27	General Fund--Federal Appropriation	((\$9,575,000))
28		<u>\$9,588,000</u>
29	General Fund--Private/Local Appropriation	\$998,000
30	TOTAL APPROPRIATION	((\$19,858,000))
31		<u>\$19,773,000</u>

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

34 Amounts appropriated in this subsection are for the purposes of
35 transitioning clients with developmental disabilities into community
36 settings. The department is authorized as needed to use these funds to
37 either pay for clients residing within a residential habilitation

1 center or for placements in the community. Pursuant to Second
 2 Substitute Senate Bill No. 5459 (services for people with developmental
 3 disabilities), funding in this subsection must be prioritized for the
 4 purpose of facilitating the consolidation and closure of Frances Haddon
 5 Morgan Center. The department shall use a person-centered approach in
 6 developing the discharge plan to assess each resident's needs and
 7 identify services the resident requires to successfully transition to
 8 the community or another residential habilitation center. The
 9 department is authorized to use any savings from this effort for the
 10 purpose of developing community resources to address the needs of
 11 clients with developmental disabilities who are in crisis or in need of
 12 respite. The department shall track the costs and savings of closing
 13 Frances Haddon Morgan Center and any investments into community
 14 placements and resources. The department shall provide a fiscal
 15 progress report to the legislature by December 5, 2011.

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

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
 19 **SERVICES PROGRAM**

20	General Fund--State Appropriation (FY 2012)	((\$781,995,000))
21		<u>\$791,728,000</u>
22	General Fund--State Appropriation (FY 2013)	((\$804,465,000))
23		<u>\$796,134,000</u>
24	General Fund--Federal Appropriation	((\$1,680,450,000))
25		<u>\$1,699,980,000</u>
26	General Fund--Private/Local Appropriation	((\$27,517,000))
27		<u>\$28,871,000</u>
28	Traumatic Brain Injury Account--State Appropriation	\$3,388,000
29	Nursing Facility Quality Assurance Account--State	
30	Appropriation	((\$88,071,000))
31		<u>\$108,511,000</u>
32	TOTAL APPROPRIATION	((\$3,385,886,000))
33		<u>\$3,428,612,000</u>

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

36 (1) For purposes of implementing chapter 74.46 RCW, the weighted
 37 average nursing facility payment rate shall not exceed \$170.37 for

1 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,
2 including the rate add-on(~~(s)~~) described in (a) (~~(and (b))~~) of this
3 subsection. However, if the waiver requested from the federal centers
4 for medicare and medicaid services in relation to the safety net
5 assessment created by Engrossed Substitute Senate Bill No. 5581
6 (nursing home payments) is for any reason not approved and implemented,
7 the weighted average nursing facility payment rate shall not exceed
8 \$159.87 for fiscal year 2012 and shall not exceed \$160.93 for fiscal
9 year 2013. There will be no adjustments for economic trends and
10 conditions in fiscal years 2012 and 2013. The economic trends and
11 conditions factor or factors defined in the biennial appropriations act
12 shall not be compounded with the economic trends and conditions factor
13 or factors defined in any other biennial appropriations acts before
14 applying it to the component rate allocations established in accordance
15 with chapter 74.46 RCW. When no economic trends and conditions factor
16 for either fiscal year is defined in a biennial appropriations act, no
17 economic trends and conditions factor or factors defined in any earlier
18 biennial appropriations act shall be applied solely or compounded to
19 the component rate allocations established in accordance with chapter
20 74.46 RCW.

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

33 ~~(b))~~ The department shall do a comparative analysis of the
34 facility-based payment rates calculated on July 1, ~~((2011))~~ 2012, using
35 the payment methodology defined in ~~((Engrossed Substitute Senate Bill
36 No. 5581 (nursing home payments))~~ chapter 74.46 RCW and as funded in
37 the omnibus appropriations act, excluding the comparative add-on,
38 acuity add-on, and safety net reimbursement, to the facility-based

1 payment rates in effect June 30, 2010. If the facility-based payment
2 rate calculated on July 1, ~~((2011))~~ 2012, is smaller than the
3 facility-based payment rate on June 30, 2010, then the difference shall
4 be provided to the individual nursing facilities as an add-on payment
5 per medicaid resident day.

6 ~~((c) During the comparative analysis performed in subsection (b)
7 of this section, if it is found that the direct care rate for any
8 facility calculated using the payment methodology defined in Engrossed
9 Substitute Senate Bill No. 5581 (nursing home payments) is greater than
10 the direct care rate in effect on June 30, 2010, then the facility
11 shall receive a ten percent direct care rate add-on to compensate that
12 facility for taking on more acute clients than they have in the past.))~~

13 (b) The direct care rate add-on defined in RCW 74.46.431 to compensate
14 facilities for taking on more acute clients than they have in the past
15 is frozen at the March 1, 2012, payment levels.

16 ~~((d))~~ (c) The department shall provide a medicaid rate add-on to
17 reimburse the medicaid share of the skilled nursing facility safety net
18 assessment as a medicaid allowable cost. The nursing facility safety
19 net rate add-on may not be included in the calculation of the annual
20 statewide weighted average nursing facility payment rate.

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

26 (2) After examining actual nursing facility cost information, the
27 legislature finds that the medicaid nursing facility rates calculated
28 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home
29 payments) provide sufficient reimbursement to efficiently and
30 economically operating nursing facilities and bear a reasonable
31 relationship to costs.

32 (3) In accordance with chapter 74.46 RCW, the department shall
33 issue no additional certificates of capital authorization for fiscal
34 year 2012 and no new certificates of capital authorization for fiscal
35 year 2013 and shall grant no rate add-ons to payment rates for capital
36 improvements not requiring a certificate of need and a certificate of
37 capital authorization for fiscal years 2012 and 2013.

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

7 (5) Amounts appropriated in this section reflect a reduction to
8 funds appropriated for in-home care. The department shall reduce the
9 number of in-home hours authorized. The reduction shall be scaled
10 based on the acuity level of care recipients. The largest hour
11 reductions shall be to lower acuity patients and the smallest hour
12 reductions shall be to higher acuity patients.

13 (6) \$1,883,000 of the general fund--state appropriation for fiscal
14 year 2012, \$1,883,000 of the general fund--state appropriation for
15 fiscal year 2013, and \$3,766,000 of the general fund--federal
16 appropriation are provided solely for state contributions for
17 individual provider health care benefits. Pursuant to the collective
18 bargaining agreement negotiated with the exclusive bargaining
19 representative of individual providers established under RCW
20 74.39A.270, the state shall contribute to the multiemployer health
21 benefits trust fund ((~~\$1.96~~)) \$2.21 per paid hour worked by individual
22 providers.

23 (7) (~~(\$16,835,000 of the general fund state appropriation for~~
24 ~~fiscal year 2012, \$17,952,000 of the general fund state appropriation~~
25 ~~for fiscal year 2013, and \$34,786,000 of the general fund federal~~
26 ~~appropriation are provided solely for home care agencies to purchase~~
27 ~~health coverage for home care providers. The department shall~~
28 ~~calculate and distribute payments for health care benefits to home care~~
29 ~~agencies at \$558 per month for each worker who cares for publicly~~
30 ~~funded clients at 86 hours or more per month. In order to negotiate~~
31 ~~the most comprehensive health benefits package for its employees, each~~
32 ~~agency may determine benefit levels according to the hours an employee~~
33 ~~works providing state funded personal care. Health benefits shall be~~
34 ~~offered to all employees who care for publicly funded clients for 86~~
35 ~~hours per month or more. At a minimum, employees who care for publicly~~
36 ~~funded clients at 140 hours a month or greater must receive a~~
37 ~~comprehensive medical benefit. Benefits shall not be provided to~~
38 ~~employees who care for publicly funded clients at 85 hours or less per~~

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

11 ~~(8) - \$2,063,000))~~ \$2,449,000 of the general fund--state
12 appropriation for fiscal year 2012, ~~(((\$2,195,000))~~ \$3,012,000 of the
13 general fund--state appropriation for fiscal year 2013, and
14 ~~(((\$4,260,000))~~ \$5,463,000 of the general fund--federal appropriation
15 are provided solely for the state's contribution to the training
16 partnership, as provided in RCW 74.39A.360, for instructional costs
17 associated with the training of individual providers. ~~((House Bill No.
18 1548 and Senate Bill No. 5473 (long term care worker requirements) make
19 statutory changes to the increased training requirements and therefore
20 the state shall contribute to the partnership \$0.17 per paid hour
21 worked by all home care workers. This amount is pursuant to the
22 collective bargaining agreement negotiated with the exclusive
23 bargaining representative of individual providers established under RCW
24 74.39A.270.))~~ Contributions are funded at \$0.22 per benefit-eligible
25 paid hour worked by all home care workers. Expenditures for the
26 purposes specified in this subsection shall not exceed the amounts
27 provided in this subsection, unless the governor and the service
28 employees international union healthcare 775nw can reach agreement on
29 repurposing funding that is currently provided in the individual
30 provider collective bargaining agreement for new individual provider
31 wages paid during training or other training related items.

32 (8) \$338,550,000 of the general fund--state appropriation for
33 fiscal year 2013 and \$338,550,000 of the general fund--federal
34 appropriation are provided solely for the department to provide
35 personal care services to waiver and nonwaiver in-home clients. The
36 department shall provide the legislature with a report by December 5,
37 2012, on the feasibility of converting the medicaid personal care
38 program for in-home adults to a medicaid program as found in section

1 1915(i) of the federal social security act that utilizes the option for
2 self-direction of individualized budgets. The department shall operate
3 the personal care program within the amounts specifically provided.

4 (9) Individuals receiving services as supplemental security income
5 (SSI) state supplemental payments shall not become eligible for medical
6 assistance under RCW 74.09.510 due solely to the receipt of SSI state
7 supplemental payments.

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

11 (~~(\$4,588,000)~~) \$4,823,000 of the general fund--state
12 appropriation for fiscal year 2012, (~~(\$4,559,000)~~) \$6,474,000 of the
13 general fund--state appropriation for fiscal year 2013, and
14 (~~(\$9,237,000)~~) \$11,387,000 of the general fund--federal appropriation
15 are provided solely for the continued operation of community
16 residential and support services for persons who are older adults or
17 who have co-occurring medical and behavioral disorders and who have
18 been discharged or diverted from a state psychiatric hospital. These
19 funds shall be used to serve individuals whose treatment needs
20 constitute substantial barriers to community placement, who no longer
21 require active psychiatric treatment at an inpatient hospital level of
22 care, and who no longer meet the criteria for inpatient involuntary
23 commitment. The department shall prioritize services in order to
24 reduce utilization and maintain a reduction of 60 beds at western state
25 hospital that were previously used for long term placements for clients
26 with dementia, traumatic brain injuries, or other organic brain
27 disorders. The department shall ensure that a sufficient number of
28 individuals have been transitioned and diverted from western state
29 hospital to enable closure of a 30 bed ward on July 1, 2012, and of
30 another 30 bed ward on October 1, 2012. Coordination of these services
31 must be done in partnership between the mental health program and the
32 aging and disability services administration.

33 (12) \$1,840,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$1,877,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for operation of the volunteer
36 services program. Funding shall be prioritized towards serving
37 populations traditionally served by long-term care services to include
38 senior citizens and persons with disabilities.

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

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

12 (b) The current annual renewal license fee for adult family homes
13 shall be increased to \$100 per bed beginning in fiscal year 2012 and
14 assumes \$1,449,000 of the general fund--private/local appropriation;
15 and (~~(\$175)~~) \$250 per bed beginning in fiscal year 2013 and assumes
16 (~~(\$2,463,000)~~) \$3,485,000 of the general fund--private/local
17 appropriation. Adult family homes shall receive a corresponding vendor
18 rate increase per medicaid patient day of \$0.22 in fiscal year 2012 and
19 (~~(\$0.43)~~) \$0.59 in fiscal year 2013 (~~(to cover the license fee increase~~
20 ~~for publicly funded beds)~~), or the amount necessary to fully fund the
21 license fee increase for publicly funded beds, pursuant to the most
22 recent bed estimates maintained by the department.

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

26 (d) \$72,000 of the general fund--state appropriation for fiscal
27 year 2012, \$708,000 of the general fund--private/local appropriation
28 and \$708,000 of the general fund--federal appropriation are provided
29 solely to implement sections 501 through 503 of Engrossed Substitute
30 House Bill No. 1277 (licensed settings for vulnerable adults). The
31 department shall use additional investigative resources to address
32 complaints about provider practices as well as alleged abuse, neglect,
33 abandonment, and exploitation of residents in adult family homes. The
34 department shall develop a statewide internal quality review and
35 accountability program to improve the accountability of staff and the
36 consistent application of investigative activities, and shall convene
37 a quality assurance panel to review problems in the quality of care in
38 adult family homes.

1 (14) \$3,316,000 of the traumatic brain injury account--state
2 appropriation is provided solely to continue services for persons with
3 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011
4 (traumatic brain injury strategic partnership).

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

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

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

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

16	General Fund--State Appropriation (FY 2012)	((\$487,305,000))
17		<u>\$415,553,000</u>
18	General Fund--State Appropriation (FY 2013)	((\$503,362,000))
19		<u>\$438,483,000</u>
20	General Fund--Federal Appropriation	((\$1,167,467,000))
21		<u>\$1,174,416,000</u>
22	General Fund--Private/Local Appropriation	\$30,592,000
23	TOTAL APPROPRIATION	((\$2,188,726,000))
24		<u>\$2,059,044,000</u>

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

27 (1) ((~~\$258,880,000~~)) \$195,410,000 of the general fund--state
28 appropriation for fiscal year 2012, ((~~\$297,296,000~~)) \$235,808,000 of
29 the general fund--state appropriation for fiscal year 2013, and
30 ((~~\$710,173,000~~)) \$725,586,000 of the general fund--federal
31 appropriation are provided solely for all components of the WorkFirst
32 program. Under section 2 of Engrossed Substitute Senate Bill No. 5921
33 (social services programs), the amounts in this subsection assume that
34 any participant in the temporary assistance for needy families where
35 their participation is suspended and does not volunteer to participate
36 in WorkFirst services or unsubsidized employment does not receive child
37 care subsidies or WorkFirst subsidies as a condition of the suspension.

1 Within the amounts provided for the WorkFirst program, the department
2 may provide assistance using state-only funds for families eligible for
3 temporary assistance for needy families.

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

9 (b) The department may establish a career services work transition
10 program.

11 ~~((Within the amounts provided in this subsection, \$1,414,000 of~~
12 ~~the general fund state appropriation for fiscal year 2012 and~~
13 ~~\$5,150,000 of the general fund state appropriation for fiscal year~~
14 ~~2013 are provided solely for the implementation and administration of~~
15 ~~the electronic benefit transfer system under section 12 of Engrossed~~
16 ~~Substitute Senate Bill No. 5921 (social services programs). The~~
17 ~~department shall transfer these amounts to the department of early~~
18 ~~learning for the implementation and administration of the project.~~

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

23 ~~((e))~~ (d) The department shall create a temporary assistance for
24 needy families budget structure that allows for more transparent
25 tracking of budget units and subunits of expenditures where these units
26 and subunits are mutually exclusive from other department budget units.
27 The budget structure shall include budget units for the following:
28 Grants, child care, WorkFirst activities, and administration of the
29 program.

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

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

5 ~~(3) — \$23,494,000)~~ \$23,679,000 of the general fund--state
6 appropriation for fiscal year 2012, in addition to supplemental
7 security income recoveries, is provided solely for financial assistance
8 and other services to recipients in the program established in section
9 4, chapter 8, Laws of 2010 1st sp. sess., until the program terminates
10 on October 31, 2011.

11 ~~((4))~~ (3)(a) ~~(((\$13,086,000))~~ \$12,457,000 of the general fund--
12 state appropriation for fiscal year 2012 and ~~(((\$24,788,000))~~
13 \$21,959,000 of the general fund--state appropriation for fiscal year
14 2013, in addition to supplemental security income recoveries, are
15 provided solely for the programs created in Engrossed Substitute House
16 Bill No. 2082 (essential needs and assistance program) beginning
17 November 1, 2011.

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

24 (c) The department shall continue the interagency agreement with
25 the department of veterans' affairs to establish a process for referral
26 of veterans who may be eligible for veterans' services. This agreement
27 must include out-stationing department of veterans' affairs staff in
28 selected community service office locations in King and Pierce counties
29 to facilitate applications for veterans' services.

30 ~~((5))~~ (4) \$1,657,000 of the general fund--state appropriation for
31 fiscal year 2012 and \$1,657,000 of the general fund--state
32 appropriation for fiscal year 2013 are provided solely for
33 naturalization services.

34 ~~((6))~~ (5) \$2,366,000 of the general fund--state appropriation for
35 fiscal year 2012 is provided solely for refugee employment services, of
36 which \$1,774,000 is provided solely for the department to pass through
37 to statewide refugee assistance organizations for limited English
38 proficiency pathway services; and \$2,366,000 of the general fund--state

1 appropriation for fiscal year 2013 is provided solely for refugee
2 employment services, of which \$1,774,000 is provided solely for the
3 department to pass through to statewide refugee assistance
4 organizations for limited English proficiency pathway services.

5 ~~((+7))~~ (6) On December 1, 2011, and annually thereafter, the
6 department must report to the legislature on all sources of funding
7 available for both refugee and immigrant services and naturalization
8 services during the current fiscal year and the amounts expended to
9 date by service type and funding source. The report must also include
10 the number of clients served and outcome data for the clients.

11 ~~((+8))~~ (7) To ensure expenditures remain within available funds
12 appropriated in this section, the legislature establishes the benefit
13 under the state food assistance program, pursuant to RCW 74.08A.120, to
14 be fifty percent of the federal supplemental nutrition assistance
15 program benefit amount.

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

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
19 **SUBSTANCE ABUSE PROGRAM**

20	General Fund--State Appropriation (FY 2012)	(\$74,287,000)
21		<u>\$73,742,000</u>
22	General Fund--State Appropriation (FY 2013)	(\$74,422,000)
23		<u>\$71,218,000</u>
24	General Fund--Federal Appropriation	(\$141,514,000)
25		<u>\$184,401,000</u>
26	General Fund--Private/Local Appropriation	(\$2,086,000)
27		<u>\$13,486,000</u>
28	Criminal Justice Treatment Account--State	
29	Appropriation	\$20,748,000
30	Problem Gambling Account--State Appropriation	\$1,448,000
31	TOTAL APPROPRIATION	(\$314,505,000)
32		<u>\$365,043,000</u>

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

35 (1) Within the amounts appropriated in this section, the department
36 may contract with the University of Washington and community-based

1 providers for the provision of the parent-child assistance program.
2 For all contractors, indirect charges for administering the program
3 shall not exceed ten percent of the total contract amount.

4 (2) Within the amounts appropriated in this section, the department
5 shall continue to provide for chemical dependency treatment services
6 for adult medicaid eligible, pregnant and parenting women, disability
7 lifeline, and alcoholism and drug addiction treatment and support act,
8 and medical care services clients.

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

23 (4) \$3,500,000 of the general fund--federal appropriation (from the
24 substance abuse prevention and treatment federal block grant) is
25 provided solely for the continued funding of existing county drug and
26 alcohol use prevention programs.

27 (5) Within amounts appropriated in this section, the department is
28 required to increase federal match available for intensive inpatient
29 services. During fiscal year 2013, the department shall shift
30 contracts for a minimum of 32 intensive inpatient beds currently
31 provided in settings that are considered institutions for mental
32 diseases to two or more facilities with fewer than 16 beds that are
33 able to claim federal match for services provided to medicaid clients
34 or individuals covered under the department's section 1115 medicaid
35 waiver. The department is authorized to conduct a request for proposal
36 process to fulfill this requirement. By December 1, 2012, the
37 department shall provide a plan to the office of financial management
38 and to the relevant fiscal and policy committees of the legislature for

1 transitioning all remaining intensive inpatient beds currently provided
 2 in settings that are considered institutions for mental diseases into
 3 facilities with fewer than 16 beds by June 2017. The plan shall
 4 identify the maximum number of additional beds that can be transitioned
 5 into facilities with fewer than 16 beds during the 2013-2015 fiscal
 6 biennium and the remaining number that will be transitioned during the
 7 2015-2017 fiscal biennium, a timeline and process for accomplishing
 8 this, and a projection of the related general fund--state savings for
 9 each biennium.

10 **Sec. 209.** 2011 2nd sp.s. c 9 s 209 (uncodified) is amended to read
 11 as follows:

12 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
 13 **REHABILITATION PROGRAM**

14	General Fund--State Appropriation (FY 2012)	((\$10,874,000))
15		<u>\$10,629,000</u>
16	General Fund--State Appropriation (FY 2013)	((\$10,861,000))
17		<u>\$10,401,000</u>
18	General Fund--Federal Appropriation	((\$105,091,000))
19		<u>\$105,060,000</u>
20	Telecommunications Devices for the Hearing and	
21	Speech Impaired--State Appropriation	\$2,766,000
22	TOTAL APPROPRIATION	((\$129,592,000))
23		<u>\$128,856,000</u>

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

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

32 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
 33 **PROGRAM**

34	General Fund--State Appropriation (FY 2012)	((\$47,719,000))
35		<u>\$48,167,000</u>
36	General Fund--State Appropriation (FY 2013)	((\$46,292,000))

1 \$36,128,000
 2 TOTAL APPROPRIATION ((~~\$94,011,000~~))
 3 \$84,295,000

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

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

8 General Fund--State Appropriation (FY 2012) ((~~\$26,125,000~~))
 9 \$26,069,000
 10 General Fund--State Appropriation (FY 2013) ((~~\$24,586,000~~))
 11 \$24,474,000
 12 General Fund--Federal Appropriation ((~~\$39,223,000~~))
 13 \$39,550,000
 14 General Fund--Private/Local Appropriation \$2,116,000
 15 Performance Audits of State Government--State
 16 Appropriation \$4,812,000
 17 TOTAL APPROPRIATION ((~~\$96,862,000~~))
 18 \$97,021,000

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

21 (1) \$300,000 of the general fund--state appropriation for fiscal
 22 year 2012 and \$300,000 of the general fund--state appropriation for
 23 fiscal year 2013 are provided solely for the Washington state mentors
 24 program to continue its public-private partnerships to provide
 25 technical assistance and training to mentoring programs that serve
 26 at-risk youth.

27 (2) \$445,000 of the general fund--state appropriation for fiscal
 28 year 2012 and \$445,000 of the general fund--state appropriation for
 29 fiscal year 2013 are provided solely for funding of the teamchild
 30 project.

31 (3) \$178,000 of the general fund--state appropriation for fiscal
 32 year 2012 and \$178,000 of the general fund--state appropriation for
 33 fiscal year 2013 are provided solely for the juvenile detention
 34 alternatives initiative.

35 (4) \$4,812,000 of the performance audits of state government--state
 36 appropriation is provided solely for support and expansion of the

1 division of fraud investigation. The division shall conduct
2 investigatory and enforcement activities for all department programs,
3 including the child support and TANF programs.

4 (5) \$1,400,000 of the general fund--state appropriation for fiscal
5 year 2012 is provided solely for the department to distribute as
6 support to community public health and safety networks that have a
7 history of providing training and services related to adverse childhood
8 experiences. Distribution of these funds is contingent upon securing
9 funding from a private entity or entities to provide one dollar in
10 matching funds for each dollar in state funds received by a network so
11 that the funding received by a community public health and safety
12 network will be equal portions of state and private funding.

13 (6) \$250,000 of the general fund--state appropriation for fiscal
14 year 2013 is for the department to assist in the development of a
15 public-private initiative that promotes innovative new approaches to
16 prevention and mitigation of adverse childhood experiences. The
17 department shall, as part of the transition to a public-private
18 initiative that leverages the community networks' community capacity
19 building model and infrastructure: (a) Assist community public health
20 and safety networks in identifying and obtaining funding opportunities
21 to assist local communities in achieving the purposes of networks and
22 further developing community capacity; and (b) maintain centralized
23 administrative services for the community network system in the office
24 of the secretary to facilitate cross-agency and multi-sector
25 partnership with community networks.

26 (7) \$250,000 of the general fund--state appropriation for fiscal
27 year 2013 is provided solely for a grant program focused on criminal
28 street gang prevention and intervention. The Washington state
29 partnership council on juvenile justice may award grants under this
30 subsection. The council shall give priority to applicants who have
31 demonstrated the greatest problems with criminal street gangs.
32 Applicants composed of, at a minimum, one or more local governmental
33 entities and one or more nonprofit, nongovernmental organizations that
34 have a documented history of creating and administering effective
35 criminal street gang prevention and intervention programs may apply for
36 funding under this subsection.

37 (8) \$113,000 of the general fund--state appropriation for fiscal
38 year 2013 and \$105,000 of the general fund--federal appropriation are

1 provided solely for staffing costs associated with implementation of
2 Engrossed Second Substitute House Bill No. 2536 (children
3 services/delivery). The amounts provided in this subsection must be
4 used for coordinated evidence-based practice implementation amongst the
5 department's programs providing mental health, child welfare, and
6 juvenile justice services to children. If Engrossed Second Substitute
7 House Bill No. 2536 (children services/delivery) is not enacted by June
8 30, 2012, the amounts provided in this subsection shall lapse.

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

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

13	General Fund--State Appropriation (FY 2012)	((\$62,778,000))
14		<u>\$62,140,000</u>
15	General Fund--State Appropriation (FY 2013)	((\$61,927,000))
16		<u>\$46,303,000</u>
17	General Fund--Federal Appropriation	((\$58,400,000))
18		<u>\$53,049,000</u>
19	TOTAL APPROPRIATION	((\$183,105,000))
20		<u>\$161,492,000</u>

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

23 \$469,000 of the general fund--state appropriation for fiscal year
24 2011 and \$270,000 of the general fund--state appropriation for fiscal
25 year 2012 are provided solely for implementation of Engrossed
26 Substitute Senate Bill No. 5921 (social services programs). If the
27 bill is not enacted by June 30, 2011, the amounts provided in this
28 subsection shall lapse.

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

31 **FOR THE STATE HEALTH CARE AUTHORITY**

32	General Fund--State Appropriation (FY 2012)	((\$2,130,229,000))
33		<u>\$2,034,296,000</u>
34	General Fund--State Appropriation (FY 2013)	((\$2,185,617,000))
35		<u>\$2,031,150,000</u>
36	General Fund--Federal Appropriation	((\$5,389,627,000))

1		\$5,307,288,000
2	General Fund--Private/Local Appropriation	(((\$45,512,000))
3		<u>\$62,597,000</u>
4	Emergency Medical Services and Trauma Care Systems	
5	Trust Account--State Appropriation	\$15,077,000
6	Hospital Safety Net Assessment Fund--State	
7	Appropriation	(((\$394,905,000))
8		<u>\$434,087,000</u>
9	State Health Care Authority Administration Account--	
10	State Appropriation	(((\$34,118,000))
11		<u>\$34,040,000</u>
12	Basic Health Plan Stabilization Account--	
13	State Appropriation	\$44,000,000
14	Medical Aid Account--State Appropriation	\$529,000
15	<u>Medicaid Fraud Penalty Account--State Appropriation</u>	<u>\$9,200,000</u>
16	TOTAL APPROPRIATION	(((\$10,239,614,000))
17		<u>\$9,972,264,000</u>

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

20 (1) The appropriations to the authority in this act shall be
21 expended for the purposes and in the amounts specified in this act. To
22 the extent that appropriations in this section are insufficient to fund
23 actual expenditures in excess of caseload forecasts and utilization
24 assumptions, the authority, after May 1, 2012, may transfer general
25 fund--state appropriations for fiscal year 2012 that are provided
26 solely for a specified purpose. The authority shall not transfer
27 funds, and the director of financial management shall not approve the
28 transfer, unless the transfer is consistent with the objective of
29 conserving, to the maximum extent possible, the expenditure of state
30 funds. The director of financial management shall notify the
31 appropriate fiscal committees of the senate and house of
32 representatives in writing seven days prior to approving any allotment
33 modifications or transfers under this subsection. The written
34 notification shall include a narrative explanation and justification of
35 the changes, along with expenditures and allotments by budget unit and
36 appropriation, both before and after any allotment modifications or
37 transfers.

1 (2) Within amounts appropriated in this section and sections 205
2 and 206 of this act, the health care authority shall continue to
3 provide an enhanced basic health plan subsidy for foster parents
4 licensed under chapter 74.15 RCW and workers in state-funded home care
5 programs. Under this enhanced subsidy option, foster parents eligible
6 to participate in the basic health plan as subsidized enrollees and
7 home care workers with family incomes below 200 percent of the federal
8 poverty level shall be allowed to enroll in the basic health plan at
9 the minimum premium amount charged to enrollees with incomes below
10 sixty-five percent of the federal poverty level.

11 ~~((+2))~~ (3) The health care authority shall require organizations
12 and individuals that are paid to deliver basic health plan services and
13 that choose to sponsor enrollment in the subsidized basic health plan
14 to pay 133 percent of the premium amount which would otherwise be due
15 from the sponsored enrollees.

16 ~~((+3))~~ (4)(a) \$1,200,000 of the general fund--state appropriation
17 for fiscal year 2012 is provided solely to plan the implementation of
18 a system of consolidated public school employee health benefits
19 purchasing.

20 It is the intent of the legislature to improve the administration,
21 transparency, and equity in delivering a K-12 employees' health
22 benefits system. In addition, the legislature intends that any cost
23 savings that result from changes to K-12 health benefits be dedicated
24 to public schools.

25 To further this legislative intent, the state health care authority
26 shall develop a plan to implement a consolidated health benefits'
27 system for K-12 employees for the 2013-14 school year. The health care
28 authority shall deliver a report to the legislature by December 15,
29 2011, that sets forth the implementation plan to the ways and means
30 committees of the house of representatives and the senate.

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

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

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

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

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

- 1 (i) The costs and benefits of the current K-12 health benefits
2 system;
- 3 (ii) The costs and benefits of providing a new statewide K-12
4 employees' health benefits pool to school districts and school
5 employees;
- 6 (iii) The costs and benefits of enrolling K-12 employees into the
7 existing health benefits pool for state employees;
- 8 (iv) Recommendations of ways to limit administrative duplication
9 and costs, improve transparency to employees, the legislature, and the
10 public and assure equity among beneficiaries of publicly provided
11 employee health benefits;
- 12 (v) Recommendations for standardizing benefit packages and
13 purchasing efforts in a manner that seeks to maximize funding and
14 equity for all school employees;
- 15 (vi) Recommendations regarding the use of incentives, including how
16 changes to state health benefit allocations could provide employees
17 with benefits that would encourage participation;
- 18 (vii) Recommendations regarding the implementation of a new K-12
19 employee benefit plan, with separate options for voluntary
20 participation and mandatory statewide participation;
- 21 (viii) Recommendations regarding methods to reduce inequities
22 between individual and family coverage;
- 23 (ix) Consolidation of the purchasing and budget accountability for
24 school employee benefits to maximize administrative efficiency and
25 leverage existing skills and resources; and
- 26 (x) Other details the health care authority deems necessary,
27 including but not limited to recommendations on the following:
- 28 (A) Approaches for implementing the transition to a statewide pool,
29 including administrative and statutory changes necessary to ensure a
30 successful transition, and whether the pool should be separate from, or
31 combined with, the public employees' benefits pool;
- 32 (B) The structure of a permanent governing group to provide ongoing
33 oversight to the consolidated pool, in a manner similar to the public
34 employees benefits board functions for employee health benefits,
35 including statutory duties and authorities of the board; and
- 36 (C) Options for including potential changes to: Eligibility
37 standardization, the public employees benefits risk pools, the movement

1 of school employee retirees into the new K-12 pool or pools, and the
2 movement of educational service district employees into the new K-12
3 pool or pools.

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

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

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

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

14 (e) The office of the superintendent of public instruction and the
15 office of the insurance commissioner shall provide information and
16 technical assistance to the health care authority as requested by the
17 health care authority. The health care authority shall not implement
18 the new school employee benefits pool until authorized to do so by the
19 legislature.

20 (~~(4)~~) (5) The administrator shall take at least the following
21 actions to assure that persons participating in the basic health plan
22 are eligible for the level of assistance they receive: (a) Require
23 submission of (i) income tax returns, and recent pay history, from all
24 applicants, or (ii) other verifiable evidence of earned and unearned
25 income from those persons not required to file income tax returns; (b)
26 check employment security payroll records at least once every twelve
27 months on all enrollees; (c) require enrollees whose income as
28 indicated by payroll records exceeds that upon which their subsidy is
29 based to document their current income as a condition of continued
30 eligibility; (d) require enrollees for whom employment security payroll
31 records cannot be obtained to document their current income at least
32 once every six months; (e) not reduce gross family income for self-
33 employed persons by noncash-flow expenses such as, but not limited to,
34 depreciation, amortization, and home office deductions, as defined by
35 the United States internal revenue service; and (f) pursue repayment
36 and civil penalties from persons who have received excessive subsidies,
37 as provided in RCW 70.47.060(9).

1 ~~((+5))~~ (6) Enrollment in the subsidized basic health plan shall be
2 limited to only include persons who qualify as subsidized enrollees as
3 defined in RCW 70.47.020 and who (a) qualify for services under 1115
4 medicaid demonstration project number 11-W-00254/10; or (b) are foster
5 parents licensed under chapter 74.15 RCW.

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

13 ~~((+7))~~ (8) Based on quarterly expenditure reports and caseload
14 forecasts, if the health care authority estimates that expenditures for
15 the medical assistance program will exceed the appropriations, the
16 health care authority shall take steps including but not limited to
17 reduction of rates or elimination of optional services to reduce
18 expenditures so that total program costs do not exceed the annual
19 appropriation authority.

20 ~~((+8))~~ (9) In determining financial eligibility for medicaid-
21 funded services, the health care authority is authorized to disregard
22 recoveries by Holocaust survivors of insurance proceeds or other
23 assets, as defined in RCW 48.104.030.

24 ~~((+9))~~ (10) The legislature affirms that it is in the state's
25 interest for Harborview medical center to remain an economically viable
26 component of the state's health care system.

27 ~~((+10))~~ (11) When a person is ineligible for medicaid solely by
28 reason of residence in an institution for mental diseases, the health
29 care authority shall provide the person with the same benefits as he or
30 she would receive if eligible for medicaid, using state-only funds to
31 the extent necessary.

32 ~~((+11))~~ (12) \$4,261,000 of the general fund--state appropriation
33 for fiscal year 2012, \$4,261,000 of the general fund--state
34 appropriation for fiscal year 2013, and \$8,522,000 of the general
35 fund--federal appropriation are provided solely for low-income
36 disproportionate share hospital payments under RCW 74.09.730(1)(a).

37 ~~((+12))~~ ~~\$5,905,000 of the general fund state appropriation for~~
38 ~~fiscal year 2012, \$5,905,000 of the general fund state appropriation~~

1 ~~for fiscal year 2013, and \$11,810,000 of the general fund federal~~
2 ~~appropriation are provided solely for nonrural indigent assistance~~
3 ~~disproportionate share hospital payments in accordance with RCW~~
4 ~~74.09.730(1).~~

5 ~~(13) \$665,000 of the general fund state appropriation for fiscal~~
6 ~~year 2012, \$665,000 of the general fund state appropriation for fiscal~~
7 ~~year 2013, and \$1,330,000 of the general fund federal appropriation~~
8 ~~are provided solely for small rural indigent assistance~~
9 ~~disproportionate share hospital payments in accordance with RCW~~
10 ~~74.09.730(1).~~

11 ~~(14))~~ (13) \$6,000,000 of the general fund--federal appropriation
12 is provided solely for supplemental payments to nursing homes operated
13 by public hospital districts. The public hospital district shall be
14 responsible for providing the required nonfederal match for the
15 supplemental payment, and the payments shall not exceed the maximum
16 allowable under federal rules. It is the legislature's intent that the
17 payments shall be supplemental to and shall not in any way offset or
18 reduce the payments calculated and provided in accordance with part E
19 of chapter 74.46 RCW. It is the legislature's further intent that
20 costs otherwise allowable for rate-setting and settlement against
21 payments under chapter 74.46 RCW shall not be disallowed solely because
22 such costs have been paid by revenues retained by the nursing home from
23 these supplemental payments. The supplemental payments are subject to
24 retrospective interim and final cost settlements based on the nursing
25 homes' as-filed and final medicare cost reports. The timing of the
26 interim and final cost settlements shall be at the health care
27 authority's discretion. During either the interim cost settlement or
28 the final cost settlement, the health care authority shall recoup from
29 the public hospital districts the supplemental payments that exceed the
30 medicaid cost limit and/or the medicare upper payment limit. The
31 health care authority shall apply federal rules for identifying the
32 eligible incurred medicaid costs and the medicare upper payment limit.

33 ~~((15))~~ (14) The health care authority shall continue the
34 inpatient hospital certified public expenditures program for the 2011-
35 2013 fiscal biennium. The program shall apply to all public hospitals,
36 including those owned or operated by the state, except those classified
37 as critical access hospitals or state psychiatric institutions. The
38 health care authority shall submit reports to the governor and

1 legislature by November 1, 2011, and by November 1, 2012, that evaluate
2 whether savings continue to exceed costs for this program. If the
3 certified public expenditures (CPE) program in its current form is no
4 longer cost-effective to maintain, the health care authority shall
5 submit a report to the governor and legislature detailing
6 cost-effective alternative uses of local, state, and federal resources
7 as a replacement for this program. During fiscal year 2012 and fiscal
8 year 2013, hospitals in the program shall be paid and shall retain one
9 hundred percent of the federal portion of the allowable hospital cost
10 for each medicaid inpatient fee-for-service claim payable by medical
11 assistance and one hundred percent of the federal portion of the
12 maximum disproportionate share hospital payment allowable under federal
13 regulations. Inpatient medicaid payments shall be established using an
14 allowable methodology that approximates the cost of claims submitted by
15 the hospitals. Payments made to each hospital in the program in each
16 fiscal year of the biennium shall be compared to a baseline amount.
17 The baseline amount will be determined by the total of (a) the
18 inpatient claim payment amounts that would have been paid during the
19 fiscal year had the hospital not been in the CPE program based on the
20 reimbursement rates developed, implemented, and consistent with
21 policies approved in the 2011-13 biennial operating appropriations act
22 and in effect on July 1, 2011, (b) one half of the indigent assistance
23 disproportionate share hospital payment amounts paid to and retained by
24 each hospital during fiscal year 2005, and (c) all of the other
25 disproportionate share hospital payment amounts paid to and retained by
26 each hospital during fiscal year 2005 to the extent the same
27 disproportionate share hospital programs exist in the 2011-13 biennium.
28 If payments during the fiscal year exceed the hospital's baseline
29 amount, no additional payments will be made to the hospital except the
30 federal portion of allowable disproportionate share hospital payments
31 for which the hospital can certify allowable match. If payments during
32 the fiscal year are less than the baseline amount, the hospital will be
33 paid a state grant equal to the difference between payments during the
34 fiscal year and the applicable baseline amount. Payment of the state
35 grant shall be made in the applicable fiscal year and distributed in
36 monthly payments. The grants will be recalculated and redistributed as
37 the baseline is updated during the fiscal year. The grant payments are
38 subject to an interim settlement within eleven months after the end of

1 the fiscal year. A final settlement shall be performed. To the extent
2 that either settlement determines that a hospital has received funds in
3 excess of what it would have received as described in this subsection,
4 the hospital must repay the excess amounts to the state when requested.
5 (~~(\$24,677,000)~~) \$8,102,000 of the general fund--state appropriation for
6 fiscal year 2012, of which \$6,570,000 is appropriated in section 204(1)
7 of this act, and (~~(\$21,531,000)~~) \$3,162,000 of the general fund--state
8 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated
9 in section 204(1) of this act, are provided solely for state grants for
10 the participating hospitals. CPE hospitals will receive the inpatient
11 and outpatient reimbursement rate restorations in RCW 74.60.080 and
12 rate increases in RCW 74.60.090 funded through the hospital safety net
13 assessment fund rather than through the baseline mechanism specified in
14 this subsection.

15 (~~(+16+)~~) (15) The health care authority shall seek public-private
16 partnerships and federal funds that are or may become available to
17 provide on-going support for outreach and education efforts under the
18 federal children's health insurance program reauthorization act of
19 2009.

20 (~~(+17+)~~) (16) The health care authority shall target funding for
21 maternity support services towards pregnant women with factors that
22 lead to higher rates of poor birth outcomes, including hypertension, a
23 preterm or low birth weight birth in the most recent previous birth, a
24 cognitive deficit or developmental disability, substance abuse, severe
25 mental illness, unhealthy weight or failure to gain weight, tobacco
26 use, or African American or Native American race. The health care
27 authority shall prioritize evidence-based practices for delivery of
28 maternity support services. To the extent practicable, the health care
29 authority shall develop a mechanism to increase federal funding for
30 maternity support services by leveraging local public funding for those
31 services.

32 (~~(+18+)~~) (17) For children with family incomes above 200 percent of
33 the federal poverty level in the state-funded children's health program
34 for children who are not eligible for coverage under the federally
35 funded children's health insurance program, premiums shall be set every
36 two years in an amount equal to the average state-only share of the per
37 capita cost of coverage in the state-funded children's health program

1 for children in families with incomes at or less than two hundred
2 percent of the federal poverty level.

3 ~~((19) \$704,000 of the general fund state appropriation for fiscal~~
4 ~~year 2012, \$726,000 of the general fund state appropriation for fiscal~~
5 ~~year 2013, and \$1,431,000 of the general fund federal appropriation~~
6 ~~are provided solely for)) (18) Within the amounts appropriated in this~~
7 ~~section, the health care authority shall provide~~ disproportionate share
8 hospital payments to hospitals that provide services to children in the
9 children's health program who are not eligible for services under Title
10 XIX or XXI of the federal social security act due to their citizenship
11 status.

12 ~~((20) \$998,000)) (19) \$859,000 of the general fund--state~~
13 ~~appropriation for fiscal year 2012, \$979,000 of the general fund--state~~
14 ~~appropriation for fiscal year 2013, and ((\$1,980,000)) \$1,841,000 of~~
15 ~~the general fund--federal appropriation are provided solely to increase~~
16 ~~prior authorization activities for advanced imaging procedures.~~

17 ~~((21) \$249,000)) (20) \$196,000 of the general fund--state~~
18 ~~appropriation for fiscal year 2012, \$246,000 of the general fund--state~~
19 ~~appropriation for fiscal year 2013, and ((\$495,000)) \$442,000 of the~~
20 ~~general fund--federal appropriation are provided solely to increase~~
21 ~~prior authorization activities for surgical procedures, which may~~
22 ~~include orthopedic procedures, spinal procedures and interventions, and~~
23 ~~nerve procedures.~~

24 ~~((22)) (21) \$300,000 of the general fund--private/local~~
25 ~~appropriation and \$300,000 of the general fund--federal appropriation~~
26 ~~are provided solely for a prescriptive practices improvement~~
27 ~~collaborative focusing upon atypical antipsychotics and other~~
28 ~~medications commonly used in the treatment of severe and persistent~~
29 ~~mental illnesses among adults. The project shall promote collaboration~~
30 ~~among community mental health centers, other major prescribers of~~
31 ~~atypical antipsychotic medications to adults enrolled in state medical~~
32 ~~assistance programs, and psychiatrists, pharmacists, and other~~
33 ~~specialists at the University of Washington department of psychiatry~~
34 ~~and/or other research universities. The collaboration shall include~~
35 ~~patient-specific prescriber consultations by psychiatrists and~~
36 ~~pharmacists specializing in treatment of severe and persistent mental~~
37 ~~illnesses among adults; production of profiles to assist prescribers~~
38 ~~and clinics in tracking their prescriptive practices and their~~

1 patients' medication use and adherence relative to evidence-based
2 practices guidelines, other prescribers, and patients at other clinics;
3 and in-service seminars at which participants can share and increase
4 their knowledge of evidence-based and other effective prescriptive
5 practices. The health care authority shall enter into an interagency
6 agreement with the office of the attorney general for expenditure of
7 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*
8 *Washington v. AstraZeneca* (Seroquel) for this purpose.

9 ~~((+23))~~ (22) \$570,000 of the general fund--private/local
10 appropriation is provided solely for continued operation of the
11 partnership access line for child mental health consultations. The
12 health care authority shall enter into an interagency agreement with
13 the office of the attorney general for expenditure of \$570,000 of the
14 state's proceeds of the *cy pres* settlement in *State of Washington v.*
15 *AstraZeneca* (Seroquel) for this purpose.

16 ~~((+24))~~ (23) \$80,000 of the general fund--state appropriation for
17 fiscal year 2012, \$80,000 of the general fund--state appropriation for
18 fiscal year 2013, and \$160,000 of the general fund--federal
19 appropriation are provided solely to fund the Tacoma-Pierce county
20 health department for access and outreach activities to reduce infant
21 mortality.

22 ~~((+25))~~ (24) \$75,000 of the general fund--state appropriation for
23 fiscal year 2012, \$75,000 of the general fund--state appropriation for
24 fiscal year 2013, and \$150,000 of the general fund--federal
25 appropriation are provided solely to assist with development and
26 implementation of evidence-based strategies regarding the appropriate,
27 safe, and effective role of C-section surgeries and early induced labor
28 in births and neonatal care. The strategies shall be identified and
29 implemented in consultation with clinical research specialists,
30 physicians, hospitals, advanced registered nurse practitioners, and
31 organizations concerned with maternal and child health.

32 ~~((+26) \$2,400,000 of the general fund state appropriation for
33 fiscal year 2012, \$2,435,000 of the general fund state appropriation
34 for fiscal year 2013, \$7,253,000 of the general fund private/local
35 appropriation, — and — \$12,455,000 — of — the — general — fund — federal
36 appropriation are provided solely for continued provision of))~~ (25)
37 Within the amounts appropriated in this section, the health care
38 authority shall continue to provide school-based medical services by

1 means of an intergovernmental transfer arrangement. Under the
2 arrangement, the state shall provide forty percent and school districts
3 sixty percent of the nonfederal matching funds required for receipt of
4 federal medicaid funding for the service.

5 ~~((+27))~~ (26) \$263,000 of the general fund--state appropriation for
6 fiscal year 2012, \$88,000 of the general fund--state appropriation for
7 fiscal year 2013, and \$351,000 of the general fund--federal
8 appropriation are provided solely for development and submission to the
9 federal government by October 1, 2011, of a demonstration project
10 proposal as provided in Substitute Senate Bill No. 5596 (medicaid
11 demonstration waiver).

12 ~~((+28) \$5,600,000 of the general fund state appropriation for
13 fiscal year 2012, \$4,094,000 of the general fund state appropriation
14 for fiscal year 2013, and \$11,332,000 of the general fund federal
15 appropriation are provided solely for))~~ (27) Within the amounts
16 appropriated in this section, the health care authority shall provide
17 spoken-language interpreter services. The authority shall develop and
18 implement a new model for delivery of such services no later than
19 ~~((January))~~ July 1, 2012. The model shall include:

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

24 (b) The requirement that the state contract with delivery
25 organizations, including foreign language agencies, who employ or
26 subcontract only with language access providers or interpreters working
27 in the state who are certified or authorized by the state. When a
28 state-certified or state-authorized in-state language access provider
29 or interpreter is not available, the delivery organization, including
30 foreign language agencies, may use a provider with other certifications
31 or qualifications deemed to meet state standards, including
32 interpreters in other states; and

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

37 Nothing in this subsection affects the ability of health care
38 providers to provide interpretive services through employed staff or

1 through telephone and video remote technologies when not reimbursed
2 directly by the department. The amounts in this subsection do not
3 include federal administrative funds provided to match nonstate
4 expenditures by local health jurisdictions and governmental hospitals.

5 ~~((+29+))~~ (28) In its procurement of contractors for delivery of
6 medical managed care services for nondisabled, nonelderly persons, the
7 medical assistance program shall (a) place substantial emphasis upon
8 price competition in the selection of successful bidders; and (b) not
9 require delivery of any services that would increase the actuarial cost
10 of service beyond the levels included in current healthy options
11 contracts.

12 ~~((+30+))~~ (29) \$1,430,000 of the general fund--state appropriation
13 for fiscal year 2012, \$1,430,000 of the general fund--state
14 appropriation for fiscal year 2013, and \$2,860,000 of the general
15 fund--federal appropriation are provided solely to pay
16 federally-designated rural health clinics their standard encounter rate
17 for prenatal and well-child visits, whether delivered under a managed
18 care contract or fee-for-service. In reconciling managed care
19 enhancement payments for calendar years 2009 and 2010, the department
20 shall treat well-child and prenatal care visits as encounters subject
21 to the clinic's encounter rate.

22 ~~((+31+))~~ (30) \$280,000 of the general fund--state appropriation for
23 fiscal year 2012 and \$282,000 of the general fund--federal
24 appropriation are provided solely to increase utilization management of
25 drugs and drug classes for which there is evidence of over-utilization,
26 off-label use, excessive dosing, duplicative therapy, or opportunities
27 to shift utilization to less expensive, equally effective formulations.

28 ~~((+32+))~~ (31) \$70,000 of the general fund--state appropriation for
29 fiscal year 2012, \$70,000 of the general fund--state appropriation for
30 fiscal year 2013, and \$140,000 of the general fund--federal
31 appropriation are provided solely to continue operation by a nonprofit
32 organization of a toll-free hotline that assists families to learn
33 about and enroll in the apple health for kids program.

34 ~~((+33+))~~ (32) \$400,000 of the general fund--state appropriation for
35 fiscal year 2012 and \$400,000 of the general fund--state appropriation
36 for fiscal year 2013 is provided solely for the local outreach, case
37 management, and coordination with dental providers needed to execute

1 the access to baby and child dentistry program, which provides dental
2 care to Medicaid eligible children up to age six.

3 ~~((34) \$1,868,000 of the general fund state appropriation for~~
4 ~~fiscal year 2012, \$1,873,000 of the general fund state appropriation~~
5 ~~for fiscal year 2013, and \$3,154,000 of the general fund federal~~
6 ~~appropriation are provided solely to)) (33) Within the amounts~~
7 appropriated in this section, the health care authority shall continue
8 to provide dental services to pregnant women. Services shall include
9 preventive, routine, and emergent dental care.

10 ~~((35))~~ (34) \$395,000 of the general fund--state appropriation for
11 fiscal year 2012, \$395,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$790,000 of the general fund--federal
13 appropriation are provided solely for continued operation of the
14 dental education in care of persons with disabilities (DECOD) program
15 at the University of Washington.

16 ~~((36) \$112,000))~~ (35) \$159,000 of the general fund--state
17 appropriation for fiscal year 2012, ~~((\$112,000 of the general fund--~~
18 ~~state appropriation for fiscal year 2013,))~~ \$302,000 of the general
19 fund--private/local appropriation, and ~~((\$1,928,000))~~ \$146,072,000 of
20 the general fund--federal appropriation are provided solely for the
21 provider incentive program and other initiatives related to the health
22 information technology Medicaid plan. The general fund--private/local
23 appropriation in this subsection shall be funded with proceeds from
24 settlements in the case of State of Washington vs. GlaxoSmithKline.
25 The authority and the office of the attorney general shall enter an
26 interagency agreement regarding use of these funds.

27 ~~((37))~~ (36) \$2,926,000 of the general fund--local appropriation
28 and \$2,928,000 of the general fund--federal appropriation are provided
29 solely to support medical airlift services.

30 ~~((38))~~ (37) The authority shall collect data on enrollment and
31 utilization to study whether the expansion of family planning coverage
32 under Substitute Senate Bill No. 5912 is reducing state medical
33 expenditures by reducing unwanted pregnancies. The authority shall
34 report its findings to the legislature by December 1, 2012.

35 ~~((39))~~ (38) \$480,000 of the general fund--state appropriation for
36 fiscal year 2012, \$480,000 of the general fund--state appropriation for
37 fiscal year 2013, and \$824,000 of the general fund--federal
38 appropriation are provided solely for customer services staff. The

1 authority will attempt to improve the phone answer rate to 40 percent
2 and reduce the response times to written questions to ten days for
3 clients and 25 days for providers. The authority will report to the
4 legislature on its progress toward achieving these goals by January 1,
5 2012. If the authority has not achieved these goals by July 1, 2012,
6 then the authority shall reduce expenditures on management staff in
7 order to increase expenditures on customer service staff until the
8 goals are achieved.

9 ~~((40))~~ (39) The department shall purchase a brand name drug when
10 it determines that the cost of the brand name drug after rebates is
11 less than the cost of generic alternatives and that purchase of the
12 brand rather than generic version can save at least \$250,000. The
13 department may purchase generic alternatives when changes in market
14 prices make the price of the brand name drug after rebates more
15 expensive than the generic alternatives.

16 ~~((41) The department shall collaborate closely with the Washington
17 state hospital and medical associations in identification of the
18 diagnostic codes and retroactive review procedures that will be used to
19 determine whether an emergency room visit is a nonemergency condition
20 to assure that conditions that require emergency treatment continue to
21 be covered.))~~

22 (40) The authority, in collaboration with the department of social
23 and health services, the department of health, the Washington state
24 hospital association, the Puget Sound health alliance, the Washington
25 association of community and migrant health centers, and the forum, a
26 collaboration of health carriers, physicians, and hospitals in
27 Washington state, shall design a system of rural health system access
28 and quality incentive payments. The incentive payments must be linked
29 to explicit performance measures that consider not only services
30 provided by health care providers, but also the role that providers
31 might play in the rural health delivery systems in their communities,
32 including the provision of long-term care services. In designing the
33 incentive payment system, the authority shall consider the department
34 of health's necessary provider criteria for critical access hospitals,
35 the quality measures used to determine quality incentive payments under
36 RCW 74.60.130, and any other performance measures that would promote
37 access and quality in rural health systems. The authority, in
38 conjunction with those groups identified in this subsection, shall

1 develop parameters for determining criteria for increased payment,
2 alternative payment methodologies, or other incentives for those
3 providers that improve and achieve sustained improvement with respect
4 to the measures. The design of the system shall be submitted to the
5 relevant policy and fiscal committees of the legislature by December
6 15, 2012.

7 (41) \$150,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$1,964,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely to implement Engrossed Second
10 Substitute House Bill No. 2319 (affordable care act). If the bill is
11 not enacted by June 30, 2012, the amounts provided in this subsection
12 shall lapse.

13 (42) \$1,109,000 of the general fund--state appropriation for fiscal
14 year 2012, \$1,471,000 of the general fund--state appropriation for
15 fiscal year 2013, and \$21,890,000 of the general fund--federal
16 appropriation are provided solely to implement phase two of the project
17 to create a single provider payment system that consolidates medicaid
18 medical and social services payments and replaces the social service
19 payment system.

20 (43) In order to achieve the reductions in appropriations provided
21 in this section, the authority, in consultation with the Washington
22 state hospital association, the Washington state medical association,
23 and the Washington chapter of the American college of emergency
24 physicians shall designate best practices and performance measures to
25 reduce medically unnecessary emergency room visits of medicaid clients.
26 The Washington state hospital association, the Washington state medical
27 association, and the Washington chapter of the American college of
28 emergency physicians will work with the authority to promote these best
29 practices. The best practices and performance measures shall consist
30 of the following items:

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

33 (b) Active dissemination of patient educational materials produced
34 by the Washington state hospital association, Washington state medical
35 association, and the Washington chapter of the American college of
36 emergency physicians that instruct patients on appropriate facilities
37 for nonemergent health care needs;

1 (c) Designation of hospital personnel and emergency room physician
2 personnel to receive and appropriately disseminate information on
3 clients participating in the medicaid patient review and coordination
4 program and to review monthly utilization reports on those clients
5 provided by the authority;

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

12 (e) Implementation of narcotic guidelines that incorporate the
13 Washington chapter of the American college of emergency physician
14 guidelines;

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

17 (g) Designation of a hospital emergency department physician
18 responsible for reviewing the state's medicaid utilization management
19 feedback reports, which will include defined performance measures. The
20 emergency department physician and hospital will have a process to take
21 appropriate action in response to the information in the feedback
22 reports if performance measures are not met. The authority must
23 develop feedback reports that include timely emergency room utilization
24 data such as visit rates, medically unnecessary visit rates (by
25 hospital and by client), emergency department imaging utilization
26 rates, and other measures as needed. The authority may utilize the
27 Robert Bree collaborative for assistance related to this best practice.

28 The requirements for best practices for a critical access hospital
29 should not include adoption of a system to exchange patient information
30 if doing so would pose a financial burden, and should not include
31 requirements related to the authority's patient review and coordination
32 program if the volume of those patients seen at the critical access
33 hospital are small.

34 Hospitals participating in this medicaid best practices program
35 shall submit to the authority a declaration from executive level
36 leadership indicating hospital adoption of and compliance with the best
37 practices enumerated above. In the declaration, hospitals will affirm
38 that they have in place written policies, procedures, or guidelines to

1 implement these best practices and are willing to share them upon
2 request. The declaration must also give consent for the authority to
3 disclose feedback reports and performance measures on its web site.
4 The authority shall submit a list of declaring hospitals to the
5 relevant policy and fiscal committees of the legislature by July 15,
6 2012.

7 If the authority does not receive by July 1, 2012, declarations
8 from hospitals representing at least seventy-five percent of emergency
9 room visits by medicaid clients in fiscal year 2010, the authority may
10 implement a policy of nonpayment of medically unnecessary emergency
11 room visits, with appropriate client and clinical safeguards such as
12 exemptions and expedited prior authorization. The authority shall by
13 January 15, 2013, perform a preliminary fiscal analysis of trends in
14 implementing the best practices in this subsection, focusing on outlier
15 hospitals with high rates of unnecessary visits by medicaid clients,
16 high emergency room visit rates for patient review and coordination
17 clients, low rates of completion of treatment plans for patient review
18 and coordination clients assigned to the hospital, and high rates of
19 prescribed long-acting opiates. In cooperation with the leadership of
20 the hospital, medical, and emergency physician associations, additional
21 efforts shall be focused on assisting those outlier hospitals and
22 providers to achieve more substantial savings. The authority by
23 January 15, 2013, will report to the legislature about whether assumed
24 savings based on preliminary trend and forecasted data are on target
25 and if additional best practices or other actions need to be
26 implemented.

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

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

33 (44) \$25,000 of the hospital safety net assessment--state
34 appropriation and \$25,000 of the general fund--federal appropriation
35 are provided solely for the authority to review and report on the
36 payment of facility fees in programs administered by the authority.
37 The study shall include a summary of state and federal requirements and
38 practices with regard to the use of such fees; an analysis of how

1 authority payments for services and procedures that include an explicit
2 facility fee component compare to amounts paid for comparable services
3 and procedures that do not; the amount expended for facility fees by
4 major program and service in each of the four most recent years for
5 which reasonably complete and comparable information is available; an
6 analysis of the extent to which hospital acquisition of physician
7 practices and of laboratory, imaging, and other outpatient diagnostic
8 and treatment services has contributed to increased state expenditures;
9 and the authority's recommendations regarding possible revisions to
10 calculation and payment of such fees. The authority shall report its
11 finding and recommendations to the health care and appropriate fiscal
12 committees of the legislature by November 1, 2012.

13 (45) Prior to entering into a contract for medicaid managed care
14 services for the period commencing July 1, 2012, the director of the
15 health care authority shall certify to the governor and to the health
16 care committees of the legislature that the contractor has established
17 a network of acute, primary, and specialty care providers that is
18 sufficient to meet the needs of the contractor's anticipated enrollee
19 population. If no plan is able to certify an adequate provider network
20 in a county, the health care authority shall request re-bids from all
21 plans which originally submitted bids for the county during the regular
22 procurement process until award is successful. No county, that is
23 currently served by Medicaid managed care services shall revert to
24 fee-for-service as a result of the procurement process.

25 (46) The department shall seek a medicaid state plan amendment to
26 create a graduate medical education supplemental payment for services
27 delivered to managed care recipients by University of Washington
28 medicine and other public professional providers. This program shall
29 be effective as soon as administratively possible and shall operate
30 concurrently with the existing professional services supplemental
31 payment program. Providers that participate in the graduate medical
32 education supplemental payment program are not eligible to participate
33 in the professional services supplemental payment program. The
34 department shall apply federal rules for identifying the difference
35 between current physician encounter and fee-for-service medicaid
36 payments to participating providers and the applicable federal upper
37 payment limit. Participating providers shall be solely responsible for
38 providing the local funds required to obtain federal matching funds.

1 Any incremental costs incurred by the department in the development,
2 implementation, and maintenance of this program shall be the
3 responsibility of the participating providers. Participating providers
4 shall retain the full amount of supplemental payments provided under
5 this program, net of any costs related to the program that are
6 disallowed due to audits or litigation against the state.

7 (47) The authority shall exclude HIV/AIDS disease, chemotherapy,
8 hemophilia, diabetes, and immunosuppressant drugs from any formulary
9 limitations implemented to operate within the appropriations provided
10 in this section.

11 (48) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)
12 is not enacted by June 30, 2012, the amounts appropriated in this
13 section from the medicaid fraud penalty account--state appropriation
14 shall lapse and an additional \$3,608,000 shall be appropriated from the
15 general fund--state for fiscal year 2013 for medicaid services, fraud
16 detection and prevention activities, recovery of improper payments, and
17 for other medicaid fraud enforcement activities.

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

20 (50) Within the amounts appropriated in this section, the health
21 care authority and the department of social and health services shall
22 implement the state option to provide health homes for enrollees with
23 chronic conditions under section 2703 of the federal affordable care
24 act. The total state match for enrollees who are dually-eligible for
25 both medicare and medicaid and not enrolled in managed care shall be no
26 more than the net savings to the state from the enhanced match rate for
27 its medicaid-only managed care enrollees under section 2703.

28 (51) The health care authority shall not initiate any services that
29 require expenditure of state general fund moneys unless expressly
30 authorized in this act or other law. The health care authority may
31 seek, receive, and spend, under RCW 43.79.260 through 43.79.282,
32 federal moneys not anticipated in this act as long as the federal
33 funding does not require expenditure of state moneys for the program in
34 excess of amounts anticipated in this act. If the health care
35 authority receives unanticipated unrestricted federal moneys, those
36 moneys shall be spent for services authorized in this act or in any
37 other legislation providing appropriation authority, and an equal
38 amount of appropriated state general fund moneys shall lapse. Upon the

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

7 (52) \$66,000 of the general fund--state appropriation for fiscal
8 year 2013 and \$66,000 of the general fund--federal appropriation are
9 provided solely to implement Engrossed Second Substitute House Bill No.
10 2536 (children services/delivery). The department of social and health
11 services' 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 the bill is
15 not enacted by June 30, 2012, the amounts provided in this subsection
16 shall lapse.

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

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

22 **FOR THE HUMAN RIGHTS COMMISSION**

23	General Fund--State Appropriation (FY 2012)	((\$2,240,000))
24		<u>\$1,993,000</u>
25	General Fund--State Appropriation (FY 2013)	((\$2,242,000))
26		<u>\$1,954,000</u>
27	General Fund--Federal Appropriation	((\$1,903,000))
28		<u>\$1,893,000</u>
29	TOTAL APPROPRIATION	((\$6,385,000))
30		<u>\$5,840,000</u>

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

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

34	Worker and Community Right-to-Know Account--State	
35	Appropriation	\$10,000
36	Accident Account--State Appropriation	((\$19,690,000))

1		<u>\$19,598,000</u>
2	Medical Aid Account--State Appropriation	((\$19,689,000))
3		<u>\$19,601,000</u>
4	TOTAL APPROPRIATION	((\$39,389,000))
5		<u>\$39,209,000</u>

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

8 (1) \$36,000 of the accident account--state appropriation and
9 \$36,000 of the medical aid account--state appropriation are solely
10 provided for Engrossed Substitute Senate Bill No. 5068 (industrial
11 safety and health act). If the bill is not enacted by June 30, 2011,
12 the amounts provided in this subsection shall lapse.

13 (2) \$16,000 of the accident account--state appropriation and
14 \$16,000 of the medical aid account--state appropriation are solely
15 provided for Substitute Senate Bill No. 5801 (industrial insurance
16 system). If the bill is not enacted by June 30, 2011, the amounts
17 provided in this subsection shall lapse.

18 (3) \$1,893,000 of the accident account--state appropriation and
19 \$1,893,000 of the medical aid account--state appropriation are provided
20 solely for implementation of House Bill No. 2123 (workers'
21 compensation). If the bill is not enacted by June 30, 2011, the
22 amounts provided in this subsection shall lapse.

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

25 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

26	General Fund--State Appropriation (FY 2012)	((\$14,850,000))
27		<u>\$14,589,000</u>
28	General Fund--State Appropriation (FY 2013)	((\$14,711,000))
29		<u>\$14,147,000</u>
30	General Fund--Federal Appropriation	\$456,000
31	General Fund--Private/Local Appropriation	\$4,048,000
32	Death Investigations Account--State Appropriation	\$148,000
33	Municipal Criminal Justice Assistance Account--	
34	State Appropriation	\$460,000
35	Washington Auto Theft Prevention Authority Account--	
36	State Appropriation	\$8,597,000
37	TOTAL APPROPRIATION	((\$43,270,000))

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

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

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

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

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

(5) \$96,000 of the general fund--state appropriation for fiscal year 2012 and (~~(\$90,000)~~) \$96,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the school safety center within the commission. The safety center shall act as an information dissemination and resource center when an incident occurs in a school district in Washington or in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. Through an interagency agreement, the commission shall provide funding for the office of the superintendent of public instruction to continue to develop and maintain a school safety information web site. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety, for all school

1 safety personnel. The commission shall provide research-related
2 programs in school safety and security issues beneficial to both law
3 enforcement and schools.

4 (6) \$1,000,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$1,000,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for grants to counties enforcing
7 illegal drug laws and which have been underserved by federally funded
8 state narcotics task forces. The Washington association of sheriffs
9 and police chiefs, the Washington association of prosecuting attorneys,
10 and the Washington association of county officials shall jointly
11 develop funding allocations for the offices of the county sheriff,
12 county prosecutor, and county clerk in qualifying counties. The
13 commission shall not impose an administrative cost on this program.

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

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

17	General Fund--State Appropriation (FY 2012)	((\$17,433,000))
18		<u>\$17,406,000</u>
19	General Fund--State Appropriation (FY 2013)	((\$18,374,000))
20		<u>\$17,906,000</u>
21	General Fund--Federal Appropriation	\$11,636,000
22	Asbestos Account--State Appropriation	((\$395,000))
23		<u>\$375,000</u>
24	Electrical License Account--State Appropriation	((\$37,019,000))
25		<u>\$36,357,000</u>
26	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
27	Worker and Community Right-to-Know Account--	
28	State Appropriation	((\$949,000))
29		<u>\$916,000</u>
30	Public Works Administration Account--State	
31	Appropriation	((\$6,814,000))
32		<u>\$7,043,000</u>
33	Manufactured Home Installation Training Account--	
34	State Appropriation	\$334,000
35	Accident Account--State Appropriation	((\$252,809,000))
36		<u>\$250,317,000</u>
37	Accident Account--Federal Appropriation	\$13,622,000

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

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

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

21 (2) \$50,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$50,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the crime victims compensation
24 program to pay claims for mental health services for crime victim
25 compensation program clients who have an established relationship with
26 a mental health provider and subsequently obtain coverage under the
27 medicaid program or the medical care services program under chapter
28 74.09 RCW. Prior to making such payment, the program must have
29 determined that payment for the specific treatment or provider is not
30 available under the medicaid or medical care services program. In
31 addition, the program shall make efforts to contact any healthy options
32 or medical care services health plan in which the client may be
33 enrolled to help the client obtain authorization to pay the claim on an
34 out-of-network basis.

35 (3) \$1,281,000 of the accident account--state appropriation and
36 \$1,281,000 of the medical aid account--state appropriation are provided
37 solely for implementation of Engrossed Substitute House Bill No. 1725

1 (workers' compensation). If the bill is not enacted by June 30, 2011,
2 the amounts provided in this subsection shall lapse.

3 (4) \$51,000 of the accident account--state appropriation and
4 \$51,000 of the medical aid account--state appropriation are provided
5 solely for implementation of Engrossed Substitute House Bill No. 1367
6 (for hire vehicles, operators). If the bill is not enacted by June 30,
7 2011, the amounts provided in this subsection shall lapse.

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

12 (6) \$625,000 of the general fund--state appropriation for fiscal
13 year 2012, \$625,000 of the general fund--state appropriation for fiscal
14 year 2013, \$1,250,000 of the public works administration account--state
15 appropriation, \$708,000 of the accident account--state appropriation,
16 and \$708,000 of the medical aid account--state appropriation are
17 provided solely for the purposes of expanding the detecting
18 unregistered employers targeting system and to support field staff in
19 investigation and enforcement. Within the funds appropriated in this
20 subsection, the department shall aggressively combat the underground
21 economy in construction. Of the amounts provided in this subsection,
22 \$800,000 shall be used for investigation and enforcement.

23 (7) \$8,583,000 of the accident account--state appropriation and
24 \$18,278,000 of the medical aid account--state appropriation are
25 provided solely for implementation of House Bill No. 2123 (workers'
26 compensation). If the bill is not enacted by June 30, 2011, the
27 amounts provided in this subsection shall lapse.

28 (8) \$90,000 of the public works administration account--state
29 appropriation is provided solely to implement Substitute Senate Bill
30 No. 6421 (prevailing wage/public works). If the bill is not enacted by
31 June 30, 2012, the amount provided in this subsection shall lapse.

32 (9) \$34,000 of the electrical license account--state appropriation
33 is provided solely to implement Senate Bill No. 6133 (electrician
34 certifications). If the bill is not enacted by June 30, 2012, the
35 amount provided in this subsection shall lapse.

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

1 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**
2 (1) HEADQUARTERS
3 General Fund--State Appropriation (FY 2012) ((~~\$1,832,000~~))
4 \$1,829,000
5 General Fund--State Appropriation (FY 2013) ((~~\$1,826,000~~))
6 \$1,801,000
7 Charitable, Educational, Penal, and Reformatory
8 Institutions Account--State Appropriation \$10,000
9 TOTAL APPROPRIATION ((~~\$3,668,000~~))
10 \$3,640,000

11 (2) FIELD SERVICES
12 General Fund--State Appropriation (FY 2012) ((~~\$5,006,000~~))
13 \$5,002,000
14 General Fund--State Appropriation (FY 2013) ((~~\$5,001,000~~))
15 \$4,964,000
16 General Fund--Federal Appropriation ((~~\$3,356,000~~))
17 \$3,348,000
18 General Fund--Private/Local Appropriation ((~~\$4,737,000~~))
19 \$4,722,000
20 Veterans Innovations Program Account--State
21 Appropriation ((~~\$812,000~~))
22 \$810,000
23 Veteran Estate Management Account--Private/Local
24 Appropriation ((~~\$1,083,000~~))
25 \$1,079,000
26 TOTAL APPROPRIATION ((~~\$19,995,000~~))
27 \$19,925,000

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

35 (3) INSTITUTIONAL SERVICES
36 General Fund--State Appropriation (FY 2012) ((~~\$899,000~~))
37 \$1,743,000

1 (~~General Fund--State Appropriation (FY 2013)~~ \$71,000))
2 General Fund--Federal Appropriation ((~~\$59,177,000~~))
3 \$61,437,000
4 General Fund--Private/Local Appropriation ((~~\$32,094,000~~))
5 \$29,506,000
6 TOTAL APPROPRIATION ((~~\$92,241,000~~))
7 \$92,686,000

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

10 **FOR THE DEPARTMENT OF HEALTH**

11 General Fund--State Appropriation (FY 2012) ((~~\$79,888,000~~))
12 \$79,404,000
13 General Fund--State Appropriation (FY 2013) ((~~\$79,718,000~~))
14 \$77,879,000
15 General Fund--Federal Appropriation ((~~\$555,563,000~~))
16 \$553,078,000
17 General Fund--Private/Local Appropriation ((~~\$148,362,000~~))
18 \$148,055,000
19 Hospital Data Collection Account--State Appropriation \$214,000
20 Health Professions Account--State Appropriation ((~~\$94,469,000~~))
21 \$98,953,000
22 Aquatic Lands Enhancement Account--State Appropriation \$604,000
23 Emergency Medical Services and Trauma Care Systems
24 Trust Account--State Appropriation ((~~\$12,302,000~~))
25 \$12,300,000
26 Safe Drinking Water Account--State Appropriation ((~~\$4,480,000~~))
27 \$4,464,000
28 Drinking Water Assistance Account--Federal
29 Appropriation ((~~\$22,875,000~~))
30 \$21,965,000
31 Waterworks Operator Certification--State
32 Appropriation ((~~\$1,532,000~~))
33 \$1,528,000
34 Drinking Water Assistance Administrative Account--
35 State Appropriation \$326,000
36 Site Closure Account--State Appropriation \$79,000
37 Biotoxin Account--State Appropriation \$1,167,000

1	State Toxics Control Account--State Appropriation . . .	((\$3,649,000))
2		<u>\$3,628,000</u>
3	Medical Test Site Licensure Account--State	
4	Appropriation	((\$2,321,000))
5		<u>\$2,311,000</u>
6	Youth Tobacco Prevention Account--State Appropriation . . .	\$1,512,000
7	Community and Economic Development Fee Account--State	
8	Appropriation	((\$596,000))
9		<u>\$298,000</u>
10	Public Health Supplemental Account--Private/Local	
11	Appropriation	\$3,598,000
12	Accident Account--State Appropriation	((\$297,000))
13		<u>\$295,000</u>
14	Medical Aid Account--State Appropriation	\$50,000
15	Tobacco Prevention and Control Account--State	
16	Appropriation	((\$37,000))
17		<u>\$1,729,000</u>
18	TOTAL APPROPRIATION	((\$1,013,560,000))
19		<u>\$1,013,437,000</u>

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

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

1 legislative fiscal committees. As used in this subsection,
2 "unrestricted federal moneys" includes block grants and other funds
3 that federal law does not require to be spent on specifically defined
4 projects or matched on a formula basis by state funds.

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

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

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

26 (5) \$1,969,000 of the health professions account--state
27 appropriation is provided solely to implement online licensing for
28 health care providers. The department must submit a detailed
29 investment plan for this project to the office of financial management.
30 The office of financial management must review and approve this plan
31 before funding may be expended. The department of health must
32 successfully implement online application and renewal for at least one
33 profession as a pilot project before pursuing additional professions.
34 The department must report to the office of financial management on the
35 outcome of the pilot project.

36 ((+4)) (6) \$16,000 of the health professions account--state
37 appropriation is provided solely for the implementation of House Bill

1 No. 1181 (board of naturopathy). If the bill is not enacted by June
2 30, 2011, the amount provided in this subsection shall lapse.

3 ~~((+5))~~ (7) \$21,000 of the health professions account--state
4 appropriation is provided solely for the implementation of Substitute
5 House Bill No. 1304 (health care assistants). If the bill is not
6 enacted by June 30, 2011, the amount provided in this subsection shall
7 lapse.

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

12 ~~((+7))~~ (9) \$142,000 of the health professions account--state
13 appropriation is provided solely for the implementation of Engrossed
14 Substitute Senate Bill No. 5020 (social workers). If the bill is not
15 enacted by June 30, 2011, the amount provided in this subsection shall
16 lapse.

17 ~~((+8))~~ (10) \$336,000 of the health professions account--state
18 appropriation is provided solely for the implementation of Senate Bill
19 No. 5480 (physicians and physician assistants). If the bill is not
20 enacted by June 30, 2011, the amount provided in this subsection shall
21 lapse.

22 ~~((+9))~~ (11) \$46,000 of the health professions account--state
23 appropriation is provided solely for the implementation of Substitute
24 Senate Bill No. 5071 (online access for midwives and marriage and
25 family therapists). If the bill is not enacted by June 30, 2011, the
26 amount provided in this subsection shall lapse.

27 ~~((+10))~~ (12) \$137,000 of the health professions account--state
28 appropriation is provided solely for implementation of Substitute House
29 Bill No. 1133 (massage practitioner license). If the bill is not
30 enacted by June 30, 2011, the amount provided in this subsection shall
31 lapse.

32 ~~((+11))~~ (13) \$85,000 of the general fund--state appropriation for
33 fiscal year 2012 (~~and \$85,000 of the general fund--state appropriation~~
34 ~~for fiscal year 2013 are)) is provided solely for the developmental
35 disabilities council to contract for a family-to-family mentor program
36 to provide information and support to families and guardians of persons
37 who are transitioning out of residential habilitation centers. To the
38 maximum extent allowable under federal law, these funds shall be~~

1 matched under medicaid through the department of social and health
2 services and federal funds shall be transferred to the department for
3 the purposes stated in this subsection. If Second Substitute Senate
4 Bill No. 5459 (people with developmental disabilities) is not enacted
5 by June 30, 2011, the amounts provided in this subsection shall lapse.

6 ~~((+12+))~~ (14) \$57,000 of the general fund--state appropriation for
7 fiscal year 2012 and \$58,000 of the general fund--state appropriation
8 for fiscal year 2013 are provided solely for the midwifery licensure
9 and regulatory program to offset a reduction in revenue from fees.
10 There shall be no change to the current annual fees for new or renewed
11 licenses for the midwifery program, except from online access to HEAL-
12 WA. The department shall convene the midwifery advisory committee on
13 a quarterly basis to address issues related to licensed midwifery.

14 ~~((+13+))~~ (15) \$118,000 of the general fund--state appropriation for
15 fiscal year 2012 and \$118,000 of the general fund--state appropriation
16 for fiscal year 2013 are provided solely for prevention of youth
17 suicides.

18 ~~((+14+))~~ (16) \$87,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$87,000 of the general fund--state appropriation
20 for fiscal year 2013 are provided solely for the senior falls
21 prevention program.

22 (17) \$19,000 of the health professions account--state appropriation
23 is provided solely for implementation of Senate Bill No. 6290 (military
24 spouses and partners). If the bill is not enacted by June 30, 2012,
25 the amount provided in this subsection shall lapse.

26 (18) \$102,000 of the health professions account--state
27 appropriation is provided solely for implementation of Engrossed
28 Substitute Senate Bill No. 6237 (career pathway/medical assistants).
29 If the bill is not enacted by June 30, 2012, the amount provided in
30 this subsection shall lapse.

31 (19) \$21,000 of the health professions account--state appropriation
32 is provided solely for implementation of Substitute Senate Bill No.
33 6328 (mental health professionals). If the bill is not enacted by June
34 30, 2012, the amount provided in this subsection shall lapse.

35 (20) \$61,000 of the health professions account--state appropriation
36 is provided solely for implementation of Engrossed Substitute Senate
37 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,
38 2012, the amount provided in this subsection shall lapse.

1 (21) \$28,000 of the health professions account--state appropriation
2 is provided solely for implementation of Engrossed Second Substitute
3 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is
4 not enacted by June 30, 2012, the amount provided in this subsection
5 shall lapse.

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

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

14 (24) \$15,000 of the health professions account--state appropriation
15 is provided solely to implement Substitute House Bill No. 2056
16 (assisted living facilities). If the bill is not enacted by June 30,
17 2012, the amount provided in this subsection shall lapse.

18 (25) \$11,000 of the health professions account--state appropriation
19 is provided solely to implement Engrossed House Bill No. 2186 (licensed
20 midwives). If the bill is not enacted by June 30, 2012, the amount
21 provided in this subsection shall lapse.

22 (26) \$11,000 of the general fund--state appropriation for fiscal
23 year 2013 is provided solely to implement Engrossed Substitute House
24 Bill No. 2229 (hospital employees). If the bill is not enacted by June
25 30, 2012, the amount provided in this subsection shall lapse.

26 (27) \$48,000 of the health professions account--state appropriation
27 is provided solely to implement Engrossed Substitute House Bill No.
28 2314 (long-term care workers). If the bill is not enacted by June 30,
29 2012, the amount provided in this subsection shall lapse.

30 (28) \$15,000 of the general fund--state appropriation for fiscal
31 year 2013 and \$178,000 of the health professions account--state
32 appropriation are provided solely to implement Engrossed Substitute
33 House Bill No. 2366 (suicide assessment and training). If the bill is
34 not enacted by June 30, 2012, the amounts provided in this subsection
35 shall lapse.

36 (29) \$11,000 of the general fund--state appropriation for fiscal
37 year 2013 is provided solely to implement Engrossed Substitute House

1 Bill No. 2582 (health care services billing). If the bill is not
2 enacted by June 30, 2012, the amount provided in this subsection shall
3 lapse.

4 (30) \$22,000 of the general fund--state appropriation for fiscal
5 year 2013 is provided solely to implement Substitute Senate Bill No.
6 6105 (prescription monitoring program). If the bill is not enacted by
7 June 30, 2012, the amount provided in this subsection shall lapse.

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

10 **FOR THE DEPARTMENT OF CORRECTIONS**

11 The appropriations to the department of corrections in this act
12 shall be expended for the programs and in the amounts specified in this
13 section. However, after May 1, 2012, after approval by the director of
14 financial management and unless specifically prohibited by this act,
15 the department may transfer general fund--state appropriations for
16 fiscal year 2012 between programs. The department shall not transfer
17 funds, and the director of financial management shall not approve the
18 transfer, unless the transfer is consistent with the objective of
19 conserving, to the maximum extent possible, the expenditure of state
20 funds. The director of financial management shall notify the
21 appropriate fiscal committees of the senate and house of
22 representatives in writing seven days prior to approving any deviations
23 from appropriation levels. The written notification shall include a
24 narrative explanation and justification of the changes, along with
25 expenditures and allotments by budget unit and appropriation, both
26 before and after any allotment modifications or transfers.

27 (1) ADMINISTRATION AND SUPPORT SERVICES

28 General Fund--State Appropriation (FY 2012)	((\$54,529,000))
	<u>\$52,025,000</u>
30 General Fund--State Appropriation (FY 2013)	((\$53,210,000))
	<u>\$52,981,000</u>
32 TOTAL APPROPRIATION	((\$107,739,000))
	<u>\$105,006,000</u>

34 The appropriations in this subsection are subject to the following
35 conditions and limitations: \$35,000 of the general fund--state
36 appropriation for fiscal year 2012 and \$35,000 of the general fund--
37 state appropriation for fiscal year 2013 are provided solely for the

1 support of a statewide council on mentally ill offenders that includes
2 as its members representatives of community-based mental health
3 treatment programs, current or former judicial officers, and directors
4 and commanders of city and county jails and state prison facilities.
5 The council will investigate and promote cost-effective approaches to
6 meeting the long-term needs of adults and juveniles with mental
7 disorders who have a history of offending or who are at-risk of
8 offending, including their mental health, physiological, housing,
9 employment, and job training needs.

10 (2) CORRECTIONAL OPERATIONS

11	General Fund--State Appropriation (FY 2012)	((\$609,105,000))
12		<u>\$598,237,000</u>
13	General Fund--State Appropriation (FY 2013)	((\$602,804,000))
14		<u>\$575,457,000</u>
15	General Fund--Federal Appropriation	\$3,324,000
16	Washington Auto Theft Prevention Authority Account--	
17	State Appropriation	\$14,079,000
18	<u>Enhanced 911 Account--State Appropriation</u>	<u>\$2,000,000</u>
19	TOTAL APPROPRIATION	((\$1,229,312,000))
20		<u>\$1,193,097,000</u>

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

23 (a) During the 2011-13 biennium, when contracts are established or
24 renewed for offender pay phone and other telephone services provided to
25 inmates, the department shall select the contractor or contractors
26 primarily based on the following factors: (i) The lowest rate charged
27 to both the inmate and the person paying for the telephone call; and
28 (ii) the lowest commission rates paid to the department, while
29 providing reasonable compensation to cover the costs of the department
30 to provide the telephone services to inmates and provide sufficient
31 revenues for the activities funded from the institutional welfare
32 betterment account.

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

1 (c) \$102,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$102,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely to implement House Bill No. 1290
4 (health care employee overtime). If the bill is not enacted by June
5 30, 2011, the amounts provided in this subsection shall lapse.

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

12 (e) The department of corrections shall contract with local and
13 tribal governments for the provision of jail capacity to house
14 offenders. A contract shall not have a cost of incarceration in excess
15 of \$85 per day per offender. A contract shall not have a year-to-year
16 increase in excess of three percent per year. The contracts may
17 include rates for the medical care of offenders which exceed the daily
18 cost of incarceration and the limitation on year-to-year increase,
19 provided that medical payments conform to the department's offender
20 health plan, pharmacy formulary, and all off-site medical expenses are
21 preapproved by department utilization management staff.

22 (f) \$311,000 of the general fund--state appropriation for fiscal
23 year 2013 is provided solely for implementation of House Bill No. 2346
24 (correctional officer uniforms). If the bill is not enacted by June
25 30, 2012, the amount provided in this subsection shall lapse.

26 (g) \$41,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$165,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for the department to maintain the
29 facility, property, and assets at the institution formerly known as the
30 maple lane school in Rochester. The department may not house
31 incarcerated offenders at the maple lane site until specifically
32 directed by the legislature. By November 1, 2012, the department shall
33 report to the appropriate fiscal committees of the house of
34 representatives and the senate with a plan for the future use of the
35 facility.

36 (h) By December 1, 2012, the department shall provide to the
37 legislative fiscal committees a report that evaluates health care
38 expenditures in Washington state correctional institutions and makes

1 recommendations for controlling health care costs. The report shall
2 evaluate the source of health care costs, including offender health
3 issues, use of pharmaceuticals, offsite and specialist medical care,
4 chronic disease costs, and mental health issues. The department may
5 include information from other states on cost control in offender
6 health care, trends in offender health care that indicate potential
7 cost increases, and management of high-cost diagnoses.

8 (i) The department shall convene a work group to develop health
9 care cost containment strategies at local jail facilities. The work
10 group shall identify cost containment strategies in place at the
11 department and at local jail facilities, identify the costs and
12 benefits of implementing strategies in jail health-care facilities, and
13 make recommendations on implementing beneficial strategies. The work
14 group shall submit a report on its findings and recommendations to the
15 fiscal committees of the legislature by October 1, 2013. The work
16 group shall include jail administrators, representatives from health
17 care facilities at the local jail level and the state prisons level,
18 and other representatives as deemed necessary.

19 (j) The department of corrections, with participation of the health
20 care authority and the department of social and health services, aging
21 and adult services administration, shall establish a work group to
22 analyze and review release options for elderly and infirm offenders and
23 submit recommendations to the appropriate policy and fiscal committees
24 of the legislature with release options for these populations no later
25 than December 1, 2012. In making its recommendations, the work group
26 shall identify:

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

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

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

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

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

4 (3) COMMUNITY SUPERVISION

5	General Fund--State Appropriation (FY 2012)	((\$129,635,000))
6		<u>\$127,121,000</u>
7	General Fund--State Appropriation (FY 2013)	((\$128,049,000))
8		<u>\$128,494,000</u>
9	Federal Narcotics Forfeiture Account--Federal	
10	Appropriation	\$372,000
11	Controlled Substances Account--State	
12	Appropriation	\$32,000
13	TOTAL APPROPRIATION	((\$258,088,000))
14		<u>\$256,019,000</u>

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

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

22 (b) \$6,362,000 of the general fund--state appropriation for fiscal
23 year 2013 is provided solely to implement an evidence-based risk-needs-
24 responsivity model for community supervision of offenders.

25 (4) CORRECTIONAL INDUSTRIES

26	General Fund--State Appropriation (FY 2012)	((\$3,535,000))
27		<u>\$2,513,000</u>
28	General Fund--State Appropriation (FY 2013)	((\$3,458,000))
29		<u>\$2,431,000</u>
30	TOTAL APPROPRIATION	((\$6,993,000))
31		<u>\$4,944,000</u>

32 The appropriations in this subsection are subject to the following
33 conditions and limitations: \$66,000 of the general fund--state
34 appropriation for fiscal year 2012 is provided solely for transfer to
35 the jail industries board. The board shall use the amounts provided
36 only for administrative expenses, equipment purchases, and technical

1 assistance associated with advising cities and counties in developing,
2 promoting, and implementing consistent, safe, and efficient offender
3 work programs.

4 (5) INTERAGENCY PAYMENTS

5	General Fund--State Appropriation (FY 2012)	((\$37,053,000))
6		<u>\$35,821,000</u>
7	General Fund--State Appropriation (FY 2013)	((\$35,549,000))
8		<u>\$27,264,000</u>
9	TOTAL APPROPRIATION	((\$72,602,000))
10		<u>\$63,085,000</u>

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

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

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

20 (c) The department shall reduce payments to the department of
21 information services or its successor by \$213,000 in fiscal year 2012
22 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall
23 be related to the elimination of the offender base tracking system,
24 including moving remaining portions of the offender base tracking
25 system into the offender management network information system.

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

28 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

29	General Fund--State Appropriation (FY 2012)	((\$2,278,000))
30		<u>\$2,159,000</u>
31	General Fund--State Appropriation (FY 2013)	((\$2,264,000))
32		<u>\$2,131,000</u>
33	General Fund--Federal Appropriation	((\$19,082,000))
34		<u>\$19,239,000</u>
35	General Fund--Private/Local Appropriation	\$30,000
36	TOTAL APPROPRIATION	((\$23,654,000))
37		<u>\$23,559,000</u>

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

3 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

4	General Fund--Federal Appropriation	((\$267,301,000))
5		<u>\$267,069,000</u>
6	General Fund--Private/Local Appropriation	((\$33,931,000))
7		<u>\$33,856,000</u>
8	Unemployment Compensation Administration Account--	
9	Federal Appropriation	((\$350,622,000))
10		<u>\$349,247,000</u>
11	Administrative Contingency Account--State	
12	Appropriation	((\$20,948,000))
13		<u>\$20,940,000</u>
14	Employment Service Administrative Account--State	
15	Appropriation	((\$33,721,000))
16		<u>\$33,609,000</u>
17	TOTAL APPROPRIATION	((\$706,523,000))
18		<u>\$704,721,000</u>

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

21 (1) \$39,666,000 of the unemployment compensation administration
22 account--federal appropriation is from amounts made available to the
23 state by section 903 (d), (f), and (g) of the social security act (Reed
24 act). This amount is provided solely for continuing current
25 unemployment insurance functions and department services to employers
26 and job seekers.

27 (2) \$35,584,000 of the unemployment compensation administration
28 account--federal appropriation is from amounts made available to the
29 state by section 903 (d), (f), and (g) of the social security act (Reed
30 act). This amount is provided solely for the replacement of the
31 unemployment insurance tax information system for the employment
32 security department. The employment security department shall support
33 the department of revenue and department of labor and industries to
34 develop a common vision to ensure technological compatibility between
35 the three agencies to facilitate a coordinated business tax system for
36 the future that improves services to business customers. The amounts
37 provided in this subsection are conditioned on the department

1 satisfying the requirements of the project management oversight
2 standards and policies established by the office of the chief
3 information officer created in Engrossed Substitute Senate Bill No.
4 5931 (information technology management).

5 (3) \$25,000 of the unemployment compensation administration
6 account--federal appropriation is from amounts made available to the
7 state by section 903 (d), (f), and (g) of the social security act (Reed
8 act). This amount is provided solely for implementation of system
9 changes to the unemployment insurance tax information system required
10 under chapter 4, Laws of 2011 (unemployment insurance program).

11 (4) \$1,459,000 of the unemployment compensation administration
12 account--federal appropriation is from amounts available to the state
13 by section 903 (d), (f), and (g) of the social security act (Reed act).
14 This amount is provided solely for implementation of chapter 4, Laws of
15 2011 (unemployment insurance program).

16 (5) (~~(\$60,000)~~) \$80,000 of the unemployment compensation
17 administration account--federal appropriation is provided solely for
18 costs associated with the initial review and evaluation of the training
19 benefits program as directed in section 15(2), chapter 4, Laws of 2011
20 (unemployment insurance program). The initial review shall be
21 developed by the joint legislative audit and review committee. This
22 appropriation is provided from funds made available to the state by
23 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>\$33,293,000</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
Waste Reduction/Recycling/Litter Control--State	

1	Appropriation	((\$11,478,000))
2		<u>\$9,712,000</u>
3	State Drought Preparedness Account--State	
4	Appropriation	((\$118,000))
5		<u>\$204,000</u>
6	State and Local Improvements Revolving Account	
7	(Water Supply Facilities)--State Appropriation	((\$423,000))
8		<u>\$422,000</u>
9	(Freshwater) Aquatic Algae Control Account--State	
10	Appropriation	\$509,000
11	Water Rights Tracking System Account--State Appropriation	\$46,000
12	Site Closure Account--State Appropriation	((\$703,000))
13		<u>\$620,000</u>
14	Wood Stove Education and Enforcement Account--State	
15	Appropriation	((\$612,000))
16		<u>\$595,000</u>
17	Worker and Community Right-to-Know Account--State	
18	Appropriation	((\$1,668,000))
19		<u>\$1,655,000</u>
20	Water Rights Processing Account--State Appropriation	((\$136,000))
21		<u>\$135,000</u>
22	State Toxics Control Account--State Appropriation	((\$112,575,000))
23		<u>\$129,865,000</u>
24	State Toxics Control Account--Private/Local	
25	Appropriation	((\$968,000))
26		<u>\$964,000</u>
27	Local Toxics Control Account--State Appropriation	((\$27,390,000))
28		<u>\$26,157,000</u>
29	Water Quality Permit Account--State Appropriation	((\$37,748,000))
30		<u>\$38,814,000</u>
31	Underground Storage Tank Account--State	
32	Appropriation	((\$3,254,000))
33		<u>\$3,212,000</u>
34	Biosolids Permit Account--State Appropriation	((\$1,805,000))
35		<u>\$1,791,000</u>
36	Hazardous Waste Assistance Account--State	
37	Appropriation	((\$5,857,000))
38		<u>\$5,793,000</u>

1	Air Pollution Control Account--State Appropriation . . .	((\$2,468,000))
2		<u>\$2,541,000</u>
3	Oil Spill Prevention Account--State Appropriation . . .	((\$5,566,000))
4		<u>\$5,489,000</u>
5	Air Operating Permit Account--State Appropriation . . .	((\$2,746,000))
6		<u>\$2,711,000</u>
7	Freshwater Aquatic Weeds Account--State	
8	Appropriation	((\$1,700,000))
9		<u>\$1,698,000</u>
10	Oil Spill Response Account--State Appropriation	\$7,076,000
11	Metals Mining Account--State Appropriation	\$14,000
12	Water Pollution Control Revolving Account--State	
13	Appropriation	((\$611,000))
14		<u>\$608,000</u>
15	Water Pollution Control Revolving Account--Federal	
16	Appropriation	((\$2,517,000))
17		<u>\$2,501,000</u>
18	TOTAL APPROPRIATION	((\$421,842,000))
19		<u>\$436,607,000</u>

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

22 (1) \$170,000 of the oil spill prevention account--state
23 appropriation is provided solely for a contract with the University of
24 Washington's sea grant program to continue an educational program
25 targeted to small spills from commercial fishing vessels, ferries,
26 cruise ships, ports, and marinas.

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

1 implemented to offset general fund--state reductions in the 2011-2013
2 fiscal biennium may be made effective on or before July 1, 2012.

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

8 (4) \$463,000 of the state toxics control account--state
9 appropriation is provided solely for implementation of Engrossed Second
10 Substitute House Bill No. 1186 (state's oil spill program). If the
11 bill is not enacted by June 30, 2011, the amount provided in this
12 subsection shall lapse.

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

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

36 (7) The department shall review its water rights application review
37 procedures to simplify the procedures, eliminate unnecessary steps, and
38 decrease the time required to issue decisions. The department shall

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

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

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

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

31 (8) \$1,075,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$1,075,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for processing the backlog of
34 pending water rights permit applications in the water resources
35 program.

36 (9) In accordance with RCW 43.135.055, the department is approved
37 to adopt fees set forth in and previously authorized by the following
38 statutes:

1 (a) RCW 70.275.120, mercury light generation fee; and
2 (b) RCW 70.94.151, gasoline vapor registration fee and greenhouse
3 gas emission reporting fee.

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

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

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

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

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

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

25	General Fund--State Appropriation (FY 2012)	\$8,955,000
26	General Fund--State Appropriation (FY 2013)	\$8,379,000
27	General Fund--Federal Appropriation	\$5,905,000
28	Winter Recreation Program Account--State	
29	Appropriation	(\$1,761,000)
30		<u>\$1,759,000</u>
31	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$224,000
32	Snowmobile Account--State Appropriation	(\$4,848,000)
33		<u>\$4,844,000</u>
34	Aquatic Lands Enhancement Account--State	
35	Appropriation	(\$363,000)
36		<u>\$4,363,000</u>
37	Parks Renewal and Stewardship Account--State	

1	Appropriation	((\$116,087,000))
2		<u>\$106,505,000</u>
3	Parks Renewal and Stewardship Account--Private/Local	
4	Appropriation	\$300,000
5	TOTAL APPROPRIATION	((\$146,822,000))
6		<u>\$141,234,000</u>

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

9 (1) \$8,876,000 of the general fund--state appropriation for fiscal
10 year 2012 (~~and~~), \$8,300,000 of the general fund--state appropriation
11 for fiscal year 2013, and \$4,000,000 of the aquatic lands enhancement
12 account--state appropriation are provided solely to operate and
13 maintain state parks as the commission implements a new fee structure.
14 The goal of this structure is to make the parks system self-supporting.
15 By August 1, 2012, state parks must submit a report to the office of
16 financial management detailing its progress toward this goal and
17 outlining any additional statutory changes needed for successful
18 implementation.

19 (2) \$79,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$79,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for a grant for the operation of
22 the Northwest avalanche center.

23 (3) (~~(\$53,928,000)~~) \$44,528,000 of the parks renewal and
24 stewardship account--state appropriation is provided solely for
25 implementation of Second Substitute Senate Bill No. 5622 (state land
26 recreation access). If the bill is not enacted by June 30, 2011, the
27 amount provided in this subsection shall lapse.

28 (4) Prior to closing any state park, the commission must notify all
29 affected local governments and relevant nonprofit organizations of the
30 intended closure and provide an opportunity for the notified local
31 governments and nonprofit organizations to elect to acquire, or enter
32 into, a maintenance and operating contract with the commission that
33 would allow the park to remain open.

34 (5) The state parks and recreation commission, in cooperation with
35 the Fort Worden lifelong learning center public development authority
36 authorized under RCW 35.21.730 shall provide a report to the governor
37 and appropriate committees of the legislature no later than October 15,
38 2012, to create a lifelong learning center at Fort Worden state park.

1 This plan shall support and be based upon the Fort Worden state park
2 long-range plan adopted by the state parks and recreation commission in
3 September 2008. The report shall include a business and governance
4 plan and supporting materials that provide options and recommendations
5 on the long-term governance of Fort Worden state park, including
6 building maintenance and restoration. While the commission may
7 transfer full or partial operations to the public development authority
8 the state shall retain title to the property. The state parks and
9 recreation commission and the public development authority will agree
10 on the scope and content of the report including the business and
11 governance plan. In preparing this report the state parks and
12 recreation commission and the public development authority shall
13 provide ample opportunity for the public and stakeholders to
14 participate in the development of the business and governance plan.
15 The state parks and recreation commission shall review the report and
16 if it is consistent with the 2008 Fort Worden state park long-range
17 plan shall take action on a long-term governance and business plan no
18 later than December 31, 2012.

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

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

22	General Fund--State Appropriation (FY 2012)	((\$954,000))
23		<u>\$898,000</u>
24	General Fund--State Appropriation (FY 2013)	((\$973,000))
25		<u>\$823,000</u>
26	General Fund--Federal Appropriation	((\$3,299,000))
27		<u>\$3,295,000</u>
28	General Fund--Private/Local Appropriation	((\$274,000))
29		<u>\$24,000</u>
30	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
31	Vessel Response Account--State Appropriation	\$100,000
32	Firearms Range Account--State Appropriation	\$37,000
33	Recreation Resources Account--State Appropriation	((\$2,874,000))
34		<u>\$2,869,000</u>
35	NOVA Program Account--State Appropriation	\$900,000
36	TOTAL APPROPRIATION	((\$9,689,000))
37		<u>\$9,224,000</u>

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

9 **Sec. 305.** 2011 2nd sp.s. c 9 s 305 (uncodified) is amended to read
10 as follows:

11 **FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

12	General Fund--State Appropriation (FY 2012)	((\$2,308,000))
13		<u>\$2,153,000</u>
14	General Fund--State Appropriation (FY 2013)	((\$2,275,000))
15		<u>\$2,020,000</u>
16	TOTAL APPROPRIATION	((\$4,583,000))
17		<u>\$4,173,000</u>

18 **Sec. 306.** 2011 2nd sp.s. c 9 s 306 (uncodified) is amended to read
19 as follows:

20 **FOR THE CONSERVATION COMMISSION**

21	General Fund--State Appropriation (FY 2012)	((\$6,789,000))
22		<u>\$6,785,000</u>
23	General Fund--State Appropriation (FY 2013)	((\$6,792,000))
24		<u>\$6,424,000</u>
25	General Fund--Federal Appropriation	\$1,301,000
26	TOTAL APPROPRIATION	((\$14,882,000))
27		<u>\$14,510,000</u>

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

30 (1) The conservation commission, in cooperation with all
31 conservation districts, will seek to minimize conservation district
32 overhead costs. These efforts may include consolidating conservation
33 districts.

34 (2) \$122,000 of the general fund--federal appropriation is provided
35 solely for Engrossed Substitute House Bill No. 1886 (Ruckelshaus center

1 process). If the bill is not enacted by June 30, 2011, the amount
2 provided in this subsection shall lapse.

3 **Sec. 307.** 2011 2nd sp.s. c 9 s 307 (uncodified) is amended to read
4 as follows:

5 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

6	General Fund--State Appropriation (FY 2012)	((\$34,695,000))
7		<u>\$34,098,000</u>
8	General Fund--State Appropriation (FY 2013)	((\$32,388,000))
9		<u>\$23,701,000</u>
10	General Fund--Federal Appropriation	((\$105,717,000))
11		<u>\$105,481,000</u>
12	General Fund--Private/Local Appropriation	((\$57,025,000))
13		<u>\$56,923,000</u>
14	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
15	Aquatic Lands Enhancement Account--State	
16	Appropriation	((\$8,230,000))
17		<u>\$11,113,000</u>
18	Recreational Fisheries Enhancement--State	
19	Appropriation	((\$3,550,000))
20		<u>\$2,794,000</u>
21	Warm Water Game Fish Account--State Appropriation . . .	((\$3,051,000))
22		<u>\$2,841,000</u>
23	Eastern Washington Pheasant Enhancement Account--State	
24	Appropriation	\$849,000
25	Aquatic Invasive Species Enforcement Account--State	
26	Appropriation	\$204,000
27	Aquatic Invasive Species Prevention Account--State	
28	Appropriation	((\$719,000))
29		<u>\$848,000</u>
30	State Wildlife Account--State Appropriation	((\$100,424,000))
31		<u>\$100,742,000</u>
32	Special Wildlife Account--State Appropriation	((\$2,384,000))
33		<u>\$2,382,000</u>
34	Special Wildlife Account--Federal Appropriation	\$500,000
35	Special Wildlife Account--Private/Local Appropriation . . .	\$3,415,000
36	Wildlife Rehabilitation Account--State Appropriation	\$259,000
37	Regional Fisheries Enhancement Salmonid Recovery	

1	Account--Federal Appropriation	\$5,001,000
2	Oil Spill Prevention Account--State Appropriation	(\$887,000)
3		<u>\$883,000</u>
4	Oyster Reserve Land Account--State Appropriation	(\$921,000)
5		<u>\$919,000</u>
6	<u>Recreation Resources Account--State Appropriation</u>	<u>\$3,300,000</u>
7	TOTAL APPROPRIATION	(\$360,610,000)
8		<u>\$356,644,000</u>

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

11 (1) \$294,000 of the aquatic lands enhancement account--state
12 appropriation is provided solely for the implementation of hatchery
13 reform recommendations defined by the hatchery scientific review group.

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

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

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

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

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

35 (e) The Colville Tribes have agreed to recognize a fishing license
36 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
37 member fishing permit requirements of Colville tribal law on the

1 reservation portion of the waters of Lake Rufus Woods and at designated
2 fishing areas on the north shore of Lake Rufus Woods;

3 (3) Prior to submitting its 2013-2015 biennial operating and
4 capital budget request related to state fish hatcheries to the office
5 of financial management, the department shall contract with the
6 hatchery scientific review group (HSRG) to review this request. This
7 review shall: (a) Determine if the proposed requests are consistent
8 with HSRG recommendations; (b) prioritize the components of the
9 requests based on their contributions to protecting wild salmonid
10 stocks and meeting the recommendations of the HSRG; and (c) evaluate
11 whether the proposed requests are being made in the most cost effective
12 manner. The department shall provide a copy of the HSRG review to the
13 office of financial management with their agency budget proposal.

14 (4) \$400,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$400,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for a state match to support the
17 Puget Sound nearshore partnership between the department and the U.S.
18 army corps of engineers.

19 (5) \$50,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$50,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for removal of derelict gear in
22 Washington waters.

23 (6) \$100,000 of the eastern Washington pheasant enhancement
24 account--state appropriation is provided solely for the department to
25 support efforts to enhance permanent and temporary pheasant habitat on
26 public and private lands in Grant, Franklin, and Adams counties. The
27 department may support efforts by entities including conservation
28 districts, nonprofit organizations, and landowners, and must require
29 such entities to provide significant nonstate matching resources, which
30 may be in the form of funds, material, or labor.

31 (7) Within the amounts appropriated in this section, the department
32 shall identify additional opportunities for partnerships in order to
33 keep fish hatcheries operational. Such partnerships shall aim to
34 maintain fish production and salmon recovery with less reliance on
35 state operating funds.

36 (8) By September 1, 2011, the department shall update its
37 interagency agreement dated September 30, 2010, with the department of

1 natural resources concerning land management services on the department
2 of fish and wildlife's wildlife conservation and recreation lands. The
3 update shall include rates and terms for services.

4 (9) Prior to opening game management unit 490 to public hunting,
5 the department shall complete an environmental impact statement that
6 includes an assessment of how public hunting activities will impact the
7 ongoing protection of the public water supply.

8 (10) \$18,514,000 of the state wildlife account--state appropriation
9 is provided solely for the implementation of Second Substitute Senate
10 Bill No. 5385 (state wildlife account). If the bill is not enacted by
11 June 30, 2011, the amount provided in this subsection shall lapse.

12 (11) \$9,418,000 of the state wildlife account--state appropriation
13 is provided solely for the implementation of Second Substitute Senate
14 Bill No. 5622 (state land recreation access). If the bill is not
15 enacted by June 30, 2011, the amount provided in this subsection shall
16 lapse.

17 (12) \$50,000 of the state wildlife account--state appropriation is
18 provided solely for mitigation, claims, and assessment costs for injury
19 or loss of livestock caused by wolves, black bears, and cougars.

20 (13) \$552,000 of the aquatic lands enhancement account--state
21 appropriation is provided solely for increased law enforcement capacity
22 to reduce the occurrence of geoduck poaching and illegal harvest
23 activities. With these additional funds, the department shall deploy
24 two new fish and wildlife officers and one detective within Puget Sound
25 to address on-the-water and marketplace geoduck harvest compliance.

26 **Sec. 308.** 2011 2nd sp.s. c 9 s 308 (uncodified) is amended to read
27 as follows:

28 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

29	General Fund--State Appropriation (FY 2012)	((\$31,324,000))
30		<u>\$30,907,000</u>
31	General Fund--State Appropriation (FY 2013)	((\$35,791,000))
32		<u>\$31,897,000</u>
33	General Fund--Federal Appropriation	((\$27,919,000))
34		<u>\$27,873,000</u>
35	General Fund--Private/Local Appropriation	((\$2,374,000))
36		<u>\$2,372,000</u>
37	Forest Development Account--State Appropriation	((\$41,717,000))

1		<u>\$46,236,000</u>
2	ORV and Nonhighway Vehicle Account--State	
3	Appropriation	((\$4,387,000))
4		<u>\$4,373,000</u>
5	Surveys and Maps Account--State Appropriation	((\$2,346,000))
6		<u>\$2,118,000</u>
7	Aquatic Lands Enhancement Account--State	
8	Appropriation	((\$7,224,000))
9		<u>\$69,000</u>
10	Resources Management Cost Account--State	
11	Appropriation	((\$82,097,000))
12		<u>\$90,108,000</u>
13	Surface Mining Reclamation Account--State	
14	Appropriation	((\$3,484,000))
15		<u>\$3,465,000</u>
16	Disaster Response Account--State Appropriation	\$5,000,000
17	Forest and Fish Support Account--State Appropriation	((\$7,933,000))
18		<u>\$9,784,000</u>
19	Aquatic Land Dredged Material Disposal Site	
20	Account--State Appropriation	\$838,000
21	Natural Resources Conservation Areas Stewardship	
22	Account--State Appropriation	\$34,000
23	State Toxics Control Account--State Appropriation	\$80,000
24	Air Pollution Control Account--State Appropriation	((\$669,000))
25		<u>\$540,000</u>
26	NOVA Program Account--State Appropriation	((\$639,000))
27		<u>\$635,000</u>
28	Derelict Vessel Removal Account--State Appropriation	\$1,761,000
29	Agricultural College Trust Management Account--State	
30	Appropriation	((\$1,854,000))
31		<u>\$1,848,000</u>
32	<u>Marine Resources Stewardship Trust Account--State</u>	
33	<u>Appropriation</u>	<u>\$100,000</u>
34	TOTAL APPROPRIATION	((\$257,471,000))
35		<u>\$260,038,000</u>

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

1 (1) \$710,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$915,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for deposit into the agricultural
4 college trust management account and are provided solely to manage
5 approximately 70,700 acres of Washington State University's
6 agricultural college trust lands.

7 (2) \$8,030,000 of the general fund--state appropriation for fiscal
8 year 2012, (~~(\$10,037,000)~~) \$7,276,000 of the general fund--state
9 appropriation for fiscal year 2013, \$2,138,000 of the forest
10 development account--state appropriation for fiscal year 2013, and
11 \$5,000,000 of the disaster response account--state appropriation are
12 provided solely for emergency fire suppression. None of the general
13 fund and disaster response account amounts provided in this subsection
14 may be used to fund agency indirect and administrative expenses.
15 Agency indirect and administrative costs shall be allocated among the
16 agency's remaining accounts and appropriations. The department of
17 natural resources shall submit a quarterly report to the office of
18 financial management and the legislative fiscal committees detailing
19 information on current and planned expenditures from the disaster
20 response account. This work shall be done in coordination with the
21 military department.

22 (3) (~~(\$4,000,000 of the forest and fish support account state~~
23 ~~appropriation is provided solely for adaptive management, monitoring,~~
24 ~~and participation grants to tribes. If federal funding for this~~
25 ~~purpose is reinstated, the amount provided in this subsection shall~~
26 ~~lapse.~~

27 (4) ~~-\$333,000 of the forest and fish support account state~~
28 ~~appropriation is provided solely for adaptive management, monitoring,~~
29 ~~and participation grants to nongovernmental organizations.~~

30 (5) ~~(\$487,000)~~) \$4,500,000 of the forest and fish support account--
31 state appropriation is provided solely for outcome-based, performance
32 contracts with tribes to participate in the implementation of the
33 forest practices program. Contracts awarded in fiscal year 2013 may
34 only contain indirect costs set at or below the rate in the contracting
35 tribe's indirect cost agreement with the federal government. If
36 federal funding for this purpose is reinstated, the amount provided in
37 this subsection shall lapse.

1 (4) \$518,000 of the forest and fish support account--state
2 appropriation is provided solely for outcome-based performance
3 contracts with nongovernmental organizations to participate in the
4 implementation of the forest practices program. Contracts awarded in
5 fiscal year 2013 may only contain indirect cost set at or below a rate
6 of eighteen percent.

7 (5) During the 2011-2013 fiscal biennium, \$717,000 of the ((general
8 fund)) forest and fish support account--state appropriation is provided
9 solely to fund interagency agreements with the department of ecology
10 and the department of fish and wildlife as part of the adaptive
11 management process.

12 (6) \$1,000,000 of the general fund--federal appropriation and
13 \$1,000,000 of the forest and fish support account--state appropriation
14 are provided solely for continuing scientific studies already underway
15 as part of the adaptive management process. Funds may not be used to
16 initiate new studies unless the department secures new federal funding
17 for the adaptive management process.

18 (7) The department is authorized to increase the silviculture
19 burning permit fee in the 2011-2013 biennium by up to eighty dollars
20 plus fifty cents per ton for each ton of material burned in excess of
21 one hundred tons.

22 (8) \$440,000 of the state general fund--state appropriation for
23 fiscal year 2012 and \$440,000 of the state general fund--state
24 appropriation for fiscal year 2013 are provided solely for forest work
25 crews that support correctional camps and are contingent upon
26 continuing operations of Naselle youth camp.

27 (9) By September 1, 2011, the department shall update its
28 interagency agreement dated September 30, 2010, with the department of
29 fish and wildlife 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 (10) In partnership with the department of ecology, the departments
33 shall deliver a report to the governor, the appropriate committees of
34 the legislature, and the forest practices board by September 1, 2012,
35 documenting forest practices adaptive management program reforms
36 implemented, or recommended, that streamline existing processes to
37 increase program efficiencies and effectiveness. The departments shall

1 collaborate with interested adaptive management program participants in
2 the development of the report.

3 **Sec. 309.** 2011 2nd sp.s. c 9 s 309 (uncodified) is amended to read
4 as follows:

5 **FOR THE DEPARTMENT OF AGRICULTURE**

6	General Fund--State Appropriation (FY 2012)	((\$15,484,000))
7		<u>\$15,434,000</u>
8	General Fund--State Appropriation (FY 2013)	((\$14,875,000))
9		<u>\$14,537,000</u>
10	General Fund--Federal Appropriation	((\$22,940,000))
11		<u>\$22,793,000</u>
12	General Fund--Private/Local Appropriation	\$190,000
13	Aquatic Lands Enhancement Account--State	
14	Appropriation	((\$2,553,000))
15		<u>\$2,544,000</u>
16	State Toxics Control Account--State Appropriation	((\$5,118,000))
17		<u>\$5,089,000</u>
18	Water Quality Permit Account--State Appropriation	\$60,000
19	Freshwater Aquatic Weeds Account--State Appropriation	\$280,000
20	TOTAL APPROPRIATION	((\$61,500,000))
21		<u>\$60,927,000</u>

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

24 (1) \$5,308,445 of the general fund--state appropriation for fiscal
25 year 2012 and \$5,302,905 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for implementing the food
27 assistance program as defined in RCW 43.23.290.

28 (2) Pursuant to RCW 43.135.055, the department is authorized to
29 increase the following fees in the 2011-2013 fiscal biennium as
30 necessary to meet the actual costs of conducting business: Fruit and
31 vegetable platform inspections; grain program services; warehouse
32 audits; requested inspections; seed inspections, testing, sampling and
33 certifications; phytosanitary certifications for seed; commission
34 merchants; and sod quality seed tags and tagging. In addition,
35 pursuant to RCW 43.135.055, 17.21.134, and 15.58.240, the department is
36 authorized to establish pesticide license examination fees.

1 **Sec. 310.** 2011 2nd sp.s. c 9 s 310 (uncodified) is amended to read
2 as follows:

3 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

4	Pollution Liability Insurance Program Trust	
5	Account--State Appropriation	((\$668,000))
6		<u>\$661,000</u>

7 **Sec. 311.** 2011 2nd sp.s. c 9 s 311 (uncodified) is amended to read
8 as follows:

9 **FOR THE PUGET SOUND PARTNERSHIP**

10	General Fund--State Appropriation (FY 2012)	((\$2,399,000))
11		<u>\$2,273,000</u>
12	General Fund--State Appropriation (FY 2013)	((\$2,424,000))
13		<u>\$2,253,000</u>
14	General Fund--Federal Appropriation	((\$9,581,000))
15		<u>\$12,428,000</u>
16	General Fund--Private/Local Appropriation	\$25,000
17	Aquatic Lands Enhancement Account--State	
18	Appropriation	\$493,000
19	State Toxics Control Account--State Appropriation	((\$665,000))
20		<u>\$658,000</u>
21	TOTAL APPROPRIATION	((\$15,587,000))
22		<u>\$18,130,000</u>

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

25 (1) \$665,000 of the state toxics control account--state
26 appropriation is provided solely for activities that contribute to
27 Puget Sound protection and recovery, including provision of independent
28 advice and assessment of the state's oil spill prevention,
29 preparedness, and response programs, including review of existing
30 activities and recommendations for any necessary improvements. The
31 partnership may carry out this function through an existing committee,
32 such as the ecosystem coordination board or the leadership council, or
33 may appoint a special advisory council. Because this is a unique
34 statewide program, the partnership may invite participation from
35 outside the Puget Sound region.

36 (2) Within the amounts appropriated in this section, the Puget
37 Sound partnership shall facilitate an ongoing monitoring consortium to

1 integrate monitoring efforts for storm water, water quality, watershed
2 health, and other indicators to enhance monitoring efforts in Puget
3 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)	((\$1,167,000))
	<u>\$1,163,000</u>
General Fund--State Appropriation (FY 2013)	((\$1,307,000))
	<u>\$1,279,000</u>
Architects' License Account--State Appropriation	((\$1,084,000))
	<u>\$1,075,000</u>
Professional Engineers' Account--State Appropriation	((\$3,518,000))
	<u>\$3,490,000</u>
Real Estate Commission Account--State Appropriation	((\$9,833,000))
	<u>\$9,696,000</u>
Uniform Commercial Code Account--State Appropriation	((\$3,120,000))
	<u>\$3,105,000</u>
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State Appropriation	((\$1,687,000))
	<u>\$1,656,000</u>
Business and Professions Account--State Appropriation	((\$15,592,000))
	<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	((\$38,288,000))
	<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 increase fees for collection agencies. This increase is necessary to

1 support the expenditures authorized in this section, consistent with
2 RCW 43.24.086.

3 (2) \$8,000 of the business and professions account--state
4 appropriation is provided solely to implement Substitute Senate Bill
5 No. 5574 (collection agencies).

6 (3) \$150,000 of the business and professions account--state
7 appropriation is provided solely to implement Substitute House Bill No.
8 2301 (mixed martial arts, boxing, martial arts, and wrestling).
9 Pursuant to RCW 43.135.055 and 43.24.086, the department is authorized
10 to charge and increase fees to defray the cost of administering the
11 program, consistent with RCW 67.08.105. If the bill is not enacted by
12 June 30, 2012, the amount provided in this subsection shall lapse.

13 (4) Pursuant to RCW 43.135.055 and 43.24.086, the department is
14 authorized to increase fees for the camping resort program. This
15 increase is necessary to support the expenditures authorized in this
16 section, consistent with RCW 19.105.411.

17 **Sec. 402.** 2011 2nd sp.s. c 9 s 402 (uncodified) is amended to read
18 as follows:

19 **FOR THE STATE PATROL**

20	General Fund--State Appropriation (FY 2012)	((\$37,352,000))
21		<u>\$35,395,000</u>
22	General Fund--State Appropriation (FY 2013)	((\$35,108,000))
23		<u>\$32,323,000</u>
24	General Fund--Federal Appropriation	\$16,081,000
25	General Fund--Private/Local Appropriation	\$3,021,000
26	Death Investigations Account--State Appropriation . . .	((\$5,551,000))
27		<u>\$5,537,000</u>
28	County Criminal Justice Assistance Account--State	
29	Appropriation	((\$3,215,000))
30		<u>\$3,207,000</u>
31	Municipal Criminal Justice Assistance Account--State	
32	Appropriation	((\$1,290,000))
33		<u>\$1,286,000</u>
34	Fire Service Trust Account--State Appropriation	\$131,000
35	Disaster Response Account--State Appropriation	\$8,002,000
36	Fire Service Training Account--State Appropriation . . .	((\$9,394,000))
37		<u>\$9,386,000</u>

1 bill is not enacted by June 30, 2011, the amount provided in this
2 subsection shall lapse.

3 (6) \$6,000 of the fingerprint identification account--state
4 appropriation is provided solely for implementation of Engrossed
5 Substitute House Bill No. 1494 (vulnerable adult referrals). If the
6 bill is not enacted by June 30, 2011, the amount provided in this
7 subsection shall lapse.

8 (7) \$1,000 of the fingerprint identification account--state
9 appropriation is provided solely for implementation of Engrossed Senate
10 Bill No. 6296 (background checks). If the bill is not enacted by June
11 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)	((\$25,406,000))
	<u>\$25,322,000</u>
General Fund--State Appropriation (FY 2013)	((\$22,502,000))
	<u>\$27,133,000</u>
General Fund--Federal Appropriation	((\$77,065,000))
	<u>\$77,011,000</u>
General Fund--Private/Local Appropriation	\$4,000,000
TOTAL APPROPRIATION	((\$128,973,000))
	<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)	((\$5,253,769,000))
8		<u>\$5,241,233,000</u>
9	General Fund--State Appropriation (FY 2013)	((\$5,205,868,000))
10		<u>\$5,170,854,000</u>
11	General Fund--Federal Appropriation	((\$22,078,000))
12		<u>\$22,327,000</u>
13	TOTAL APPROPRIATION	((\$10,481,715,000))
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 (5) CENTRAL OFFICE ALLOCATIONS
21

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	(\$58.17) <u>\$58.28</u>
11 Utilities and Insurance	\$156.03	(\$158.05) <u>\$158.37</u>
12 Curriculum and Textbooks	\$61.65	(\$62.45) <u>\$62.58</u>
13 Other Supplies and Library Materials	\$130.89	(\$132.59) <u>\$132.85</u>
14 Instructional Professional Development for Certificated 15 and Classified Staff	\$9.53	(\$9.66) <u>\$9.68</u>
16 Facilities Maintenance	\$77.30	(\$78.30) <u>\$78.46</u>
17 Security and Central Office	\$53.55	(\$54.25) <u>\$54.35</u>
18 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	(\$553.47) <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***

16	Years									MA+90
17	of									OR
18	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
19	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
20	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
21	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
22	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
23	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
24	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
25	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
26	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
27	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
28	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
29	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
30	11				45,883	49,169	51,558	49,295	52,581	54,969
31	12				47,332	50,777	53,238	50,850	54,188	56,650
32	13					52,425	54,959	52,460	55,836	58,370
33	14					54,081	56,745	54,117	57,600	60,157
34	15					55,488	58,221	55,523	59,098	61,721
35	16 or more					56,597	59,385	56,634	60,279	62,955

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13

Education Experience

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
11				45,883	49,169	51,558	49,295	52,581	54,969
12				47,332	50,777	53,238	50,850	54,188	56,650
13					52,425	54,959	52,460	55,836	58,370
14					54,081	56,745	54,117	57,600	60,157
15					55,488	58,221	55,523	59,098	61,721
16 or more					56,597	59,385	56,634	60,279	62,955

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(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:

- (i) Credits earned since receiving the masters degree; and
- (ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(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		<u>\$273,642,000</u>
3	TOTAL APPROPRIATION	((\$595,413,000))
4		<u>\$595,885,000</u>

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 **Sec. 506.** 2011 2nd sp.s. c 9 s 507 (uncodified) is amended to read
11 as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
13 **PROGRAMS**

14	General Fund--State Appropriation (FY 2012)	((\$653,904,000))
15		<u>\$648,369,000</u>
16	General Fund--State Appropriation (FY 2013)	((\$694,237,000))
17		<u>\$679,832,000</u>
18	General Fund--Federal Appropriation	((\$486,936,000))
19		<u>\$486,922,000</u>
20	Education Legacy Trust Account--State Appropriation	\$756,000
21	TOTAL APPROPRIATION	((\$1,835,833,000))
22		<u>\$1,815,879,000</u>

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

25 (1) Funding for special education programs is provided on an excess
26 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
27 that special education students as a class receive their full share of
28 the general apportionment allocation accruing through sections 502 and
29 504 of this act. To the extent a school district cannot provide an
30 appropriate education for special education students under chapter
31 28A.155 RCW through the general apportionment allocation, it shall
32 provide services through the special education excess cost allocation
33 funded in this section.

34 (2)(a) The superintendent of public instruction shall ensure that:
35 (i) Special education students are basic education students first;
36 (ii) As a class, special education students are entitled to the
37 full basic education allocation; and

1 (iii) Special education students are basic education students for
2 the entire school day.

3 (b) The superintendent of public instruction shall continue to
4 implement the full cost method of excess cost accounting, as designed
5 by the committee and recommended by the superintendent, pursuant to
6 section 501(1)(k), chapter 372, Laws of 2006.

7 (c) Beginning with the 2010-11 school year award cycle, the office
8 of the superintendent of public instruction shall make award
9 determinations for state safety net funding in August of each school
10 year. Determinations on school district eligibility for state safety
11 net awards shall be based on analysis of actual expenditure data from
12 the current school year.

13 (3) Each fiscal year appropriation includes such funds as are
14 necessary to complete the school year ending in the fiscal year and for
15 prior fiscal year adjustments.

16 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
17 shall allocate funding to school district programs for special
18 education students as provided in RCW 28A.150.390.

19 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
20 allocate funding to school district programs for special education
21 students as provided in section 507, chapter 564, Laws of 2009, as
22 amended through section 1406 of this act.

23 (5) The following applies throughout this section: The definitions
24 for enrollment and enrollment percent are as specified in RCW
25 28A.150.390(3). Each district's general fund--state funded special
26 education enrollment shall be the lesser of the district's actual
27 enrollment percent or 12.7 percent.

28 (6) At the request of any interdistrict cooperative of at least 15
29 districts in which all excess cost services for special education
30 students of the districts are provided by the cooperative, the maximum
31 enrollment percent shall be calculated in accordance with RCW
32 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
33 rather than individual district units. For purposes of this
34 subsection, the average basic education allocation per full-time
35 equivalent student shall be calculated in the aggregate rather than
36 individual district units.

37 (7) \$8,914,000 of the general fund--state appropriation for fiscal
38 year 2012, \$34,200,000 of the general fund--state appropriation for

1 fiscal year 2013, and \$29,574,000 of the general fund--federal
2 appropriation are provided solely for safety net awards for districts
3 with demonstrated needs for special education funding beyond the
4 amounts provided in subsection (4) of this section. If the federal
5 safety net awards based on the federal eligibility threshold exceed the
6 federal appropriation in this subsection (7) in any fiscal year, the
7 superintendent shall expend all available federal discretionary funds
8 necessary to meet this need. At the conclusion of each school year,
9 the superintendent shall recover safety net funds that were distributed
10 prospectively but for which districts were not subsequently eligible.

11 (a) For the 2011-12 and 2012-13 school years, safety net funds
12 shall be awarded by the state safety net oversight committee as
13 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

14 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
15 operate the safety net oversight committee and shall award safety net
16 funds as provided in section 507, chapter 564, Laws of 2009, as amended
17 through section 1406 of this act.

18 (8) A maximum of \$678,000 may be expended from the general fund--
19 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
20 full-time equivalent aides at children's orthopedic hospital and
21 medical center. This amount is in lieu of money provided through the
22 home and hospital allocation and the special education program.

23 (9) The superintendent shall maintain the percentage of federal
24 flow-through to school districts at 85 percent. In addition to other
25 purposes, school districts may use increased federal funds for high-
26 cost students, for purchasing regional special education services from
27 educational service districts, and for staff development activities
28 particularly relating to inclusion issues.

29 (10) A school district may carry over from one year to the next
30 year up to 10 percent of the general fund--state funds allocated under
31 this program; however, carryover funds shall be expended in the special
32 education program.

33 (11) \$251,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$251,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for two additional full-time
36 equivalent staff to support the work of the safety net committee and to
37 provide training and support to districts applying for safety net
38 awards.

1 (12) \$50,000 of the general fund--state appropriation for fiscal
2 year 2012, \$50,000 of the general fund--state appropriation for fiscal
3 year 2013, and \$100,000 of the general fund--federal appropriation
4 shall be expended to support a special education ombudsman program
5 within the office of superintendent of public instruction.

6 **Sec. 507.** 2011 2nd sp.s. c 9 s 508 (uncodified) is amended to read
7 as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
9 **DISTRICTS**

10	General Fund--State Appropriation (FY 2012)	((\$7,889,000))
11		<u>\$7,894,000</u>
12	General Fund--State Appropriation (FY 2013)	((\$7,904,000))
13		<u>\$7,912,000</u>
14	TOTAL APPROPRIATION	((\$15,793,000))
15		<u>\$15,806,000</u>

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

18 (1) The educational service districts shall continue to furnish
19 financial services required by the superintendent of public instruction
20 and RCW 28A.310.190 (3) and (4).

21 (2) Funding within this section is provided for regional
22 professional development related to mathematics and science curriculum
23 and instructional strategies. Funding shall be distributed among the
24 educational service districts in the same proportion as distributions
25 in the 2007-2009 biennium. Each educational service district shall use
26 this funding solely for salary and benefits for a certificated
27 instructional staff with expertise in the appropriate subject matter
28 and in professional development delivery, and for travel, materials,
29 and other expenditures related to providing regional professional
30 development support.

31 (3) The educational service districts, at the request of the state
32 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may
33 receive and screen applications for school accreditation, conduct
34 school accreditation site visits pursuant to state board of education
35 rules, and submit to the state board of education post-site visit
36 recommendations for school accreditation. The educational service

1 districts may assess a cooperative service fee to recover actual plus
2 reasonable indirect costs for the purposes of this subsection.

3 **Sec. 508.** 2011 2nd sp.s. c 9 s 509 (uncodified) is amended to read
4 as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
6 **ASSISTANCE**

7	General Fund--State Appropriation (FY 2012)	((\$300,761,000))
8		<u>\$300,768,000</u>
9	General Fund--State Appropriation (FY 2013)	((\$299,276,000))
10		<u>\$298,166,000</u>
11	<u>General Fund--Federal Appropriation</u>	<u>\$4,400,000</u>
12	TOTAL APPROPRIATION	((\$600,037,000))
13		<u>\$603,334,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations: For purposes of RCW 84.52.0531, the
16 increase per full-time equivalent student is 3 percent from the 2010-11
17 school year to the 2011-12 school year and 5 percent from the 2011-12
18 school year to the 2012-13 school year.

19 **Sec. 509.** 2011 2nd sp.s. c 9 s 510 (uncodified) is amended to read
20 as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
22 **EDUCATION PROGRAMS**

23	General Fund--State Appropriation (FY 2012)	((\$17,507,000))
24		<u>\$16,694,000</u>
25	General Fund--State Appropriation (FY 2013)	((\$16,969,000))
26		<u>\$15,867,000</u>
27	TOTAL APPROPRIATION	((\$34,476,000))
28		<u>\$32,561,000</u>

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

31 (1) Each general fund--state fiscal year appropriation includes
32 such funds as are necessary to complete the school year ending in the
33 fiscal year and for prior fiscal year adjustments.

34 (2) State funding provided under this section is based on salaries
35 and other expenditures for a 220-day school year. The superintendent

1 of public instruction shall monitor school district expenditure plans
2 for institutional education programs to ensure that districts plan for
3 a full-time summer program.

4 (3) State funding for each institutional education program shall be
5 based on the institution's annual average full-time equivalent student
6 enrollment. Staffing ratios for each category of institution shall
7 remain the same as those funded in the 1995-97 biennium.

8 (4) The funded staffing ratios for education programs for juveniles
9 age 18 or less in department of corrections facilities shall be the
10 same as those provided in the 1997-99 biennium.

11 (5) (~~(\$669,000)~~) \$586,000 of the general fund--state appropriation
12 for fiscal year 2012 and (~~(\$669,000)~~) \$549,000 of the general fund--
13 state appropriation for fiscal year 2013 are provided solely to
14 maintain at least one certificated instructional staff and related
15 support services at an institution whenever the K-12 enrollment is not
16 sufficient to support one full-time equivalent certificated
17 instructional staff to furnish the educational program. The following
18 types of institutions are included: Residential programs under the
19 department of social and health services for developmentally disabled
20 juveniles, programs for juveniles under the department of corrections,
21 programs for juveniles under the juvenile rehabilitation
22 administration, and programs for juveniles operated by city and county
23 jails.

24 (6) Ten percent of the funds allocated for each institution may be
25 carried over from one year to the next.

26 **Sec. 510.** 2011 2nd sp.s. c 9 s 511 (uncodified) is amended to read
27 as follows:

28 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

29	General Fund--State Appropriation (FY 2012)	((\$8,759,000))
30		<u>\$8,745,000</u>
31	General Fund--State Appropriation (FY 2013)	((\$8,842,000))
32		<u>\$8,788,000</u>
33	TOTAL APPROPRIATION	((\$17,601,000))
34		<u>\$17,533,000</u>

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

1 (1) Each general fund fiscal year appropriation includes such funds
2 as are necessary to complete the school year ending in the fiscal year
3 and for prior fiscal year adjustments.

4 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
5 shall allocate funding to school district programs for highly capable
6 students as provided in RCW 28A.150.260(10)(c). In calculating the
7 allocations, the superintendent shall assume the following: (i)
8 Additional instruction of 2.1590 hours per week per funded highly
9 capable program student; (ii) fifteen highly capable program students
10 per teacher; (iii) 36 instructional weeks per year; (iv) 900
11 instructional hours per teacher; and (v) the district's average staff
12 mix and compensation rates as provided in sections 503 and 504 of this
13 act.

14 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
15 allocate funding to school districts programs for highly capable
16 students as provided in section 511, chapter 564, Laws of 2009, as
17 amended through section 1409 of this act.

18 (3) \$85,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$85,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for the centrum program at Fort
21 Worden state park.

22 **Sec. 511.** 2011 2nd sp.s. c 9 s 513 (uncodified) is amended to read
23 as follows:

24 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
25 **PROGRAMS**

26	General Fund--State Appropriation (FY 2012)	\$58,078,000
27	General Fund--State Appropriation (FY 2013)	((\$98,309,000))
28		<u>\$102,955,000</u>
29	General Fund--Federal Appropriation	((\$219,161,000))
30		<u>\$219,147,000</u>
31	General Fund--Private/Local Appropriation	\$4,000,000
32	Education Legacy Trust Account--State Appropriation . .	((\$1,598,000))
33		<u>\$1,596,000</u>
34	TOTAL APPROPRIATION	((\$381,146,000))
35		<u>\$385,776,000</u>

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

1 (1) \$40,822,000 of the general fund--state appropriation for fiscal
2 year 2012, (~~(\$41,613,000)~~) \$41,614,000 of the general fund--state
3 appropriation for fiscal year 2013, \$1,350,000 of the education legacy
4 trust account--state appropriation, and \$15,868,000 of the general
5 fund--federal appropriation are provided solely for development and
6 implementation of the Washington state assessment system, including:
7 (a) Development and implementation of retake assessments for high
8 school students who are not successful in one or more content areas and
9 (b) development and implementation of alternative assessments or
10 appeals procedures to implement the certificate of academic
11 achievement. The superintendent of public instruction shall report
12 quarterly on the progress on development and implementation of
13 alternative assessments or appeals procedures. Within these amounts,
14 the superintendent of public instruction shall contract for the early
15 return of 10th grade student assessment results, on or around June 10th
16 of each year. State funding shall be limited to one collection of
17 evidence payment per student, per content-area assessment.

18 (2) \$356,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$356,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for the Washington state
21 leadership and assistance for science education reform (LASER) regional
22 partnership activities coordinated at the Pacific science center,
23 including instructional material purchases, teacher and principal
24 professional development, and school and community engagement events.

25 (3) \$980,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$980,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for improving technology
28 infrastructure, monitoring and reporting on school district technology
29 development, promoting standards for school district technology,
30 promoting statewide coordination and planning for technology
31 development, and providing regional educational technology support
32 centers, including state support activities, under chapter 28A.650 RCW.

33 (4) \$3,852,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$2,624,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for continued implementation of
36 chapter 235, Laws of 2010 (education reform) including development of
37 new performance-based evaluation systems for certificated educators.

1 (5)(a) (~~(\$40,681,000)~~) \$39,296,000 of the general fund--state
2 appropriation for fiscal year 2013 is provided solely for the following
3 bonuses for teachers who hold valid, unexpired certification from the
4 national board for professional teaching standards and who are teaching
5 in a Washington public school, subject to the following conditions and
6 limitations:

7 (i) For national board certified teachers, a bonus of \$5,090 per
8 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation
9 in each school year in which Initiative 732 cost of living adjustments
10 are provided;

11 (ii) An additional \$5,000 annual bonus shall be paid to national
12 board certified teachers who teach in either: (A) High schools where
13 at least 50 percent of student headcount enrollment is eligible for
14 federal free or reduced price lunch, (B) middle schools where at least
15 60 percent of student headcount enrollment is eligible for federal free
16 or reduced price lunch, or (C) elementary schools where at least 70
17 percent of student headcount enrollment is eligible for federal free or
18 reduced price lunch;

19 (iii) The superintendent of public instruction shall adopt rules to
20 ensure that national board certified teachers meet the qualifications
21 for bonuses under (a)(ii) of this subsection for less than one full
22 school year receive bonuses in a pro-rated manner. Beginning in the
23 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection
24 will be paid in July of each school year. Bonuses in (a)(i) and (ii)
25 of this subsection shall be reduced by a factor of 40 percent for first
26 year NBPTS certified teachers, to reflect the portion of the
27 instructional school year they are certified; and

28 (iv) During the 2011-12 and 2012-13 school years, and within
29 available funds, certificated instructional staff who have met the
30 eligibility requirements and have applied for certification from the
31 national board for professional teaching standards may receive a
32 conditional loan of two thousand dollars or the amount set by the
33 office of the superintendent of public instruction to contribute toward
34 the current assessment fee, not including the initial up-front
35 candidacy payment. The fee shall be an advance on the first annual
36 bonus under RCW 28A.405.415. The conditional loan is provided in
37 addition to compensation received under a district's salary schedule
38 and shall not be included in calculations of a district's average

1 salary and associated salary limitation under RCW 28A.400.200.
2 Recipients who fail to receive certification after three years are
3 required to repay the conditional loan. The office of the
4 superintendent of public instruction shall adopt rules to define the
5 terms for initial grant of the assessment fee and repayment, including
6 applicable fees. To the extent necessary, the superintendent may use
7 revenues from the repayment of conditional loan scholarships to ensure
8 payment of all national board bonus payments required by this section
9 in each school year.

10 (6) \$477,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$477,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for the leadership internship
13 program for superintendents, principals, and program administrators.

14 (7) \$950,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$950,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the Washington reading corps.
17 The superintendent shall allocate reading corps members to low-
18 performing schools and school districts that are implementing
19 comprehensive, proven, research-based reading programs. Two or more
20 schools may combine their Washington reading corps programs.

21 (8) \$810,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$810,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the development of a
24 leadership academy for school principals and administrators. The
25 superintendent of public instruction shall contract with an independent
26 organization to design, field test, and implement a state-of-the-art
27 education leadership academy that will be accessible throughout the
28 state. Initial development of the content of the academy activities
29 shall be supported by private funds. Semiannually the independent
30 organization shall report on amounts committed by foundations and
31 others to support the development and implementation of this program.
32 Leadership academy partners shall include the state level organizations
33 for school administrators and principals, the superintendent of public
34 instruction, the professional educator standards board, and others as
35 the independent organization shall identify.

36 (9) \$3,234,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$3,234,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for grants to school districts to

1 provide a continuum of care for children and families to help children
2 become ready to learn. Grant proposals from school districts shall
3 contain local plans designed collaboratively with community service
4 providers. If a continuum of care program exists in the area in which
5 the school district is located, the local plan shall provide for
6 coordination with existing programs to the greatest extent possible.

7 (10) \$1,500,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$1,500,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for the implementation of chapter
10 288, Laws of 2011 (actual student success program), including
11 allocations to the opportunity internship program, the jobs for
12 America's graduates program, the building bridges program, services
13 provided by a college scholarship organization. Funding shall not be
14 used in the 2011-2013 fiscal biennium to provide awards for schools and
15 school districts.

16 (11) \$859,000 of the general fund--state appropriation for fiscal
17 year 2012, (~~(\$846,000)~~) \$808,000 of the general fund--state
18 appropriation for fiscal year 2013, and \$248,000 of the education
19 legacy trust account--state appropriation are for administrative
20 support of education reform programs.

21 (12) \$2,000,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$2,000,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for a statewide information
24 technology (IT) academy program. This public-private partnership will
25 provide educational software, as well as IT certification and software
26 training opportunities for students and staff in public schools.

27 (13) \$977,000 of the general fund--state appropriation for fiscal
28 year 2012 and (~~(\$977,000)~~) \$1,077,000 of the general fund--state
29 appropriation for fiscal year 2013 are provided solely for secondary
30 career and technical education grants pursuant to chapter 170, Laws of
31 2008. If equally matched by private donations, \$300,000 of the 2012
32 appropriation and \$300,000 of the 2013 appropriation shall be used to
33 support FIRST robotics programs. Of the amounts in this subsection,
34 \$100,000 of the fiscal year 2013 appropriation is provided solely for
35 the purpose of statewide supervision activities for career and
36 technical education student leadership organizations.

37 (14) \$125,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$125,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for (a) staff at the office of the
2 superintendent of public instruction to coordinate and promote efforts
3 to develop integrated math, science, technology, and engineering
4 programs in schools and districts across the state; and (b) grants of
5 \$2,500 to provide twenty middle and high school teachers each year with
6 professional development training for implementing integrated math,
7 science, technology, and engineering programs in their schools.

8 (15) \$135,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$135,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for science, technology,
11 engineering and mathematics lighthouse projects, consistent with
12 chapter 238, Laws of 2010.

13 (16) \$1,000,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$1,000,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for a beginning educator support
16 program. School districts and/or regional consortia may apply for
17 grant funding. The superintendent shall implement this program in 5 to
18 15 school districts and/or regional consortia. The program provided by
19 a district and/or regional consortia shall include: A paid
20 orientation; assignment of a qualified mentor; development of a
21 professional growth plan for each beginning teacher aligned with
22 professional certification; release time for mentors and new teachers
23 to work together; and teacher observation time with accomplished peers.
24 \$250,000 may be used to provide statewide professional development
25 opportunities for mentors and beginning educators.

26 (17) \$5,767,000 of the general fund--state appropriation for fiscal
27 year 2013 is provided solely pursuant to Engrossed Substitute Senate
28 Bill No. 5895 (certificated employee evaluations). If the bill is not
29 enacted by June 30, 2012, the amount provided in this subsection shall
30 lapse.

31 (18) \$200,000 of the general fund--state appropriation for fiscal
32 year 2013 is provided solely for social support and academic
33 intervention for students who have been suspended or expelled, are
34 pregnant or parenting teens, have dropped out of school, or are
35 significantly at risk of dropping out of school. Students are eligible
36 to participate with the recommendation and approval of their resident
37 school district.

1 **Sec. 512.** 2011 2nd sp.s. c 9 s 514 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
4 **BILINGUAL PROGRAMS**

5	General Fund--State Appropriation (FY 2012)	(\$79,496,000)
6		<u>\$79,575,000</u>
7	General Fund--State Appropriation (FY 2013)	(\$82,856,000)
8		<u>\$80,666,000</u>
9	General Fund--Federal Appropriation	\$71,001,000
10	TOTAL APPROPRIATION	(\$233,353,000)
11		<u>\$231,242,000</u>

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

15 (1) Each general fund fiscal year appropriation includes such funds
16 as are necessary to complete the school year ending in the fiscal year
17 and for prior fiscal year adjustments.

18 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
19 shall allocate funding to school districts for transitional bilingual
20 programs as provided in RCW 28A.150.260(10)(b). In calculating the
21 allocations, the superintendent shall assume the following averages:
22 (i) Additional instruction of 4.7780 hours per week per transitional
23 bilingual program student; (ii) fifteen transitional bilingual program
24 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
25 instructional hours per teacher; and (v) the district's average staff
26 mix and compensation rates as provided in sections 503 and 504 of this
27 act.

28 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
29 allocate funding to school districts for transitional bilingual
30 instruction programs as provided in section 514, chapter 564, Laws of
31 2009, as amended through section 1411 of this act.

32 (c) The allocations in this section reflect the implementation of
33 a new funding formula for the transitional bilingual instructional
34 program, effective September 1, 2011, as specified in RCW
35 28A.150.260(10)(b).

36 (3) The superintendent may withhold allocations to school districts
37 in subsection (2) of this section solely for the central provision of
38 assessments as provided in RCW 28A.180.090 (1) and (2) up to the

1 following amounts: 2.79 percent for school year 2011-12 and ~~((2.09))~~
2 2.11 percent for school year 2012-13.

3 (4) The general fund--federal appropriation in this section is for
4 migrant education under Title I Part C and English language
5 acquisition, and language enhancement grants under Title III of the
6 elementary and secondary education act.

7 ~~(5)((a) The office of the superintendent of public instruction
8 shall implement a funding model for the transitional bilingual program,
9 beginning in school year 2012-13, that is scaled to provide more
10 support to students requiring most intensive intervention, (students
11 with beginning levels of English language proficiency) and less support
12 to students requiring less intervention. The funding model shall also
13 provide up to two years of bonus funding upon successful exit from the
14 bilingual program to facilitate successful transition to a standard
15 program of education.~~

16 ~~(b) It is expected that per pupil funding for level 2 proficiency
17 will be set at the same level as would have been provided statewide
18 prior to establishing differential per pupil amounts; level 1 will be
19 125 percent of level 2; level 3 through the level prior to exit will be
20 75 percent of level 2; and two bonus years upon successful
21 demonstration of proficiency will be 100 percent of level 2. Prior to
22 implementing in school year 2012-13, the office of the superintendent
23 of public instruction shall provide to the senate and house of
24 representatives ways and means committees recommended rates based on
25 the results of proficiency test procurement, expressed as both per
26 pupil rates and hours of instruction as provided in RCW
27 28A.150.260(10)(b).~~

28 ~~(c) Each bilingual student shall be tested for proficiency level
29 and, therefore, eligibility for the transitional bilingual program each
30 year. The bonus payments for up to two school years following
31 successful exit from the transitional bilingual program shall be
32 allocated to the exiting school district. If the student graduates or
33 transfers to another district prior to the district receiving both
34 years' bonuses, the district shall receive the bonus for only the
35 length of time the student remains enrolled in the exiting district.~~

36 ~~(d) The quality education council shall examine the revised
37 funding model developed under this subsection and provide a report to~~

1 the education and fiscal committees of the legislature by December 1,
2 2011, that includes recommendations for:

3 (i) Changing the prototypical school funding formula for the
4 transitional bilingual program to align with the revised model in an
5 accurate and transparent manner;

6 (ii) Reconciling the revised model with statutory requirements for
7 categorical funding of the transitional bilingual instructional program
8 that is restricted to students eligible for and enrolled in that
9 program;

10 (iii) Clarifying the elements of the transitional bilingual
11 instructional program that fall under the definition of basic education
12 and the impact of the revised model on them; and

13 (iv) The extent that the disparate financial impact of the revised
14 model on different school districts should be addressed and options for
15 addressing it.

16 (e) The office of the superintendent of public instruction shall
17 report to the senate and house of representatives ways and means
18 committees and education committees annually by December 31st of each
19 year, through 2018, regarding any measurable changes in proficiency,
20 time in program, and transition experience.

21 (6)) \$35,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$35,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely to track current and former
24 transitional bilingual program students.

25 **Sec. 513.** 2011 2nd sp.s. c 9 s 515 (uncodified) is amended to read
26 as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
28 **ASSISTANCE PROGRAM**

29 General Fund--State Appropriation (FY 2012) ((\$102,470,000))
30 \$102,619,000

31 General Fund--State Appropriation (FY 2013) ((\$103,666,000))
32 \$128,779,000

33 General Fund--Federal Appropriation \$492,207,000

34 Education Legacy Trust Account--State
35 Appropriation ((\$47,980,000))
36 \$23,990,000

37 TOTAL APPROPRIATION ((\$746,323,000))

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

(1) The general fund--state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a). In calculating the allocations, the superintendent shall assume the following averages:

(A) Additional instruction of 1.51560 hours per week per funded learning assistance program student; (B) fifteen learning assistance program students per teacher; (C) 36 instructional weeks per year; (D) 900 instructional hours per teacher; and (E) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2011, to August 31, 2011, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 564, Laws of 2009, as amended through section 1412 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of the state auditor on the learning assistance program dated February, 2010.

(3) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund-state or education legacy trust funds

1 allocated under this program; however, carryover funds shall be
2 expended for the learning assistance program.

3 (5) The office of the superintendent of public instruction shall
4 research and recommend options for an adjustment factor for middle
5 school and high school free and reduced price lunch eligibility
6 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
7 to the fiscal committees of the legislature by June 1, 2012. For the
8 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

9 **Sec. 514.** 2011 1st sp.s. c 50 s 516 (uncodified) is amended to
10 read as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

12 (1) Amounts distributed to districts by the superintendent through
13 part V of this act are for allocations purposes only and do not entitle
14 a particular district, district employee, or student to a specific
15 service, beyond what has been expressly provided in statute. Part V of
16 this act restates the requirements of various sections of Title 28A
17 RCW. If any conflict exists, the provisions of Title 28A RCW control
18 unless this act explicitly states that it is providing an enhancement.

19 Any amounts provided in part V of this act in excess of the amounts
20 required by Title 28A RCW provided in statute, are not within the
21 program of basic education.

22 (2) To the maximum extent practicable, when adopting new or revised
23 rules or policies relating to the administration of allocations in part
24 V of this act that result in fiscal impact, the office of the
25 superintendent of public instruction shall attempt to seek legislative
26 approval through the budget request process.

27 (3) Appropriations made in this act to the office of the
28 superintendent of public instruction shall initially be allotted as
29 required by this act. Subsequent allotment modifications shall not
30 include transfers of moneys between sections of this act except as
31 expressly provided in subsection (4) of this section.

32 (4) The appropriations to the office of the superintendent of
33 public instruction in this act shall be expended for the programs and
34 amounts specified in this act. However, after May 1, 2012, unless
35 specifically prohibited by this act and after approval by the director
36 of financial management, the superintendent of public instruction may
37 transfer state general fund appropriations for fiscal year 2012 among

1 the following programs to meet the apportionment schedule for a
2 specified formula in another of these programs: General apportionment;
3 employee compensation adjustments; pupil transportation; special
4 education programs; institutional education programs; transitional
5 bilingual programs; and learning assistance programs.

6 (5) The director of financial management shall notify the
7 appropriate legislative fiscal committees in writing prior to approving
8 any allotment modifications or transfers under this section.

(End of part)

PART VI
HIGHER EDUCATION

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)	((\$533,009,000))
	<u>\$532,841,000</u>
General Fund--State Appropriation (FY 2013)	((\$525,644,000))
	<u>\$516,861,000</u>
Community/Technical College Capital Projects	
Account--State Appropriation	((\$8,037,000))
	<u>\$12,793,000</u>
Education Legacy Trust Account--State	
Appropriation	((\$95,370,000))
	<u>\$95,256,000</u>
TOTAL APPROPRIATION	((\$1,162,060,000))
	<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 the state, and the results of the partnerships supported by these funds.

1 (3) \$4,500,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$4,500,000 of the general fund--state appropriation for
3 fiscal year 2013 is provided solely for worker retraining.

4 (4) Of the amounts appropriated in this section, \$5,000,000 is
5 provided solely for the student achievement initiative.

6 (5) When implementing the appropriations in this section, the state
7 board and the trustees of the individual community and technical
8 colleges shall minimize impact on academic programs, maximize
9 reductions in administration, and shall at least maintain, and endeavor
10 to increase, enrollment opportunities and degree and certificate
11 production in high employer-demand fields of study at their academic
12 year 2008-09 levels.

13 (6) Community and technical colleges are not required to send mass
14 mailings of course catalogs to residents of their districts. Community
15 and technical colleges shall consider lower cost alternatives, such as
16 mailing postcards or brochures that direct individuals to online
17 information and other ways of acquiring print catalogs.

18 (7) Bellevue college is authorized to offer (~~applied~~)
19 baccalaureate degrees in information technology, health care services
20 and management, biotechnology, and preprofessional preparation for
21 medical fields. These degrees shall be directed at high school
22 graduates and transfer-oriented degree and professional and technical
23 degree holders. In fiscal year 2012, Bellevue college will develop a
24 two-year plan for offering these new degrees. The plan will assume
25 funding for these new degrees shall come through redistribution of its
26 current per full-time enrollment funding. The plan shall be delivered
27 to the legislature by June 30, 2012.

28 (8) The Seattle community college district is authorized to offer
29 applied baccalaureate degree programs in business/international
30 business and technology management, interactive and artistic digital
31 media, sustainability, building science technology, and allied and
32 global health. These degrees shall be directed at high school
33 graduates and professional and technical degree holders. In fiscal
34 year 2012, Seattle community colleges shall develop a two-year plan for
35 offering these new degrees. The plan will assume that funding for
36 these new degrees comes through redistribution of its current per full-
37 time enrollment funding. The plan shall be delivered to the
38 legislature by June 30, 2012.

1 (9) \$100,000 of the general fund--state appropriation for fiscal
2 year 2013 is provided solely for the Jefferson education center.

3 (10) \$2,000,000 of the general fund--state appropriation for fiscal
4 year 2013 is provided solely for an expansion in enrollments in
5 science, technology, engineering, and math. Amounts provided in this
6 subsection may be used only to cover direct costs of instruction
7 associated with this enrollment expansion. By June 30, 2012, the state
8 board for community and technical colleges shall provide a report to
9 the legislature that provides specific detail on how these amounts will
10 be spent. Each June 30th thereafter, the state board for community and
11 technical colleges shall provide an updated report that provides
12 specific detail on how these amounts were spent in the preceding twelve
13 months.

14 (11) Amounts appropriated in this section are sufficient for the
15 state board for community and technical colleges to conduct a
16 comprehensive review of its tuition waiver policies. The resulting
17 report shall include an overview of tuition waiver uses and costs
18 (forgone revenue) and outcomes and any recommendations for changes to
19 tuition waiver policy and shall be provided to the legislature no later
20 than December 1, 2012.

21 (12) \$131,000 of the general fund--state appropriation for fiscal
22 year 2013 is provided solely for the implementation of Second
23 Substitute House Bill No. 2156 (workforce training/aerospace). If the
24 bill is not enacted by June 30, 2012, the amount provided in this
25 subsection shall lapse.

26 (13) The state board for community and technical colleges shall not
27 use funds appropriated in this section to support intercollegiate
28 athletics programs.

29 **Sec. 602.** 2011 2nd sp.s. c 9 s 602 (uncodified) is amended to read
30 as follows:

31 **FOR THE UNIVERSITY OF WASHINGTON**

32 General Fund--State Appropriation (FY 2012) ((~~\$201,388,000~~))
33 \$201,226,000

34 General Fund--State Appropriation (FY 2013) ((~~\$206,358,000~~))
35 \$201,612,000

36 Education Legacy Trust Account--State Appropriation \$18,579,000

37 Economic Development Strategic Reserve Account--

1	<u>State Appropriation</u>	<u>\$1,500,000</u>
2	Biotoxin Account--State Appropriation	\$450,000
3	Accident Account--State Appropriation	((\$6,699,000))
4		<u>\$6,681,000</u>
5	Medical Aid Account--State Appropriation	((\$6,502,000))
6		<u>\$6,488,000</u>
7	TOTAL APPROPRIATION	((\$439,976,000))
8		<u>\$436,536,000</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) \$150,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$150,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for the development of integrated
18 medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho
19 (WWAMI) medical education program in Spokane and eastern Washington.
20 Funding is contingent on appropriations being provided to Washington
21 State University for WWAMI program expansion in Spokane and eastern
22 Washington.

23 (3) \$52,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$52,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for the center for international
26 trade in forest products in the college of forest resources.

27 (4) \$88,000 of the general fund--state appropriation for fiscal
28 year 2012 is provided solely for implementation of Engrossed Second
29 Substitute Senate Bill No. 5485 (state's natural resources). If the
30 bill is not enacted by June 30, 2011, the amount provided in this
31 subsection shall lapse.

32 (5) \$143,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$144,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for the ongoing management of the
35 Washington park arboretum.

36 (6) \$3,800,000 of the general fund--state appropriation for fiscal
37 year 2013 is provided solely for an expansion in engineering
38 enrollments, including enrollments in the field of computer science.

1 Amounts provided in this subsection may be used only to cover direct
2 costs of instruction associated with this enrollment expansion. By
3 June 30, 2012, the university shall provide a report to the legislature
4 that provides specific detail on how these amounts will be spent. Each
5 September 1st thereafter, the university shall provide an updated
6 report that provides specific detail on how these amounts were spent in
7 the preceding twelve months.

8 (7) Amounts appropriated in this section are sufficient for the
9 university to conduct a comprehensive review of its tuition waiver
10 policies. The resulting report shall include an overview of tuition
11 waiver uses and costs (forgone revenue) and outcomes and any
12 recommendations for changes to tuition waiver policy and shall be
13 provided to the legislature no later than December 1, 2012.

14 (8) \$610,000 of the general fund--state appropriation for fiscal
15 year 2012 is provided solely to expand health sciences capacity at the
16 University of Washington for Washington, Wyoming, Alaska, Montana,
17 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for
18 fiscal year 2012 is provided solely to expand health sciences capacity
19 at the University of Washington for Regional Initiatives in Dental
20 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full
21 ramp-up of first-year medical students and dental students each year of
22 the four-year programs.

23 (9) The University of Washington shall not use funds appropriated
24 in this section to support intercollegiate athletics programs.

25 (10) Amounts appropriated in this section are sufficient to cover
26 the costs associated with the implementation of Engrossed Substitute
27 Senate Bill No. 6486 (collective bargaining for post-doctoral
28 researchers).

29 **Sec. 603.** 2011 2nd sp.s. c 9 s 603 (uncodified) is amended to read
30 as follows:

31 **FOR WASHINGTON STATE UNIVERSITY**

32	General Fund--State Appropriation (FY 2012)	((\$134,512,000))
33		<u>\$134,454,000</u>
34	General Fund--State Appropriation (FY 2013)	((\$136,087,000))
35		<u>\$133,692,000</u>
36	Education Legacy Trust Account--State Appropriation	\$33,065,000
37	TOTAL APPROPRIATION	((\$303,664,000))

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) Within available funds, Washington State University shall serve an additional cohort of fifteen full-time equivalent students in the mechanical engineering program located at Olympic College.

(3) \$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 expansion of health sciences capacity through the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to the University of Washington for integrated medical curriculum development for WWAMI.

(4) \$3,800,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an expansion in engineering enrollments, including enrollments in the field of computer science, including thirty additional full-time equivalent students in the mechanical engineering program located at Olympic College. Amounts provided in this subsection may be used only to cover direct costs of instruction associated with this enrollment expansion. By June 30, 2012, the university shall provide a report to the legislature that provides specific detail on how these amounts will be spent. Each June 30th thereafter, the university shall provide an updated report that provides specific detail on how these amounts were spent in the preceding twelve months.

(5) Amounts appropriated in this section are sufficient for the university to conduct a comprehensive review of its tuition waiver policies. The resulting report shall include an overview of tuition waiver uses and costs (forgone revenue) and outcomes and any recommendations for changes to tuition waiver policy and shall be provided to the legislature no later than December 1, 2012.

(6) Washington State University shall not use funds appropriated in this section to support intercollegiate athletics programs.

1 (7) Amounts appropriated in this section are sufficient to cover
2 the costs associated with the implementation of Engrossed Substitute
3 Senate Bill No. 6486 (collective bargaining for post-doctoral
4 researchers).

5 **Sec. 604.** 2011 2nd sp.s. c 9 s 604 (uncodified) is amended to read
6 as follows:

7 **FOR EASTERN WASHINGTON UNIVERSITY**

8	General Fund--State Appropriation (FY 2012)	((\$26,257,000))
9		<u>\$26,239,000</u>
10	General Fund--State Appropriation (FY 2013)	((\$26,541,000))
11		<u>\$25,759,000</u>
12	Education Legacy Trust Account--State Appropriation	\$16,087,000
13	TOTAL APPROPRIATION	((\$68,885,000))
14		<u>\$68,085,000</u>

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

17 (1) In implementing the appropriations in this section, the
18 president and governing board shall seek to minimize impacts on student
19 services and instructional programs by maximizing reductions in
20 administration and other noninstructional activities.

21 (2) At least \$200,000 of the general fund--state appropriation for
22 fiscal year 2012 and at least \$200,000 of the general fund--state
23 appropriation for fiscal year 2013 shall be expended on the Northwest
24 autism center.

25 (3) Amounts appropriated in this section are sufficient for the
26 university to conduct a comprehensive review of its tuition waiver
27 policies. The resulting report shall include an overview of tuition
28 waiver uses and costs (forgone revenue) and outcomes and any
29 recommendations for changes to tuition waiver policy and shall be
30 provided to the legislature no later than December 1, 2012.

31 (4) \$479,000 of the general fund--state appropriation for fiscal
32 year 2013 is provided solely for an expansion in enrollments in
33 science, technology, engineering and math as defined in RCW
34 28B.76.270(2)(k). Amounts provided in this subsection may be used only
35 to cover direct costs of instruction associated with this enrollment
36 expansion. By June 30, 2012, the university shall provide a report to
37 the legislature that provides specific detail on how these amounts will

1 be spent. Each September 1 thereafter, the college shall provide an
2 updated report that provides specific detail on how these amounts were
3 spent in the preceding twelve months.

4 (5) Eastern Washington University shall not use funds appropriated
5 in this section to support intercollegiate athletics programs.

6 **Sec. 605.** 2011 2nd sp.s. c 9 s 605 (uncodified) is amended to read
7 as follows:

8 **FOR CENTRAL WASHINGTON UNIVERSITY**

9	General Fund--State Appropriation (FY 2012)	((\$22,468,000))
10		<u>\$22,449,000</u>
11	General Fund--State Appropriation (FY 2013)	((\$22,525,000))
12		<u>\$21,906,000</u>
13	Education Legacy Trust Account--State Appropriation	\$19,076,000
14	TOTAL APPROPRIATION	((\$64,069,000))
15		<u>\$63,431,000</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 governing board shall seek to minimize impacts on student
20 services and instructional programs by maximizing reductions in
21 administration and other noninstructional activities.

22 (2) Amounts appropriated in this section are sufficient for the
23 university to conduct a comprehensive review of its tuition waiver
24 policies. The resulting report shall include an overview of tuition
25 waiver uses and costs (forgone revenue) and outcomes and any
26 recommendations for changes to tuition waiver policy and shall be
27 provided to the legislature no later than December 1, 2012.

28 (3) \$406,000 of the general fund--state appropriation for fiscal
29 year 2013 is provided solely for an expansion in enrollments in
30 science, technology, engineering and math as defined in RCW
31 28B.76.270(2)(k). Amounts provided in this subsection may be used only
32 to cover direct costs of instruction associated with this enrollment
33 expansion. By June 30, 2012, the university shall provide a report to
34 the legislature that provides specific detail on how these amounts will
35 be spent. Each September 1 thereafter, the college shall provide an
36 updated report that provides specific detail on how these amounts were
37 spent in the preceding twelve months.

1 (4) Central Washington University shall not use funds appropriated
2 in this section to support intercollegiate athletics programs.

3 **Sec. 606.** 2011 2nd sp.s. c 9 s 606 (uncodified) is amended to read
4 as follows:

5 **FOR THE EVERGREEN STATE COLLEGE**

6	General Fund--State Appropriation (FY 2012)	((\$15,595,000))
7		<u>\$15,634,000</u>
8	General Fund--State Appropriation (FY 2013)	((\$15,339,000))
9		<u>\$15,164,000</u>
10	Education Legacy Trust Account--State Appropriation	\$5,450,000
11	<u>Forest Fire Protection Assessment Account--State</u>	
12	<u>Appropriation</u>	<u>\$100,000</u>
13	TOTAL APPROPRIATION	((\$36,384,000))
14		<u>\$36,348,000</u>

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

17 (1) In implementing the appropriations in this section, the
18 president and governing board shall seek to minimize impacts on student
19 services and instructional programs by maximizing reductions in
20 administration and other noninstructional activities.

21 (2) \$50,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$25,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the Washington state institute
24 for public policy to conduct a detailed study of the commitment of
25 sexually violent predators to the special commitment center pursuant to
26 chapter 71.09 RCW and the subsequent release of those persons to
27 less-restrictive alternatives.

28 (a) Specifically, the institute's study shall examine:

29 (i) The projected future demand for the special commitment center,
30 including profiles and characteristics of persons referred and
31 committed to the special commitment center since its inception, whether
32 the profiles of those persons have changed over time, and, given
33 current trends, the likelihood of the continuing rate of referral;

34 (ii) Residents' participation in treatment over time and the impact
35 of treatment on eventual release to a less-restrictive alternative;

36 (iii) The annual review process and the process for a committed

1 person to petition for conditional or unconditional release,
2 specifically:

- 3 (A) The time frames for conducting mandatory reviews;
- 4 (B) The role of the special commitment center clinical team;
- 5 (C) Options and standards utilized by other jurisdictions or
6 similar processes to conduct periodic reviews, including specialized
7 courts, parole boards, independent review boards, and other commitment
8 proceedings;

9 (iv) The capacity and future demand for appropriate less
10 restrictive alternatives for moving residents out of the special
11 commitment center, including:

- 12 (A) The capacity and demand for secure community transition
13 facilities;
- 14 (B) Options for specialized populations such as the elderly or
15 those with developmental disabilities and whether more cost-efficient
16 options might be used to house those populations while keeping the
17 public safe;
- 18 (C) Prospects for moving residents to noninstitutionalized settings
19 beyond a secure community transition facility.

20 (b) The department of social and health services shall cooperate
21 with the institute in conducting its examination and must provide the
22 institute with requested data and records in a timely manner.

23 (c) The institute shall provide a status report to the governor and
24 the legislature no later than November 1, 2011, with a final report due
25 no later than November 1, 2012.

26 (3) \$50,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$50,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for the institute for public
29 policy to provide research support to the council on quality education.

30 (4) To the extent federal or private funding is available for this
31 purpose, the Washington state institute for public policy and the
32 center for reinventing public education at the University of Washington
33 shall examine the relationship between participation in pension systems
34 and teacher quality and mobility patterns in the state. The department
35 of retirement systems shall facilitate researchers' access to necessary
36 individual-level data necessary to effectively conduct the study. The
37 researchers shall ensure that no individually identifiable information
38 will be disclosed at any time. An interim report on project findings

1 shall be completed by November 15, 2010, and a final report shall be
2 submitted to the governor and to the relevant committees of the
3 legislature by October 15, 2011.

4 (5) Funding provided in this section is sufficient for The
5 Evergreen State College to continue operations of the Longhouse Center
6 and the Northwest Indian applied research institute.

7 (6) If, and to the extent that private funding is available for
8 this purpose, the Washington state institute for public policy shall
9 study and report on the child welfare and educational characteristics
10 and outcomes for foster youth who are served by educational advocates.
11 The department of social and health services and the office of the
12 superintendent of public instruction shall facilitate researchers'
13 access to data necessary to effectively complete the study. The
14 institute shall submit an interim report with baseline characteristics
15 of youth served by educational advocates by December 2011 and a final
16 report by October 31, 2012, to the governor and to the appropriate
17 committees of the legislature.

18 (7) \$75,000 of the general fund--state appropriation for fiscal
19 year 2012 is provided to the Washington state institute for public
20 policy (WSIPP) to conduct a review of state investments in the family
21 caregiver and support program. Funding for this program is provided by
22 assumed savings from diverting seniors from entering into long-term
23 care medicaid placements by supporting informal caregivers. WSIPP
24 shall work with the department of social and health services to
25 establish and review outcome data for this investment. A preliminary
26 report on the outcomes of the investment into this program is due to
27 the appropriate legislative committees by December 15, 2011, and a
28 final report is due to the appropriate legislative committees by August
29 30, 2012.

30 (8) \$50,000 of the general fund--state appropriation for fiscal
31 year 2013 is provided solely to implement Second Substitute House Bill
32 No. 2264 (child welfare/contracting). If the bill is not enacted by
33 June 30, 2012, the amount provided in this subsection shall lapse.

34 (9) Amounts appropriated in this section are sufficient for the
35 college to conduct a comprehensive review of its tuition waiver
36 policies. The resulting report shall include an overview of tuition
37 waiver uses and costs (forgone revenue) and outcomes and any

1 recommendations for changes to tuition waiver policy and shall be
2 provided to the legislature no later than December 1, 2012.

3 (10) \$276,000 of the general fund--state appropriation for fiscal
4 year 2013 is provided solely for an expansion in enrollments in
5 science, technology, engineering and math as defined in RCW
6 28B.76.270(2)(k). Amounts provided in this subsection may be used only
7 to cover direct costs of instruction associated with this enrollment
8 expansion. By June 30, 2012, the college shall provide a report to the
9 legislature that provides specific detail on how these amounts will be
10 spent. Each September 1 thereafter, the college shall provide an
11 updated report that provides specific detail on how these amounts were
12 spent in the preceding twelve months.

13 (11) \$17,000 of the general fund--state appropriation for fiscal
14 year 2013 are provided solely to implement Substitute Senate Bill No.
15 6492 (competency to stand trial). If the bill is not enacted by June
16 30, 2012, the amount provided in this subsection shall lapse.

17 (12) \$40,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$60,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for the Washington state institute
20 for public policy to conduct a longitudinal study of the state need
21 grant program. The purpose of this study is to determine to what
22 extent this program has increased access and degree attainment for low-
23 income students and to determine whether the funding for the state need
24 grant has been utilized in the most efficient way possible to maximize
25 the enrollment and degree attainment of low-income students. This
26 study shall include, but not be limited to, a review of the following:
27 (a) The demographics of recipients of the state need grant program,
28 including, but not limited to, gender, race, and income; (b) the effect
29 of the state need grant on enrollment rates of low-income students at
30 the different institutions of higher education and whether these
31 students attend full-time or part-time; (c) the effect of the state
32 need grant on recipients' persistence, performance, degree or
33 certificate completion, and time to degree or certificate completion at
34 the different institutions of higher education; (d) an inventory of the
35 types of degrees and certifications at the different institutions of
36 higher education, by field of study, obtained by recipients; and (e)
37 the interplay of the state need grant program with other forms of
38 financial aid and the effect of this interplay on access and degree

1 attainment of low-income students. A preliminary report of the
2 findings shall be submitted to the governor and the appropriate
3 committees of the legislature by December 1, 2012. A final report of
4 the findings shall be submitted to the governor and the appropriate
5 committees of the legislature by December 1, 2013. The preliminary
6 report shall provide a comparison of Washington's state need grant
7 program to similar programs in other states. The reports shall include
8 recommendations for using more efficiently the funds provided to the
9 state need grant program to increase access and degree attainment of
10 low-income students. To the maximum extent possible, this report shall
11 disaggregate the demographic and institution specific data in a manner
12 that will inform policymakers of the enrollment patterns and success of
13 specific subsets of recipients within the different institutions of
14 higher education. The higher education coordinating board, or its
15 successor agency, the education data center, and the institutions of
16 higher education shall cooperate with the Washington state institute
17 for public policy in the conduct of this study and shall provide to the
18 institute the necessary data and information to complete this study.

19 (13) \$15,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$50,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for the Washington state institute
22 for public policy to conduct an evaluation of the benefits provided in
23 the pension plans offered by public employers in the state.

24 (a) Specifically, the study shall examine:

25 (i) The level of benefits offered by the state retirement plans and
26 retirement plans sponsored by local government employers relative to
27 the benefits provided in other states;

28 (ii) The adequacy of pension benefits provided to public employees,
29 including barriers to retirement;

30 (iii) Barriers to the portability of retirement benefits between
31 public employers in the state, including opportunities to improve
32 benefit portability and compatibility; and

33 (iv) The treatment of overtime earnings in public employee
34 retirement plans relative to the treatment of earnings in other states,
35 including the impact of excess compensation on state retirement system
36 contribution rates with a particular emphasis on agencies that operate
37 on a 24-hour basis, such as the state patrol, ferry system, and state
38 prisons.

1 (b) In conducting the study, the institute shall collaborate with
2 the office of the state actuary and shall solicit input from local
3 government plan sponsors.

4 (c) The institute shall report its findings to the select committee
5 on pension policy and the committees on ways and means of the house of
6 representatives and the senate by December 1, 2012.

7 (14) \$5,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$10,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for the Washington state institute
10 for public policy to assess the potential costs and benefits of
11 implementing the national academy of pediatricians' "bright futures"
12 recommended schedule of well-child visits, developmental, and autism
13 screenings in state medical assistance programs. The assessment shall
14 be conducted in consultation with subject area experts, and shall
15 include an estimate of the full cost of implementing the revised
16 standards; identification and estimation of the fiscal and nonfiscal
17 benefits; and computation of an estimated return on investment. The
18 health care authority shall provide the institute with confidential
19 access to claims and encounter data as necessary to complete this
20 project. The institute shall report its finding to the relevant policy
21 and fiscal committees of the legislature by December 31, 2012.

22 (15) The Evergreen State College shall not use funds appropriated
23 in this section to support intercollegiate athletics programs.

24 (16) \$46,000 of the general fund--state appropriation for fiscal
25 year 2013 is provided solely for the implementation of section 10 of
26 Engrossed Substitute House Bill No. 2363 (domestic violence). If the
27 bill is not enacted by June 30, 2012, the amount provided in this
28 subsection shall lapse.

29 (17) The Washington state institute for public policy shall conduct
30 a review of the evaluation literature to determine the effectiveness of
31 chemical dependency programs delivered in adult criminal justice and
32 juvenile justice systems. The review shall identify characteristics of
33 chemical dependency programs that are cost-effective at reducing crime
34 and substance abuse. Specifically, the review will include an
35 examination of the types of chemical dependency treatments, including
36 residential and outpatient treatments; the efficacy of aftercare
37 following formal treatment; and the impact of the duration of treatment
38 on outcomes. The department of corrections and the department of

1 social and health services shall provide information identified by the
2 institute as necessary to complete this review. A report on the
3 outcomes of the study is due to the appropriate legislative committees
4 by December 15, 2012.

5 (18) \$100,000 of the forest fire protection assessment account--
6 state appropriation is provided solely for the Washington state
7 institute of public policy to conduct a detailed analysis of potential
8 mechanisms for reducing the amount of and variation in the state's fire
9 suppression costs. The detailed analysis must include: (a) An
10 examination of Oregon's excess forest fire suppression cost insurance
11 program and analysis of the potential application of this model in
12 Washington, including the necessary steps for implementation and
13 potential costs and benefits to the state; and (b) an examination of
14 Washington's total and marginal costs related to staffing and overtime
15 and whether these total or marginal costs are in excess of market
16 rates. The Washington state institute of public policy must provide
17 the detailed analysis to the appropriate committees of the senate and
18 house of representatives by December 1, 2012.

19 **Sec. 607.** 2011 2nd sp.s. c 9 s 607 (uncodified) is amended to read
20 as follows:

21 **FOR WESTERN WASHINGTON UNIVERSITY**

22 General Fund--State Appropriation (FY 2012)	((\$33,754,000))
23	<u>\$33,728,000</u>
24 General Fund--State Appropriation (FY 2013)	((\$33,743,000))
25	<u>\$32,783,000</u>
26 Education Legacy Trust Account--State	
27 Appropriation	((\$13,266,000))
28	<u>\$13,204,000</u>
29 TOTAL APPROPRIATION	((\$80,763,000))
30	<u>\$79,715,000</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) 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 (3) \$606,000 of the general fund--state appropriation for fiscal
8 year 2013 is provided solely for an expansion in enrollments in
9 science, technology, engineering and math as defined in RCW
10 28B.76.270(2)(k). Amounts provided in this subsection may be used only
11 to cover direct costs of instruction associated with this enrollment
12 expansion. By June 30, 2012, the university shall provide a report to
13 the legislature that provides specific detail on how these amounts will
14 be spent. Each September 1 thereafter, the college shall provide an
15 updated report that provides specific detail on how these amounts were
16 spent in the preceding twelve months.

17 (4) Western Washington University shall not use funds appropriated
18 in this section to support intercollegiate athletics programs.

19 NEW SECTION. Sec. 608. 2011 2nd sp.s. c 9 s 610 (uncodified) and
20 2011 1st sp.s. c 50 s 614 (uncodified) are repealed.

21 NEW SECTION. Sec. 609. 2011 2nd sp.s. c 9 s 611 (uncodified) and
22 2011 1st sp.s. c 50 s 615 (uncodified) are repealed.

23 Sec. 610. 2011 2nd sp.s. c 9 s 608 (uncodified) is amended to read
24 as follows:

25 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
26 **ADMINISTRATION**

27	General Fund--State Appropriation (FY 2012)	((\$1,036,000))
28		<u>\$1,041,000</u>
29	General Fund--Federal Appropriation	\$1,976,000
30	TOTAL APPROPRIATION	((\$3,012,000))
31		<u>\$3,017,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations: The higher education coordinating board is
34 authorized to increase or establish fees for initial degree

1 authorization, degree authorization renewal, degree authorization
2 reapplication, new program applications, and new site applications
3 pursuant to RCW 28B.85.060.

4 **Sec. 611.** 2011 2nd sp.s. c 9 s 609 (uncodified) is amended to read
5 as follows:

6 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
7 **PROGRAMS**

8	General Fund--State Appropriation (FY 2012)	\$217,939,000
9	General Fund--Federal Appropriation	\$5,829,000
10	Opportunity Pathways Account--State Appropriation	\$73,500,000
11	TOTAL APPROPRIATION	\$297,268,000

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

14 (1) \$200,413,000 of the general fund--state appropriation for
15 fiscal year 2012 and \$73,500,000 of the opportunity pathways account--
16 state appropriation are provided solely for student financial aid
17 payments under the state need grant and the state work study program
18 including up to a four percent administrative allowance for the state
19 work study program.

20 (2) Within the funds appropriated in this section, eligibility for
21 the state need grant shall include students with family incomes at or
22 below 70 percent of the state median family income (MFI), adjusted for
23 family size, and shall include students enrolled in three to five
24 credit-bearing quarter credits, or the equivalent semester credits.
25 The higher education coordinating board shall report to the legislature
26 by December 1, 2013, regarding the number of students enrolled in three
27 to five credit-bearing quarter credits, or the equivalent semester
28 credits, and their academic progress including degree completion.
29 Awards for all students shall be adjusted by the estimated amount by
30 which Pell grant increases exceed projected increases in the
31 noninstructional costs of attendance. Awards for students with incomes
32 between 51 and 70 percent of the state median shall be prorated at the
33 following percentages of the award amount granted to those with incomes
34 below 51 percent of the MFI: 70 percent for students with family
35 incomes between 51 and 55 percent MFI; 65 percent for students with
36 family incomes between 56 and 60 percent MFI; 60 percent for students

1 with family incomes between 61 and 65 percent MFI; and 50 percent for
2 students with family incomes between 66 and 70 percent MFI.

3 (3) For fiscal year 2012, the board shall defer loan or conditional
4 scholarship repayments to the future teachers conditional scholarship
5 and loan repayment program for up to one year for each participant if
6 the participant has shown evidence of efforts to find a teaching job
7 but has been unable to secure a teaching job per the requirements of
8 the program.

9 (4) \$500,000 of the general fund--state appropriation for fiscal
10 year 2012 is provided solely for the leadership 1000 program.

11 (5) \$2,436,000 of the general fund--state appropriation for fiscal
12 year 2012 is provided solely for the passport to college program. The
13 maximum scholarship award shall be \$5,000. The board shall contract
14 with a nonprofit organization to provide support services to increase
15 student completion in their postsecondary program and shall, under this
16 contract provide a minimum of \$500,000 in fiscal year 2012. Any
17 amounts provided in this subsection that remain unobligated at the
18 close of fiscal year 2012 must be transferred to the state education
19 trust account in RCW 28B.92.140 for purposes of the passport to college
20 program.

21 (6) \$250,000 of the general fund--state appropriation for fiscal
22 year 2012 is provided solely for implementation of the aerospace
23 training scholarship and student loan program as specified in Engrossed
24 Substitute House Bill No. 1846 (aerospace student loans). If this bill
25 is not enacted by June 30, 2011, the amount provided in this subsection
26 shall lapse.

27 NEW SECTION. Sec. 612. A new section is added to 2011 1st sp.s.
28 c 50 (uncodified) to read as follows:

29 **FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND**
30 **ADMINISTRATION**

31	General Fund--State Appropriation (FY 2013)	\$4,934,000
32	General Fund--Federal Appropriation	\$2,376,000
33	TOTAL APPROPRIATION	\$7,310,000

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

36 (1) The student achievement council is authorized to increase or

1 establish fees for initial degree authorization, degree authorization
2 renewal, degree authorization reapplication, new program applications,
3 and new site applications pursuant to RCW 28B.85.060.

4 (2) \$1,043,000 of the general fund--state appropriation for fiscal
5 year 2013 is provided solely for the implementation of Engrossed Second
6 Substitute House Bill No. 2483 (higher education coordination). If the
7 bill is not enacted by June 30, 2012, the amount provided in this
8 subsection shall lapse.

9 NEW SECTION. **Sec. 613.** A new section is added to 2011 1st sp.s.
10 c 50 (uncodified) to read as follows:

11 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**
12 **ASSISTANCE**

13	General Fund--State Appropriation (FY 2013)	\$247,034,000
14	General Fund--Federal Appropriation	\$5,812,000
15	Washington Opportunity Pathways Account--State	
16	Appropriation	\$73,500,000
17	TOTAL APPROPRIATION	\$326,346,000

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

20 (1) \$237,018,000 of the general fund--state appropriation for
21 fiscal year 2013, and \$73,500,000 of the opportunity pathways account--
22 state appropriation are provided solely for student financial aid
23 payments under the state need grant and the state work study programs
24 including up to a four percent administrative allowance for the state
25 work study program.

26 (2) Within the funds appropriated in this section, eligibility for
27 the state need grant shall include students with family incomes at or
28 below 70 percent of the state median family income (MFI), adjusted for
29 family size, and shall include students enrolled in three to five
30 credit-bearing quarter credits, or the equivalent semester credits.
31 The higher education coordinating board shall report to the legislature
32 by December 1, 2013, regarding the number of students enrolled in three
33 to five credit-bearing quarter credits, or the equivalent semester
34 credits, and their academic progress including degree completion.
35 Awards for all students shall be adjusted by the estimated amount by
36 which Pell grant increases exceed projected increases in the
37 noninstructional costs of attendance. Awards for students with incomes

1 between 51 and 70 percent of the state median shall be prorated at the
2 following percentages of the award amount granted to those with incomes
3 below 51 percent of the MFI: 70 percent for students with family
4 incomes between 51 and 55 percent MFI; 65 percent for students with
5 family incomes between 56 and 60 percent MFI; 60 percent for students
6 with family incomes between 61 and 65 percent MFI; and 50 percent for
7 students with family incomes between 66 and 70 percent MFI.

8 (3) \$1,250,000 of the general fund--state appropriation for fiscal
9 year 2013 is provided solely for implementation of the aerospace
10 training scholarship and student loan program as specified in Engrossed
11 Substitute House Bill No. 1846 (aerospace student loans). If the bill
12 is not enacted by June 30, 2012, the amount provided in this subsection
13 shall lapse.

14 (4) For fiscal year 2013, the board shall defer loan or conditional
15 scholarship repayments to the future teachers conditional scholarship
16 and loan repayment program for up to one year for each participant if
17 the participant has shown evidence of efforts to find a teaching job
18 but has been unable to secure a teaching job per the requirements of
19 the program.

20 (5) \$1,000,000 of the education legacy trust account--state
21 appropriation is provided solely for the gaining early awareness and
22 readiness for undergraduate programs project.

23 (6) \$1,500,000 of the general fund--state appropriation for fiscal
24 year 2013 is provided solely for the leadership 1000 program.

25 (7) \$2,436,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for the passport to college program. The
27 maximum scholarship award shall be \$5,000. The board shall contract
28 with a nonprofit organization to provide support services to increase
29 student completion in their postsecondary program and shall, under this
30 contract, provide a minimum of \$500,000 in fiscal year 2013 for this
31 purpose.

32 (8) In addition to the entities listed in RCW 28B.122.010, the
33 aerospace student loan program may provide loans to students attending
34 an aerospace training program at Renton technical college.

35 (9) The office of student financial assistance and the department
36 of health shall prioritize a portion of any nonfederal balances in the
37 health professional loan repayment and scholarship fund for conditional
38 loan repayment contracts with psychiatrists and with advanced

1 registered nurse practitioners for work at one of the state-operated
2 psychiatric hospitals. The office and department shall designate the
3 state hospitals as health professional shortage areas if necessary for
4 this purpose. The office of student financial assistance shall
5 coordinate with the department of social and health services to
6 effectively incorporate these conditional loan repayments into the
7 department's advanced psychiatric professional recruitment and
8 retention strategies.

9 (10) \$50,000 of the amount provided in this section shall be used
10 to convene the higher education loan program work group. The work
11 group shall develop methods for funding the loan program in the future,
12 as well as recommendations regarding the best loan program structure
13 for providing financial aid to underserved populations. The work group
14 shall seek out technical advice from the housing finance commission.
15 At a minimum, the recommendations regarding the proposed loan program
16 must take into account the following: Whether students could benefit
17 from the creation of a new student loan program; the relationship
18 between the student loan program and the state need grant program and
19 the state need grant qualified student population; mechanisms to
20 achieve interest rates that are below those offered in federally
21 guaranteed and private bank student loans; sources of initial and
22 on-going funding for loans and program operation; and default risks,
23 reserve requirements, and other conditions required for the student
24 loan program. The work group shall provide a report to the legislature
25 no later than December 1, 2012.

26 **Sec. 614.** 2011 1st sp.s. c 50 s 616 (uncodified) is amended to
27 read as follows:

28 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

29	General Fund--State Appropriation (FY 2012)	((\$1,382,000))
30		<u>\$1,310,000</u>
31	General Fund--State Appropriation (FY 2013)	((\$1,388,000))
32		<u>\$1,345,000</u>
33	General Fund--Federal Appropriation	((\$62,758,000))
34		<u>\$62,733,000</u>
35	TOTAL APPROPRIATION	((\$65,528,000))
36		<u>\$65,388,000</u>

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

3 (1) For the 2011-2013 fiscal biennium the board shall not designate
4 recipients of the Washington award for vocational excellence or
5 recognize them at award ceremonies as provided in RCW 28C.04.535.

6 (2) \$36,000 of the general fund--state appropriation for fiscal
7 year 2013 is provided solely for the implementation of Second
8 Substitute House Bill No. 2156 (workforce training/aerospace). If this
9 bill is not enacted by June 30, 2012, the amount provided in the
10 subsection shall lapse.

11 **Sec. 615.** 2011 2nd sp.s. c 9 s 612 (uncodified) is amended to read
12 as follows:

13 **FOR THE DEPARTMENT OF EARLY LEARNING**

14	General Fund--State Appropriation (FY 2012)	((\$27,571,000))
15		<u>\$25,497,000</u>
16	General Fund--State Appropriation (FY 2013)	((\$27,558,000))
17		<u>\$27,200,000</u>
18	General Fund--Federal Appropriation	((\$261,753,000))
19		<u>\$280,619,000</u>
20	Opportunity Pathways Account--State Appropriation . . .	((\$80,000,000))
21		<u>\$78,000,000</u>
22	<u>Home Visiting Services Account--Federal Appropriation</u>	<u>\$300,000</u>
23	TOTAL APPROPRIATION	((\$396,882,000))
24		<u>\$411,616,000</u>

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

27 (1) \$16,028,000 of the general fund--state appropriation for fiscal
28 year 2012, ((~~\$16,028,000~~)) \$18,028,000 of the general fund--state
29 appropriation of fiscal year 2013, ((~~\$80,000,000~~)) \$78,000,000 of the
30 opportunity pathways account appropriation, and \$2,256,000 of the
31 general fund--federal appropriation are provided solely for the early
32 childhood education assistance program services. Of these amounts,
33 \$10,284,000 is a portion of the biennial amount of state maintenance of
34 effort dollars required to receive federal child care and development
35 fund grant dollars.

36 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the
37 department is authorized to increase child care center and child care

1 family home licensure fees in fiscal years 2012 and 2013 for costs to
2 the department for the licensure activity, including costs of necessary
3 inspection. These increases are necessary to support expenditures
4 authorized in this section.

5 (3) (~~(\$638,000)~~) \$64,000 of the general fund--state appropriation
6 for fiscal year 2012 (~~(and)~~), \$638,000 of the general fund--state
7 appropriation for fiscal year 2013, and \$574,000 of the general fund--
8 federal appropriation are provided solely for child care resource and
9 referral network services.

10 (4) \$200,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$200,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely to develop and provide culturally
13 relevant supports for parents, family, and other caregivers.

14 (5) The department is the lead agency for and recipient of the
15 federal child care and development fund grant. Amounts within this
16 grant shall be used to fund child care licensing, quality initiatives,
17 agency administration, and other costs associated with child care
18 subsidies. The department shall transfer a portion of this grant to
19 the department of social and health services to fund the child care
20 subsidies paid by the department of social and health services on
21 behalf of the department of early learning.

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

28 (7) \$934,000 of the general fund--state appropriation for fiscal
29 year 2012, \$934,000 of the general fund--state appropriation for fiscal
30 year 2013, and \$2,400,000 of the general fund--federal appropriation
31 are provided solely for expenditure into the home visiting services
32 account. This funding is intended to meet federal maintenance of
33 effort requirements and to secure private matching funds.

34 (a) All federal funds received by the department for home visiting
35 activities must be deposited into the home visiting services account.

36 (b) The department must consult with stakeholders during the
37 development of the Washington home visiting plan and any future
38 proposals for federal funding.

1 (c) No more than \$300,000 of the home visiting services account--
2 federal appropriation may be expended for program administration for
3 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be
4 expended for that purpose.

5 (8)(a) \$153,558,000 of the general fund--federal appropriation is
6 provided solely for the working connections child care program under
7 RCW 43.215.135.

8 (b) In addition to groups that were given prioritized access to the
9 working connections child care program effective March 1, 2011, the
10 department shall also give prioritized access into the program to
11 families in which a parent of a child in care is a minor who is not
12 living with a parent or guardian and who is a full-time student in a
13 high school that has a school-sponsored on-site child care center.

14 (9)(a) \$50,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$1,050,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for implementation and
17 administration of an electronic benefit transfer system. The system
18 shall include electronic time keeping, integrated with an eligibility
19 information technology system, and an electronic payment system. The
20 department shall coordinate implementation of this system with the
21 department of social and health services.

22 (b) \$100,000 of the general fund--state appropriation in this
23 subsection is provided solely for the department to contract for an
24 independent consultant to evaluate and recommend the optimum system for
25 the eligibility determination process. The evaluation must include an
26 analysis of lean management processes that, if adopted, could improve
27 the cost effectiveness and delivery of eligibility determination. The
28 department shall coordinate with the department of social and health
29 services for this evaluation. The department must report to the office
30 of financial management and the appropriate fiscal and policy
31 committees of the legislature by December 1, 2012.

32 (10) Within available amounts, the department in consultation with
33 the office of financial management and the department of social and
34 health services shall report quarterly enrollments and active caseload
35 for the working connections child care program to the legislative
36 fiscal committees and the legislative-executive WorkFirst oversight
37 task force. The report shall also identify the number of cases

1 participating in both temporary assistance for needy families and
2 working connections child care.

3 ~~((+10+))~~ (11) \$1,025,000 of the general fund--state appropriation
4 for fiscal year 2013 and \$6,712,000 of the general fund--federal
5 appropriation are provided solely for the seasonal child care program
6 in fiscal year 2013.

7 (12) \$2,522,000 of the general fund--state appropriation for fiscal
8 year 2012, \$2,522,000 of the general fund--state appropriation for
9 fiscal year 2013, and \$4,304,000 of the general fund--federal
10 appropriation are provided solely for the medicaid treatment child care
11 (MTCC) program. The department shall contract for MTCC services to
12 provide therapeutic child care and other specialized treatment services
13 to abused, neglected, at-risk, and/or drug-affected children. Priority
14 for services shall be given to children referred from the department of
15 social and health services children's administration. In addition to
16 referrals made by children's administration, the department shall
17 authorize services for children referred to the MTCC program, as long
18 as the children meet the eligibility requirements as outlined in the
19 Washington state plan for the MTCC program. Of the amounts
20 appropriated in this subsection, \$60,000 per fiscal year may be used by
21 the department for administering the MTCC program, if needed.

22 (13)(a) The department shall establish a birth-to-three
23 subcommittee of the early learning advisory council. The subcommittee
24 will be cochaired by the department and nongovernmental private-public
25 partnership created in RCW 43.215.070. The subcommittee shall include
26 at least one representative from each of the following:

- 27 (i) The early learning advisory council;
- 28 (ii) The office of the superintendent of public instruction;
- 29 (iii) The department of social and health services;
- 30 (iv) The department of early learning;
- 31 (v) The nongovernmental private-public partnership created in RCW
32 43.215.070;
- 33 (vi) The early learning action alliance; and
- 34 (vii) Additional stakeholders with expertise in birth-to-three
35 policy and programs and quality child care, as designated by the early
36 learning advisory council.

37 (b) The subcommittee may convene advisory subgroups on specific

1 topics as necessary to assure participation and input from a broad
2 array of diverse stakeholders.

3 (c) The subcommittee shall be monitored and overseen by the early
4 learning advisory council created in RCW 43.215.090.

5 (d) The subcommittee shall develop a birth-to-three implementation
6 proposal, which shall include further development of the Washington
7 state birth-to-three plan.

8 (e) The subcommittee must include recommendations on the following
9 in its birth-to-three proposal:

10 (i) Eligibility criteria for providers and programs;

11 (ii) The level of funding necessary to implement birth-to-three
12 programs, including an option which makes available funding equivalent
13 to thirty percent of the funding provided for the program of early
14 learning established in RCW 43.215.141;

15 (iii) Options for funding sources for birth-to-three programs;

16 (iv) Governance responsibilities for the department of early
17 learning; and

18 (v) A timeline for implementation that is concurrent with the
19 expansion to the early learning program outlined in RCW 43.215.142.

20 The subcommittee must present its recommendations to the early
21 learning advisory council and the appropriate committees of the
22 legislature by December 1, 2012.

23 (14) \$10,000 of the general fund--state appropriation is provided
24 solely for:

25 (a) The department shall convene a subcommittee to the early
26 learning advisory council to make recommendations development and
27 implementation of a Washington preschool program. The subcommittee's
28 recommendations should include, but are not limited to:

29 (i) Criteria and processes for lead and assistant teachers to
30 demonstrate the required competencies or equivalent competencies;

31 (ii) Qualifications and continuing education requirements for other
32 staff in addition to lead and assistant teachers; and

33 (iii) A schedule to phase in degree and equivalent competency
34 requirements provided for lead and assistant teachers.

35 The subcommittee shall report its initial recommendations to the
36 early learning advisory council and the appropriate committees of
37 legislature by December 31, 2012.

1 (b) The subcommittee must develop the schedule in (a)(iii) of this
2 subsection in consultation with: The professional educator standards
3 board, state board for community and technical colleges, higher
4 education coordinating board, nongovernmental private-public
5 partnership created in RCW 43.215.070, tribes, labor organizations
6 representing child care workers, representatives from child care
7 centers, early childhood education and assistance program and head
8 start association, and the Puget Sound education service district to
9 determine:

10 (i) Capacity at higher education institutions to implement degree
11 requirements;

12 (ii) Availability of financial aid to ensure access to degree
13 requirements;

14 (iii) Availability of classes for nontraditional students including
15 online, evening, and weekend offerings;

16 (iv) Availability of additional resources to meet the unique needs
17 of tribes, family child care providers, and other nontraditional
18 caregivers including, but not limited to, mentoring, coaching,
19 resource-sharing models or other resources to ensure child care
20 providers have access to ongoing education opportunities;

21 (v) Additional pathways to demonstrate competencies, including
22 consideration of the quality rating and improvement system ratings as
23 a mechanism to demonstrate eligibility to apply for contracts for the
24 early learning program outlined in RCW 43.215.142; and

25 (vi) Development of a teacher compensation model.

26 (15) \$300,000 of the general fund--federal appropriation is
27 provided solely for a contract with a nonprofit entity experienced in
28 the provision of promoting early literacy for children through
29 pediatric office visits.

30 **Sec. 616.** 2011 2nd sp.s. c 9 s 613 (uncodified) is amended to read
31 as follows:

32 **FOR THE STATE SCHOOL FOR THE BLIND**

33	General Fund--State Appropriation (FY 2012)	((\$5,782,000))
34		<u>\$5,776,000</u>
35	General Fund--State Appropriation (FY 2013)	((\$5,749,000))
36		<u>\$5,671,000</u>
37	((General Fund--Private/Local Appropriation	\$1,961,000))

1 TOTAL APPROPRIATION ((\$13,492,000))
2 \$11,447,000

3 ((The appropriations in this section are subject to the following
4 conditions — and — limitations:— \$271,000 — of — the — general — fund—
5 private/local appropriation is provided solely for the school for the
6 blind to offer short course programs, allowing students the opportunity
7 to leave their home schools for short periods and receive intensive
8 training. The school for the blind shall provide this service to the
9 extent that it is funded by contracts with school districts and
10 educational services districts.))

11 **Sec. 617.** 2011 2nd sp.s. c 9 s 614 (uncodified) is amended to read
12 as follows:

13 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
14 **LOSS**

15 General Fund--State Appropriation (FY 2012) ((\$8,449,000))
16 \$8,439,000
17 General Fund--State Appropriation (FY 2013) ((\$8,446,000))
18 \$8,335,000
19 ((General Fund Private/Local Appropriation \$526,000))
20 TOTAL APPROPRIATION ((\$17,421,000))
21 \$16,774,000

22 **Sec. 618.** 2011 2nd sp.s. c 9 s 615 (uncodified) is amended to read
23 as follows:

24 **FOR THE WASHINGTON STATE ARTS COMMISSION**

25 General Fund--Federal Appropriation \$2,065,000
26 General Fund--Private/Local Appropriation \$1,056,000
27 Washington State Heritage Center Account--State
28 Appropriation ((\$2,213,000))
29 \$2,186,000
30 TOTAL APPROPRIATION ((\$5,334,000))
31 \$5,307,000

32 **Sec. 619.** 2011 2nd sp.s. c 9 s 616 (uncodified) is amended to read
33 as follows:

34 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

35 Washington State Heritage Center Account--State

1 Appropriation ((~~\$4,241,000~~))
2 \$4,204,000

3 **Sec. 620.** 2011 2nd sp.s. c 9 s 617 (uncodified) is amended to read
4 as follows:

5 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

6 Washington State Heritage Center Account--State

7 Appropriation ((~~\$2,962,000~~))
8 \$2,957,000

(End of part)

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

General Fund--State Appropriation (FY 2012)	(\$919,198,000)
	<u>\$911,643,000</u>
General Fund--State Appropriation (FY 2013)	(\$967,749,000)
	<u>\$949,349,000</u>
State Building Construction Account--State	
Appropriation	\$3,866,000
Columbia River Basin Water Supply Development	
Account--State Appropriation	\$121,000
Hood Canal Aquatic Rehabilitation Bond Account--State	
Appropriation	\$4,000
State Taxable Building Construction Account--State	
Appropriation	\$90,000
Gardner-Evans Higher Education Construction	
Account--State Appropriation	\$13,000
Debt-Limit Reimbursable Bond Retire Account--State	
Appropriation	\$2,300,000
TOTAL APPROPRIATION	(\$1,893,341,000)
	<u>\$1,867,386,000</u>

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)	((\$27,516,000))
4		<u>\$27,400,000</u>
5	General Fund--State Appropriation (FY 2013)	((\$30,758,000))
6		<u>\$30,572,000</u>
7	Nondebt-Limit Reimbursable Bond Retirement	
8	Account--State Appropriation	\$140,128,000
9	TOTAL APPROPRIATION	((\$198,402,000))
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)	((\$591,000))
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	Skamania	\$66,648
2	Snohomish	\$1,565,549
3	Stevens	\$6,709
4	Thurston	\$783,735
5	Wahkiakum	\$285,339
6	Whatcom	\$753,186
7	Total	\$10,000,000

8 NEW SECTION. **Sec. 707.** A new section is added to 2011 1st sp.s.
9 c 50 (uncodified) to read as follows:

10 **FOR SUNDRY CLAIMS**

11 The following sums, or so much thereof as may be necessary, are
12 appropriated from the general fund for fiscal year 2012, unless
13 otherwise indicated, for relief of various individuals, firms, and
14 corporations for sundry claims. These appropriations are to be
15 disbursed on vouchers approved by the director of financial management,
16 except as otherwise provided, for reimbursement of criminal defendants
17 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as
18 follows:

- 19 (1) Clint L. Powell, Jr., claim number 99970048 \$58,155.10
- 20 (2) Chance L. Hawkins, claim number 99970049 \$28,838.95
- 21 (3) Edgar L. Hawkins, claim number 99970050 \$25,507.00
- 22 (4) James Abbott, claim number 99970051 \$9,880.00
- 23 (5) Richard Frisk, claim number 99970052 \$32,788.50
- 24 (6) Brian Barnd-Spjut, claim number 99970053 \$122,821.79

25 NEW SECTION. **Sec. 708.** A new section is added to 2011 1st sp.s.
26 c 50 (uncodified) to read as follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--INCOME AND TAX BURDEN STUDY**

28 General Fund--State Appropriation (FY 2013) \$50,000

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

- 31 (1) The entire appropriation is provided solely for conducting the
32 study required in this section.
- 33 (2) (a) The citizens of Washington state deserve better information
34 on the disparate impacts of the economic and taxing decisions of state
35 and local governments.

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 NEW SECTION. **Sec. 712.** A new section is added to 2012 c 86 (ESHB
2 2190) (uncodified) to read as follows:

3 **FOR THE WASHINGTON STATE DEPARTMENT OF TRANSPORTATION**

4 The legislature finds that it is critically important that highway
5 improvement project lists, incorporated by reference in the biennial
6 transportation appropriations act, accurately reflect the intent of the
7 legislature with respect to the identified projects and activities as
8 listed by fund, project, and amount in the list, including intended
9 future commitments. The legislature further finds that during the 2012
10 regular legislative session, Engrossed Substitute House Bill No. 2190,
11 as recommended by the conference committee, passed the legislature and
12 that it incorporated by reference a highway improvement project list
13 containing various technical drafting errors resulting in an inaccurate
14 reflection of the conference committee report as agreed to by the
15 conferees. The legislature further finds that a corrected version of
16 the list is necessary to conform with the recommendations of the
17 conference committee in a manner that does not change the funding
18 decisions or appropriations for the current 2011-2013 biennium as
19 agreed to by the conferees. Therefore, any reference in chapter 86
20 (ESHB 2190), Laws of 2012 to "LEAP Transportation Document 2012-2 as
21 developed March 8, 2012, Program - Highway Improvement Program (I)" is
22 superseded by the corrected version "LEAP Transportation Document 2012-
23 2C as developed March 14, 2012, Program - Highway Improvements Program
24 (I)".

25 NEW SECTION. **Sec. 713.** A new section is added to 2011 1st sp.s.
26 c 50 (uncodified) to read as follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--LIFE SCIENCES DISCOVERY FUND**

28 General Fund--State Appropriation (FY 2013) \$4,000,000

29 The appropriation in this section is subject to the following
30 conditions and limitations: The general fund appropriation is for
31 expenditure into the life sciences discovery fund.

(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))
	<u>\$8,289,000</u>
General Fund Appropriation for public utility	
district excise tax distributions	((\$49,418,000))
	<u>\$44,078,000</u>
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))
	<u>\$58,229,000</u>
County Criminal Justice Assistance Appropriation	((\$69,801,000))
	<u>\$69,566,000</u>
Municipal Criminal Justice Assistance	
Appropriation	((\$26,950,000))
	<u>\$26,843,000</u>
City-County Assistance Account Appropriation for local	
government financial assistance distribution	((\$16,589,000))
	<u>\$12,159,000</u>
Liquor Excise Tax Account Appropriation for liquor	
excise tax distribution	((\$52,152,000))

1 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
2 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
3 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
4 215, Laws of 1998 (DUI provisions).

5 **Sec. 803.** 2011 1st sp.s. c 50 s 803 (uncodified) is amended to
6 read as follows:

7 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
8 Impaired Driver Safety Account Appropriation (~~(\$1,666,000)~~)
9 \$1,626,000

10 The appropriation in this section is subject to the following
11 conditions and limitations: The amount appropriated in this section
12 shall be distributed quarterly during the 2011-2013 biennium to all
13 cities ratably based on population as last determined by the office of
14 financial management. The distributions to any city that substantially
15 decriminalizes or repeals its criminal code after July 1, 1990, and
16 that does not reimburse the county for costs associated with criminal
17 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
18 which the city is located. This funding is provided to cities for the
19 costs of implementing criminal justice legislation including, but not
20 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
21 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
22 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
23 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
24 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
25 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
26 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
27 Laws of 1998 (DUI provisions).

28 **Sec. 804.** 2011 2nd sp.s. c 9 s 801 (uncodified) is amended to read
29 as follows:

30 **FOR THE STATE TREASURER--TRANSFERS**
31 State Treasurer's Service Account: For transfer to
32 the state general fund, \$16,300,000
33 for fiscal year 2012 and (~~(\$21,300,000)~~)
34 \$24,800,000 for fiscal year 2013 (~~(\$37,600,000)~~)
35 \$41,100,000
36 Waste Reduction, Recycling, and Litter Control

1 Account: For transfer to the state general
 2 fund, (~~(\$3,500,000)~~) \$4,847,000 for fiscal year
 3 2012 and (~~(\$3,500,000)~~) \$4,847,000 for fiscal year
 4 2013 (~~(\$7,000,000)~~)
 5 \$9,694,000
 6 Aquatics Lands Enhancement Account: For transfer to
 7 the state general fund, \$3,500,000 for fiscal
 8 year 2012 and \$3,500,000 for fiscal year 2013 \$7,000,000
 9 Savings Incentive Account: For transfer to the state
 10 general fund, \$44,618,000 for fiscal year 2012 \$44,618,000
 11 Distinguished Professorship Trust Fund: For transfer to
 12 the state general fund for fiscal year 2012, an amount
 13 not to exceed the actual cash balance of the fund \$3,024,000
 14 Washington Graduate Fellowship Trust Fund: For transfer
 15 to the state general fund for fiscal year 2012, an
 16 amount not to exceed the actual cash balance of
 17 the fund \$1,028,000
 18 College Faculty Awards Trust Fund: For transfer
 19 to the state general fund for fiscal year 2012, an amount
 20 not to exceed the actual cash balance of the fund \$1,996,000
 21 Data Processing Revolving Account: For transfer
 22 to the state general fund, \$5,960,000 for fiscal
 23 year 2012 \$5,960,000
 24 Drinking Water Assistance Account: For transfer to
 25 the drinking water assistance repayment account \$38,000,000
 26 Economic Development Strategic Reserve Account: For
 27 transfer to the state general fund, \$2,100,000
 28 for fiscal year 2012 and \$2,100,000 for fiscal
 29 year 2013 \$4,200,000
 30 General Fund: For transfer to the streamlined sales
 31 and use tax account, (~~(\$24,846,000)~~) \$24,520,000
 32 for fiscal year 2012 and \$24,789,000 for fiscal
 33 year 2013 (~~(\$49,635,000)~~)
 34 \$49,309,000
 35 Public Works Assistance Account: For transfer to the
 36 water pollution control revolving account,
 37 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
 38 fiscal year 2013 \$15,500,000

1 The Charitable, Educational, Penal, and Reformatory
2 Institutions Account: For transfer to the state
3 general fund, \$4,500,000 for fiscal year 2012 and
4 \$4,500,000 for fiscal year 2013 \$9,000,000
5 Thurston County Capital Facilities Account: For
6 transfer to the state general fund, \$4,000,000
7 for fiscal year 2012 and \$4,000,000 for fiscal
8 year 2013 \$8,000,000
9 Public Works Assistance Account: For transfer to the
10 drinking water assistance account, \$10,000,000 for
11 fiscal year 2012 and \$5,000,000 for fiscal year
12 2013 \$15,000,000
13 Liquor Control Board Construction and Maintenance
14 Account: For transfer to the state general fund,
15 \$500,000 for fiscal year 2012 (~~and \$500,000 for~~
16 ~~fiscal year 2013~~) ((~~\$1,000,000~~))
17 \$500,000
18 Education Savings Account: For transfer to the state
19 general fund, \$54,431,000 for fiscal
20 year 2012 (~~and \$22,500,000 for fiscal year~~
21 ~~2013~~) ((~~\$76,931,000~~))
22 \$54,431,000
23 Department of Retirement Systems Expense Account:
24 For transfer to the state general fund, (~~(\$250,000)~~)
25 \$2,330,000 for fiscal year 2012 and (~~(\$250,000)~~)
26 \$4,330,000 for fiscal year 2013 ((~~\$500,000~~))
27 \$6,660,000
28 Education Construction Account: For transfer to the
29 state general fund, \$102,000,000 for fiscal year
30 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000
31 (~~Public Works Assistance Account: For transfer to the~~
32 ~~state general fund, \$25,000,000 for fiscal year 2012~~
33 ~~and \$25,000,000 for fiscal year 2013 \$50,000,000~~)
34 Foster Care Endowed Scholarship Trust Fund: For transfer
35 to the state general fund, \$200,000 for fiscal year
36 2012 and \$200,000 for fiscal year 2013 \$400,000
37 Affordable Housing For All Account: For transfer to
38 the home security fund, \$1,000,000 for fiscal year

1 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
 2 Tobacco Settlement Account: For transfer to the state
 3 general fund, in an amount not to exceed the actual
 4 amount of the annual base payment to the tobacco
 5 settlement account \$158,205,000
 6 Tobacco Settlement Account: For transfer to the basic
 7 health plan stabilization account from the amounts
 8 deposited in the account that are attributable to the
 9 annual strategic contribution payment received in
 10 fiscal year 2012 \$22,000,000
 11 Tobacco Settlement Account: For transfer to the basic
 12 health plan stabilization account from the amounts
 13 deposited in the account that are attributable to the
 14 annual strategic contribution payment received in
 15 fiscal year 2013 \$22,000,000
 16 Tobacco Settlement Account: For transfer to the life
 17 sciences discovery fund, in an amount not to exceed
 18 the actual remaining amount of the annual strategic
 19 contribution payment to the tobacco settlement account
 20 for fiscal year 2012 \$6,000,000
 21 Tobacco Settlement Account: For transfer to the life
 22 sciences discovery fund, in an amount not to exceed
 23 the actual remaining amount of the annual strategic
 24 contribution payment to the tobacco settlement account
 25 for fiscal year 2013 \$6,000,000
 26 The transfer to the life sciences discovery fund is subject to the
 27 following conditions: All new grants awarded during the 2011-2013
 28 fiscal biennium shall support and accelerate the commercialization of
 29 an identifiable product.
 30 Financial Services Regulation Fund: For transfer to
 31 the state general fund, \$4,000,000 for fiscal
 32 year 2012 \$4,000,000
 33 State Nursery Revolving Account: For transfer to the
 34 state general fund, \$250,000 for fiscal year 2012 and
 35 \$250,000 for fiscal year 2013 \$500,000
 36 Washington State Heritage Center Account: For transfer
 37 to the state general fund, \$2,000,000 for fiscal
 38 year 2013 \$2,000,000

1 Local Toxics Control Account: For transfer to the state
2 toxics control account, \$15,000,000 for fiscal
3 year 2012 and \$15,000,000 for fiscal year 2013 \$30,000,000
4 Coastal Protection Account: For transfer to the state
5 general fund, \$500,000 for fiscal year 2012 and
6 \$500,000 for fiscal year 2013 \$1,000,000
7 Multimodal Transportation Account--State: For transfer
8 to the Public Transportation Grant Program Account
9 for the purposes of distributions of \$3,000,000 on
10 each of the last working days of December, March,
11 and June in fiscal year 2013 \$9,000,000
12 Aquatic Lands Enhancement Account: For transfer to
13 the marine resources stewardship trust account,
14 \$100,000 for fiscal year 2013 \$100,000

(End of part)

1 **COALITION, WFSE CC COALITION, WFSE CWU, WFSE TESC**

2 Agreements have been reached between the governor and the following
3 unions: Washington public employees association, Washington public
4 employees association higher education community college coalition,
5 Washington federation of state employees higher education community
6 college coalition, Washington federation of state employees Central
7 Washington University, and Washington federation of state employees The
8 Evergreen State College, under the provisions of chapter 41.80 RCW for
9 fiscal year 2013. Funding is reduced to reflect a 3.0 percent
10 temporary salary reduction for all employees whose monthly full-time
11 equivalent salary is \$2,500 or more per month through June 29, 2013.
12 Effective June 30, 2013, the salary schedules effective July 1, 2009,
13 through June 30, 2011, will be reinstated. For employees entitled to
14 leave, temporary salary reduction leave is granted for fiscal year
15 2013.

16 NEW SECTION. **Sec. 903.** A new section is added to 2011 1st sp.s.
17 c 50 (uncodified) to read as follows:

18 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--YAKIMA VALLEY**
19 **COMMUNITY COLLEGE--WASHINGTON PUBLIC EMPLOYEES ASSOCIATION**

20 An agreement has been reached between Yakima Valley Community
21 College and Washington public employees association under the
22 provisions of chapter 41.80 RCW for fiscal year 2013. The agreement is
23 consistent with the funding reduction provided in the 2011-2013 omnibus
24 appropriations act, which reflected a 3.0 percent temporary salary
25 reduction to all employees whose monthly full-time equivalent salary is
26 \$2,500 or more per month through June 29, 2013.

27 NEW SECTION. **Sec. 904.** A new section is added to 2011 1st sp.s.
28 c 50 (uncodified) to read as follows:

29 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WESTERN WASHINGTON**
30 **UNIVERSITY--PUBLIC SCHOOL EMPLOYEES OF WASHINGTON**

31 An agreement has been reached between Western Washington University
32 and the Washington public school employees of Washington bargaining
33 units D and PTE under the provisions of chapter 41.80 RCW for fiscal
34 year 2013. The agreement is consistent with the funding reduction
35 provided in the 2011-2013 omnibus appropriations act, which reflected
36 a 3.0 percent temporary salary reduction to all employees whose monthly

1 full-time equivalent salary is \$2,500 or more per month through June
2 29, 2013. The reduction will be implemented according to the terms and
3 conditions of this agreement.

4 NEW SECTION. **Sec. 905.** A new section is added to 2011 1st sp.s.
5 c 50 (uncodified) to read as follows:

6 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WESTERN WASHINGTON**
7 **UNIVERSITY--WFSE**

8 An agreement has been reached between Western Washington University
9 and the Washington federation of state employees bargaining units A, B,
10 and E under the provisions of chapter 41.80 RCW for fiscal year 2013.
11 The agreement is consistent with the funding reduction provided in the
12 2011-2013 omnibus appropriations act, which reflected a 3.0 percent
13 temporary salary reduction to all employees whose monthly full-time
14 equivalent salary is \$2,500 or more per month through June 29, 2013.
15 The reduction will be implemented according to the terms and conditions
16 of this agreement.

17 NEW SECTION. **Sec. 906.** 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--EASTERN WASHINGTON**
20 **UNIVERSITY--WFSE**

21 An agreement has been reached between Eastern Washington University
22 and the Washington federation of state employees under the provisions
23 of chapter 41.80 RCW for fiscal year 2013. The agreement is consistent
24 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. The reduction will be
28 implemented according to the terms and conditions of this agreement.

29 NEW SECTION. **Sec. 907.** A new section is added to 2011 1st sp.s.
30 c 50 (uncodified) to read as follows:

31 **COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--SEIU**
32 **HEALTHCARE 775NW HOMECARE WORKERS**

33 If the governor and the service employees international union
34 healthcare 775nw under chapter 74.39A RCW reach agreement on the
35 state's contribution to the training partnership pursuant to the

1 appropriations in sections 205 and 206 of this act, the new
2 contribution amount shall become a part of the parties' existing
3 2011-2013 collective bargaining agreement.

4 NEW SECTION. **Sec. 908.** A new section is added to 2011 1st sp.s.
5 c 50 (uncodified) to read as follows:

6 **COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--WSRCC ADULT**
7 **FAMILY HOMES**

8 If the governor and the Washington state residential care council
9 under chapter 41.56 RCW reach agreement on a modification of the daily
10 rate for training and license fees pursuant to the appropriations in
11 sections 205 and 206 of this act, the new rate shall become a part of
12 the parties' existing 2011-2013 collective bargaining agreement.

13 **Sec. 909.** 2011 1st sp.s. c 50 s 920 (uncodified) is amended to
14 read as follows:

15 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

16 Appropriations for state agencies in this act are sufficient for
17 nonrepresented state employee health benefits for state agencies,
18 including institutions of higher education, and are subject to the
19 following conditions and limitations:

20 (1)(a) The monthly employer funding rate for insurance benefit
21 premiums, public employees' benefits board administration, and the
22 uniform medical plan, shall not exceed \$850 per eligible employee for
23 fiscal year 2012. For fiscal year 2013 the monthly employer funding
24 rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

25 (b) In order to achieve the level of funding provided for health
26 benefits, the public employees' benefits board shall require any or all
27 of the following: Employee premium copayments, increases in point-of-
28 service cost sharing, the implementation of managed competition, or
29 make other changes to benefits consistent with RCW 41.05.065.

30 (c) The health care authority shall deposit any moneys received on
31 behalf of the uniform medical plan as a result of rebates on
32 prescription drugs, audits of hospitals, subrogation payments, or any
33 other moneys recovered as a result of prior uniform medical plan claims
34 payments, into the public employees' and retirees' insurance account to
35 be used for insurance benefits. Such receipts shall not be used for
36 administrative expenditures.

1 (2) The health care authority, subject to the approval of the
2 public employees' benefits board, shall provide subsidies for health
3 benefit premiums to eligible retired or disabled public employees and
4 school district employees who are eligible for medicare, pursuant to
5 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
6 \$150.00 per month.

7 (3) Technical colleges, school districts, and educational service
8 districts shall remit to the health care authority for deposit into the
9 public employees' and retirees' insurance account established in RCW
10 41.05.120 the following amounts:

11 (a) For each full-time employee, \$66.01 per month beginning
12 September 1, 2011, and (~~(\$67.91)~~) \$65.17 beginning September 1, 2012;

13 (b) For each part-time employee, who at the time of the remittance
14 is employed in an eligible position as defined in RCW 41.32.010 or
15 41.40.010 and is eligible for employer fringe benefit contributions for
16 basic benefits, \$66.01 each month beginning September 1, 2011, and
17 (~~(\$67.91)~~) \$65.17 beginning September 1, 2012, prorated by the
18 proportion of employer fringe benefit contributions for a full-time
19 employee that the part-time employee receives. The remittance
20 requirements specified in this subsection shall not apply to employees
21 of a technical college, school district, or educational service
22 district who purchase insurance benefits through contracts with the
23 health care authority.

24 **Sec. 910.** 2011 1st sp.s. c 50 s 921 (uncodified) is amended to
25 read as follows:

26 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**
27 **BENEFITS**

28 Appropriations for state agencies in this act are sufficient for
29 represented employees outside the super coalition for health benefits,
30 and are subject to the following conditions and limitations:

31 (1)(a) The monthly employer funding rate for insurance benefit
32 premiums, public employees' benefits board administration, and the
33 uniform medical plan, shall not exceed \$850 per eligible employee for
34 fiscal year 2012. For fiscal year 2013 the monthly employer funding
35 rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

36 (b) In order to achieve the level of funding provided for health
37 benefits, the public employees' benefits board shall require any or all

1 of the following: Employee premium copayments, increases in point-of-
2 service cost sharing, the implementation of managed competition, or
3 make other changes to benefits consistent with RCW 41.05.065.

4 (c) The health care authority shall deposit any moneys received on
5 behalf of the uniform medical plan as a result of rebates on
6 prescription drugs, audits of hospitals, subrogation payments, or any
7 other moneys recovered as a result of prior uniform medical plan claims
8 payments, into the public employees' and retirees' insurance account to
9 be used for insurance benefits. Such receipts shall not be used for
10 administrative expenditures.

11 (2) The health care authority, subject to the approval of the
12 public employees' benefits board, shall provide subsidies for health
13 benefit premiums to eligible retired or disabled public employees and
14 school district employees who are eligible for medicare, pursuant to
15 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
16 \$150.00 per month.

17 (3) Technical colleges, school districts, and educational service
18 districts shall remit to the health care authority for deposit into the
19 public employees' and retirees' insurance account established in RCW
20 41.05.120 the following amounts:

21 (a) For each full-time employee, \$66.01 per month beginning
22 September 1, 2011, and (~~(\$67.91)~~) \$65.17 beginning September 1, 2012;

23 (b) For each part-time employee, who at the time of the remittance
24 is employed in an eligible position as defined in RCW 41.32.010 or
25 41.40.010 and is eligible for employer fringe benefit contributions for
26 basic benefits, \$66.01 each month beginning September 1, 2011, and
27 (~~(\$67.91)~~) \$65.17 beginning September 1, 2012, prorated by the
28 proportion of employer fringe benefit contributions for a full-time
29 employee that the part-time employee receives. The remittance
30 requirements specified in this subsection shall not apply to employees
31 of a technical college, school district, or educational service
32 district who purchase insurance benefits through contracts with the
33 health care authority.

34 **Sec. 911.** 2011 1st sp.s. c 50 s 922 (uncodified) is amended to
35 read as follows:

36 **COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE**
37 **BENEFITS**

1 The collective bargaining agreement negotiated with the super
2 coalition under chapter 41.80 RCW includes employer premiums at 85
3 percent of the total weighted average of the projected health care
4 premiums across all plans and tiers. Appropriations in this act for
5 state agencies, including institutions of higher education are
6 sufficient to fund state employees health benefits for employees
7 represented by the super coalition on health benefits, and are subject
8 to the following conditions and limitations:

9 (1)(a) The monthly employer funding rate for insurance benefit
10 premiums, public employees' benefits board administration, and the
11 uniform medical plan, shall not exceed \$850 per eligible employee for
12 fiscal year 2012. For fiscal year 2013 the monthly employer funding
13 rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

14 (b) In order to achieve the level of funding provided for health
15 benefits, the public employees' benefits board shall require any or all
16 of the following: Employee premium copayments, increases in point-of-
17 service cost sharing, the implementation of managed competition, or
18 make other changes to benefits consistent with RCW 41.05.065.

19 (c) The health care authority shall deposit any moneys received on
20 behalf of the uniform medical plan as a result of rebates on
21 prescription drugs, audits of hospitals, subrogation payments, or any
22 other moneys recovered as a result of prior uniform medical plan claims
23 payments, into the public employees' and retirees' insurance account to
24 be used for insurance benefits. Such receipts shall not be used for
25 administrative expenditures.

26 (2) The health care authority, subject to the approval of the
27 public employees' benefits board, shall provide subsidies for health
28 benefit premiums to eligible retired or disabled public employees and
29 school district employees who are eligible for medicare, pursuant to
30 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
31 \$150.00 per month.

32 NEW SECTION. **Sec. 912.** A new section is added to 2011 1st sp.s.
33 c 50 (uncodified) to read as follows:

34 For purposes of RCW 43.88.110(7), any cash deficit in existence at
35 the close of fiscal year 2012 shall be liquidated over the remainder of
36 the 2011-2013 fiscal biennium.

1 **Sec. 913.** 2011 1st sp.s. c 7 s 11 (uncodified) is amended to read
2 as follows:

3 (1) For fiscal years 2012 and 2013 and subject to appropriation,
4 the department of social and health services shall do a comparative
5 analysis of the facility-based payment rates calculated on July 1,
6 (~~2011~~) 2012, using the payment methodology defined in chapter 74.46
7 RCW as modified by sections 1 through 9 of this act, to the
8 facility-based payment rates in effect June 30, 2010. If the facility-
9 based payment rate calculated on July 1, (~~2011~~) 2012, is smaller than
10 the facility-based payment rate on June 30, (~~2011~~) 2010, the
11 difference shall be provided to the individual nursing facilities as an
12 add-on payment per medicaid resident day.

13 (2) During the comparative analysis performed in subsection (1) of
14 this section, if it is found that the direct care rate for any facility
15 calculated on March 1, 2012, under sections 1 through 9 (~~of this act~~)
16 chapter 7, Laws of 2011 1st sp. sess. is greater than the direct care
17 rate in effect on June 30, 2010, then the facility shall receive a ten
18 percent direct care rate add-on to compensate that facility for taking
19 on more acute clients than they have in the past.

20 (3) The rate add-ons provided in subsection (2) of this section are
21 subject to the reconciliation and settlement process provided in RCW
22 74.46.022(6).

23 **Sec. 914.** RCW 2.68.020 and 2009 c 564 s 1802 and 2009 c 564 s 918
24 are each reenacted and amended to read as follows:

25 There is created an account in the custody of the state treasurer
26 to be known as the judicial information system account. The
27 administrative office of the courts shall maintain and administer the
28 account, in which shall be deposited all moneys received from in-state
29 noncourt users and any out-of-state users of the judicial information
30 system and moneys as specified in RCW 2.68.040 for the purposes of
31 providing judicial information system access to noncourt users and
32 providing an adequate level of automated services to the judiciary.
33 The legislature shall appropriate the funds in the account for the
34 purposes of the judicial information system. The account shall be used
35 for the acquisition of equipment, software, supplies, services, and
36 other costs incidental to the acquisition, development, operation, and
37 administration of information services, telecommunications, systems,

1 software, supplies, and equipment, including the payment of principal
2 and interest on items paid in installments. (~~During the 2007-2009~~
3 ~~fiscal biennium, the legislature may transfer from the judicial~~
4 ~~information system account to the state general fund such amounts as~~
5 ~~reflect the excess fund balance of the account. During the 2009-2011~~
6 ~~fiscal biennium, the legislature may transfer from the judicial~~
7 ~~information system account to the state general fund such amounts as~~
8 ~~reflect the excess fund balance of the account.)) During the 2011-2013
9 fiscal biennium, the judicial information systems account may be
10 appropriated to support the state law library.~~

11 **Sec. 915.** RCW 28B.15.067 and 2011 1st sp.s. c 10 s 3 are each
12 amended to read as follows:

13 (1) Tuition fees shall be established under the provisions of this
14 chapter.

15 (2) Beginning in the 2011-12 academic year, reductions or increases
16 in full-time tuition fees shall be as provided in the omnibus
17 appropriations act for resident undergraduate students at community and
18 technical colleges. The governing boards of the state universities,
19 regional universities, and The Evergreen State College; and the state
20 board for community and technical colleges may reduce or increase full-
21 time tuition fees for all students other than resident undergraduates,
22 including nonresident students, summer school students, and students in
23 other self-supporting degree programs. Percentage increases in full-
24 time tuition may exceed the fiscal growth factor. Except during the
25 2011-2013 fiscal biennium, the state board for community and technical
26 colleges may pilot or institute differential tuition models. The board
27 may define scale, scope, and rationale for the models.

28 (3)(a) Beginning with the 2011-12 academic year and through the end
29 of the 2014-15 academic year, the governing boards of the state
30 universities, the regional universities, and The Evergreen State
31 College may reduce or increase full-time tuition fees for all students,
32 including summer school students and students in other self-supporting
33 degree programs. Percentage increases in full-time tuition fees may
34 exceed the fiscal growth factor. Reductions or increases may be made
35 for all or portions of an institution's programs, campuses, courses, or
36 students; however, during the 2011-2013 fiscal biennium, reductions or

1 increases in tuition must be uniform among resident undergraduate
2 students.

3 (b) Prior to reducing or increasing tuition for each academic year,
4 the governing boards of the state universities, the regional
5 universities, and The Evergreen State College shall consult with
6 existing student associations or organizations with student
7 undergraduate and graduate representatives regarding the impacts of
8 potential tuition increases. Governing boards shall be required to
9 provide data regarding the percentage of students receiving financial
10 aid, the sources of aid, and the percentage of total costs of
11 attendance paid for by aid.

12 (c) Prior to reducing or increasing tuition for each academic year,
13 the state board for community and technical college system shall
14 consult with existing student associations or organizations with
15 undergraduate student representation regarding the impacts of potential
16 tuition increases. The state board for community and technical
17 colleges shall provide data regarding the percentage of students
18 receiving financial aid, the sources of aid, and the percentage of
19 total costs of attendance paid for by aid.

20 (4) Beginning with the 2015-16 academic year through the 2018-19
21 academic year, the governing boards of the state universities, regional
22 universities, and The Evergreen State College may set tuition for
23 resident undergraduates as follows:

24 (a) If state funding for a college or university falls below the
25 state funding provided in the operating budget for fiscal year 2011,
26 the governing board may increase tuition up to the limits set in (d) of
27 this subsection, reduce enrollments, or both;

28 (b) If state funding for a college or university is at least at the
29 level of state funding provided in the operating budget for fiscal year
30 2011, the governing board may increase tuition up to the limits set in
31 (d) of this subsection and shall continue to at least maintain the
32 actual enrollment levels for fiscal year 2011 or increase enrollments
33 as required in the omnibus appropriations act; (~~and~~)

34 (c) If state funding is increased so that combined with resident
35 undergraduate tuition the sixtieth percentile of the total per-student
36 funding at similar public institutions of higher education in the
37 global challenge states under RCW 28B.15.068 is exceeded, the governing

1 board shall decrease tuition by the amount needed for the total per-
2 student funding to be at the sixtieth percentile under RCW 28B.15.068;
3 and

4 (d) The amount of tuition set by the governing board for an
5 institution under this subsection (4) may not exceed the sixtieth
6 percentile of the resident undergraduate tuition of similar public
7 institutions of higher education in the global challenge states.

8 (5) The tuition fees established under this chapter shall not apply
9 to high school students enrolling in participating institutions of
10 higher education under RCW 28A.600.300 through 28A.600.400.

11 (6) The tuition fees established under this chapter shall not apply
12 to eligible students enrolling in a dropout reengagement program
13 through an interlocal agreement between a school district and a
14 community or technical college under RCW 28A.175.100 through
15 28A.175.110.

16 (7) The tuition fees established under this chapter shall not apply
17 to eligible students enrolling in a community or technical college
18 participating in the pilot program under RCW 28B.50.534 for the purpose
19 of obtaining a high school diploma.

20 (8) Beginning in the 2019-20 academic year, reductions or increases
21 in full-time tuition fees for resident undergraduates at four-year
22 institutions of higher education shall be as provided in the omnibus
23 appropriations act.

24 (9) The legislative advisory committee to the committee on advanced
25 tuition payment established in RCW 28B.95.170 shall:

26 (a) Review the impact of differential tuition rates on the funded
27 status and future unit price of the Washington advanced college tuition
28 payment program; and

29 (b) No later than January 14, 2013, make a recommendation to the
30 appropriate policy and fiscal committees of the legislature regarding
31 how differential tuition should be addressed in order to maintain the
32 ongoing solvency of the Washington advanced college tuition payment
33 program.

34 **Sec. 916.** RCW 38.52.540 and 2010 1st sp.s. c 19 s 18 are each
35 amended to read as follows:

36 (1) The enhanced 911 account is created in the state treasury. All
37 receipts from the state enhanced 911 excise taxes imposed by RCW

1 82.14B.030 must be deposited into the account. Moneys in the account
2 must be used only to support the statewide coordination and management
3 of the enhanced 911 system, for the implementation of wireless enhanced
4 911 statewide, for the modernization of enhanced 911 emergency
5 communications systems statewide, and to help supplement, within
6 available funds, the operational costs of the system, including
7 adequate funding of counties to enable implementation of wireless
8 enhanced 911 service and reimbursement of radio communications service
9 companies for costs incurred in providing wireless enhanced 911 service
10 pursuant to negotiated contracts between the counties or their agents
11 and the radio communications service companies. For the 2011-2013
12 fiscal biennium, the account may be used for modernizing narrowband
13 radio capability in the department of corrections. A county must show
14 just cause, including but not limited to a true and accurate accounting
15 of the funds expended, for any inability to provide reimbursement to
16 radio communications service companies of costs incurred in providing
17 enhanced 911 service.

18 (2) Funds generated by the enhanced 911 excise tax imposed by RCW
19 82.14B.030(5) may not be distributed to any county that has not imposed
20 the maximum county enhanced 911 excise tax allowed under RCW
21 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed
22 by RCW 82.14B.030(6) may not be distributed to any county that has not
23 imposed the maximum county enhanced 911 excise tax allowed under RCW
24 82.14B.030(2).

25 (3) The state enhanced 911 coordinator, with the advice and
26 assistance of the enhanced 911 advisory committee, is authorized to
27 enter into statewide agreements to improve the efficiency of enhanced
28 911 services for all counties and shall specify by rule the additional
29 purposes for which moneys, if available, may be expended from this
30 account.

31 **Sec. 917.** RCW 41.06.560 and 2011 1st sp.s. c 39 s 11 are each
32 amended to read as follows:

33 From February 15, 2010, until June 30, 2013, no monetary
34 performance-based awards or incentives may be granted by the director
35 or employers to employees covered by rules adopted under this section.
36 This section does not prohibit the payment of awards provided for in
37 chapter 41.60 RCW. For institutions of higher education, this section

1 does not prohibit the payment of specific cash awards from private
2 donations from individuals or businesses including, but not limited to,
3 endowments.

4 From July 1, 2011, until June 30, 2013, no performance-based awards
5 or incentives may be granted by the director or employers to employees
6 pursuant to a performance management confirmation granted by the
7 department of personnel under WAC 357-37-055.

8 **Sec. 918.** RCW 43.07.129 and 2011 1st sp.s. c 50 s 940 are each
9 amended to read as follows:

10 The Washington state heritage center account is created in the
11 custody of the state treasurer. All moneys received under RCW
12 36.18.010(11) and 43.07.128 must be deposited in the account.
13 Expenditures from the account may be made only for the following
14 purposes:

15 (1) Payment of the certificate of participation issued for the
16 Washington state heritage center;

17 (2) Capital maintenance of the Washington state heritage center;
18 and

19 (3) Program operations that serve the public, relate to the
20 collections and exhibits housed in the Washington state heritage
21 center, or fulfill the missions of the state archives, state library,
22 and capital museum.

23 Only the secretary of state or the secretary of state's designee
24 may authorize expenditures from the account. An appropriation is not
25 required for expenditures, but the account is subject to allotment
26 procedures under chapter 43.88 RCW. During the 2011-2013 fiscal
27 biennium, the legislature may appropriate from the Washington state
28 heritage center account for the purposes of state arts, historical, and
29 library programs. Additionally, during the 2011-2013 fiscal biennium,
30 the legislature may transfer from the Washington state heritage center
31 account to the state general fund such amounts as reflect the excess
32 fund balance of the fund.

33 **Sec. 919.** RCW 43.17.390 and 2009 c 564 s 931 are each amended to
34 read as follows:

35 Starting in ((2012)) 2014, and at least once every three years
36 thereafter, each agency shall apply to the Washington state quality

1 award, or similar organization, for an independent assessment of its
2 quality management, accountability, and performance system. The
3 assessment shall evaluate the effectiveness of all elements of its
4 management, accountability, and performance system, including:
5 Leadership, strategic planning, customer focus, analysis and
6 information, employee performance management, and process improvement.
7 The purpose of the assessment is to recognize best practice and
8 identify improvement opportunities.

9 **Sec. 920.** RCW 43.30.720 and 2003 1st sp.s. c 25 s 938 are each
10 amended to read as follows:

11 All receipts from the sale of stock or seed shall be deposited in
12 a state forest nursery revolving fund to be maintained by the
13 department, which is hereby authorized to use all money in said fund
14 for the maintenance of the state tree nursery or the planting of
15 denuded state owned lands.

16 During the ((2003-2005)) 2011-2013 fiscal biennium, the legislature
17 may transfer from the state forest nursery revolving fund to the state
18 general fund such amounts as reflect the excess fund balance of the
19 fund.

20 **Sec. 921.** RCW 43.88.110 and 2009 c 518 s 3 are each amended to
21 read as follows:

22 This section sets forth the expenditure programs and the allotment
23 and reserve procedures to be followed by the executive branch for
24 public funds.

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

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

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

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

4 (a) Appropriations made for capital projects including
5 transportation projects;

6 (b) Estimates of total project costs including past, current,
7 ensuing, and future biennial costs;

8 (c) Comparisons of actual costs to estimated costs;

9 (d) Comparisons of estimated construction start and completion
10 dates with actual dates;

11 (e) Documentation of fund shifts between projects.

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

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

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

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

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

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

36 (7)(a) Beginning January 1, 2013, if at any time during the fiscal
37 period the governor projects a cash deficit in a particular fund or
38 account as defined by RCW 43.88.050, the governor shall make across-

1 the-board reductions in allotments for that particular fund or account
2 so as to prevent a cash deficit, unless the legislature has directed
3 the liquidation of the cash deficit over one or more fiscal periods.

4 (b)(i) From the effective date of this section until January 1,
5 2013, if at any time during the fiscal period the governor projects a
6 cash deficit in a particular fund or account as defined by RCW
7 43.88.050, then as set forth in (b) of this subsection the governor
8 shall make across-the-board reductions in the total amount allotted to
9 each agency from each appropriation from that fund or account so as to
10 prevent a cash deficit, unless the legislature has directed the
11 liquidation of the cash deficit over one or more fiscal periods.

12 (ii) The percentage reduction applied to individual allotments of
13 an agency's total allotments from each appropriation from that fund or
14 account may vary, but each agency's total allotments from each
15 appropriation from that fund or account must be uniformly reduced by
16 the percentage necessary to prevent a cash deficit. Where a portion of
17 an appropriation is provided solely for a particular purpose,
18 allotments of that portion of the appropriation may be reduced only by
19 the same percentage as the overall appropriation.

20 (iii) Allotments for the following programs may be reduced only by
21 a percentage equal to one-half of the percentage reduction applied to
22 total allotments of appropriations under (b)(ii) of this subsection:

23 (A) Direct custody in the department of corrections and the
24 juvenile rehabilitation administration; and

25 (B) The special commitment center of the department of social and
26 health services.

27 (iv) Basic education programs, debt service on state bonds, state
28 contributions to retirement systems, and programs for which a defined
29 benefit is specifically mandated in statute are exempt from across-the-
30 board allotment reductions under this subsection (7)(b) and allotments
31 for these purposes shall not be included when calculating the allotment
32 reductions.

33 (8) Except for the legislative and judicial branches and other
34 agencies headed by elective officials, the governor shall review the
35 statement of proposed operating expenditures for reasonableness and
36 conformance with legislative intent. The governor may request
37 corrections of proposed allotments submitted by the legislative and

1 judicial branches and agencies headed by elective officials if those
2 proposed allotments contain significant technical errors.

3 (9) Once the governor approves the proposed allotments, further
4 revisions may at the request of the office of financial management or
5 upon the agency's initiative be made on a quarterly basis and must be
6 accompanied by an explanation of the reasons for significant changes.
7 If the governor initiates across-the-board allotment revisions under
8 subsection (7)(b) of this section, the office of financial management
9 shall provide notice to the appropriate legislative fiscal committees
10 of the proposed revisions, including the explanation for the
11 significant changes, and the revisions may not take effect until ten
12 days after this notice is provided. However, changes in appropriation
13 level authorized by the legislature, changes required by across-the-
14 board reductions mandated by the governor, changes caused by executive
15 increases to spending authority, and changes caused by executive
16 decreases to spending authority for failure to comply with the
17 provisions of chapter 36.70A RCW may require additional revisions.
18 Revisions shall not be made retroactively. However, the governor may
19 assign to a reserve status any portion of an agency appropriation
20 withheld as part of across-the-board reductions made by the governor
21 and any portion of an agency appropriation conditioned on a contingent
22 event by the appropriations act. The governor may remove these amounts
23 from reserve status if the across-the-board reductions are subsequently
24 modified or if the contingent event occurs. The director of financial
25 management shall enter approved statements of proposed expenditures
26 into the state budgeting, accounting, and reporting system within
27 forty-five days after receipt of the proposed statements from the
28 agencies. If an agency or the director of financial management is
29 unable to meet these requirements, the director of financial management
30 shall provide a timely explanation in writing to the legislative fiscal
31 committees.

32 ~~((+8))~~ (10) It is expressly provided that all agencies shall be
33 required to maintain accounting records and to report thereon in the
34 manner prescribed in this chapter and under the regulations issued
35 pursuant to this chapter. Within ninety days of the end of the fiscal
36 year, all agencies shall submit to the director of financial management
37 their final adjustments to close their books for the fiscal year.
38 Prior to submitting fiscal data, written or oral, to committees of the

1 legislature, it is the responsibility of the agency submitting the data
2 to reconcile it with the budget and accounting data reported by the
3 agency to the director of financial management.

4 ~~((9))~~ (11) The director of financial management may exempt
5 certain public funds from the allotment controls established under this
6 chapter if it is not practical or necessary to allot the funds.
7 Allotment control exemptions expire at the end of the fiscal biennium
8 for which they are granted. The director of financial management shall
9 report any exemptions granted under this subsection to the legislative
10 fiscal committees.

11 **Sec. 922.** RCW 70.105D.070 and 2011 1st sp.s. c 50 s 964 are each
12 reenacted and amended to read as follows:

13 (1) The state toxics control account and the local toxics control
14 account are hereby created in the state treasury.

15 (2) The following moneys shall be deposited into the state toxics
16 control account: (a) Those revenues which are raised by the tax
17 imposed under RCW 82.21.030 and which are attributable to that portion
18 of the rate equal to thirty-three one-hundredths of one percent; (b)
19 the costs of remedial actions recovered under this chapter or chapter
20 70.105A RCW; (c) penalties collected or recovered under this chapter;
21 and (d) any other money appropriated or transferred to the account by
22 the legislature. Moneys in the account may be used only to carry out
23 the purposes of this chapter, including but not limited to the
24 following activities:

25 (i) The state's responsibility for hazardous waste planning,
26 management, regulation, enforcement, technical assistance, and public
27 education required under chapter 70.105 RCW;

28 (ii) The state's responsibility for solid waste planning,
29 management, regulation, enforcement, technical assistance, and public
30 education required under chapter 70.95 RCW;

31 (iii) The hazardous waste cleanup program required under this
32 chapter;

33 (iv) State matching funds required under the federal cleanup law;

34 (v) Financial assistance for local programs in accordance with
35 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

36 (vi) State government programs for the safe reduction, recycling,

1 or disposal of hazardous wastes from households, small businesses, and
2 agriculture;

3 (vii) Hazardous materials emergency response training;

4 (viii) Water and environmental health protection and monitoring
5 programs;

6 (ix) Programs authorized under chapter 70.146 RCW;

7 (x) A public participation program, including regional citizen
8 advisory committees;

9 (xi) Public funding to assist potentially liable persons to pay for
10 the costs of remedial action in compliance with cleanup standards under
11 RCW 70.105D.030(2)(e) but only when the amount and terms of such
12 funding are established under a settlement agreement under RCW
13 70.105D.040(4) and when the director has found that the funding will
14 achieve both (A) a substantially more expeditious or enhanced cleanup
15 than would otherwise occur, and (B) the prevention or mitigation of
16 unfair economic hardship;

17 (xii) Development and demonstration of alternative management
18 technologies designed to carry out the hazardous waste management
19 priorities of RCW 70.105.150;

20 (xiii) During the 2009-2011 and 2011-2013 fiscal biennia, shoreline
21 update technical assistance;

22 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional
23 permitting teams; (~~and~~)

24 (xv) During the 2011-2013 fiscal biennium, actions for reducing
25 public exposure to toxic air pollution; and

26 (xvi) During the 2011-2013 fiscal biennium, the department of
27 ecology's water quality, shorelands and environmental assessment,
28 hazardous waste, waste to resources, nuclear waste, and air quality
29 programs.

30 (3) The following moneys shall be deposited into the local toxics
31 control account: Those revenues which are raised by the tax imposed
32 under RCW 82.21.030 and which are attributable to that portion of the
33 rate equal to thirty-seven one-hundredths of one percent.

34 (a) Moneys deposited in the local toxics control account shall be
35 used by the department for grants or loans to local governments for the
36 following purposes in descending order of priority:

37 (i) Remedial actions;

38 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

1 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
2 70.95I, and 70.105 RCW;

3 (iv) Funds for a program to assist in the assessment and cleanup of
4 sites of methamphetamine production, but not to be used for the initial
5 containment of such sites, consistent with the responsibilities and
6 intent of RCW 69.50.511; and

7 (v) Cleanup and disposal of hazardous substances from abandoned or
8 derelict vessels, defined for the purposes of this section as vessels
9 that have little or no value and either have no identified owner or
10 have an identified owner lacking financial resources to clean up and
11 dispose of the vessel, that pose a threat to human health or the
12 environment.

13 (b) Funds for plans and programs shall be allocated consistent with
14 the priorities and matching requirements established in chapters
15 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
16 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
17 project that is referenced in the action agenda developed by the Puget
18 Sound partnership under RCW 90.71.310, shall, except as conditioned by
19 RCW 70.105D.120, receive priority for any available funding for any
20 grant or funding programs or sources that use a competitive bidding
21 process. During the 2007-2009 fiscal biennium, moneys in the account
22 may also be used for grants to local governments to retrofit public
23 sector diesel equipment and for storm water planning and implementation
24 activities.

25 (c) To expedite cleanups throughout the state, the department shall
26 partner with local communities and liable parties for cleanups. The
27 department is authorized to use the following additional strategies in
28 order to ensure a healthful environment for future generations:

29 (i) The director may alter grant-matching requirements to create
30 incentives for local governments to expedite cleanups when one of the
31 following conditions exists:

32 (A) Funding would prevent or mitigate unfair economic hardship
33 imposed by the clean-up liability;

34 (B) Funding would create new substantial economic development,
35 public recreational, or habitat restoration opportunities that would
36 not otherwise occur; or

37 (C) Funding would create an opportunity for acquisition and

1 redevelopment of vacant, orphaned, or abandoned property under RCW
2 70.105D.040(5) that would not otherwise occur;

3 (ii) The use of outside contracts to conduct necessary studies;

4 (iii) The purchase of remedial action cost-cap insurance, when
5 necessary to expedite multiparty clean-up efforts.

6 (d) To facilitate and expedite cleanups using funds from the local
7 toxics control account, during the 2009-2011 fiscal biennium the
8 director may establish grant-funded accounts to hold and disperse local
9 toxics control account funds and funds from local governments to be
10 used for remedial actions.

11 (4) Except for unanticipated receipts under RCW 43.79.260 through
12 43.79.282, moneys in the state and local toxics control accounts may be
13 spent only after appropriation by statute.

14 (5) Except during the (~~2009-2011~~) 2011-2013 fiscal biennium, one
15 percent of the moneys deposited into the state and local toxics control
16 accounts shall be allocated only for public participation grants to
17 persons who may be adversely affected by a release or threatened
18 release of a hazardous substance and to not-for-profit public interest
19 organizations. The primary purpose of these grants is to facilitate
20 the participation by persons and organizations in the investigation and
21 remedying of releases or threatened releases of hazardous substances
22 and to implement the state's solid and hazardous waste management
23 priorities. No grant may exceed sixty thousand dollars. Grants may be
24 renewed annually. Moneys appropriated for public participation from
25 either account which are not expended at the close of any biennium
26 shall revert to the state toxics control account.

27 (6) No moneys deposited into either the state or local toxics
28 control account may be used for solid waste incinerator feasibility
29 studies, construction, maintenance, or operation, or, after January 1,
30 2010, for projects designed to address the restoration of Puget Sound,
31 funded in a competitive grant process, that are in conflict with the
32 action agenda developed by the Puget Sound partnership under RCW
33 90.71.310.

34 (7) The department shall adopt rules for grant or loan issuance and
35 performance.

36 (8) During the (~~2007-2009 - and - 2009-2011~~) 2011-2013 fiscal
37 (~~biennia~~) biennium, the legislature may transfer from the local

1 toxics control account to ((either)) the state ((~~general fund or the~~
2 ~~oil spill prevention account, or both~~)) toxics control account such
3 amounts as reflect excess fund balance in the account.

4 ((~~(9) During the 2009-2011 fiscal biennium, the local toxics~~
5 ~~control account may also be used for a standby rescue tug at Neah Bay,~~
6 ~~local government shoreline update grants, private and public sector~~
7 ~~diesel equipment retrofit, and oil spill prevention, preparedness, and~~
8 ~~response activities.~~

9 ((~~(10) During the 2009-2011 fiscal biennium, the legislature may~~
10 ~~transfer from the state toxics control account to the state general~~
11 ~~fund such amounts as reflect the excess fund balance in the account.~~

12 ((~~(11)~~)) (9) During the 2011-2013 fiscal biennium, the local toxics
13 control account may also be used for local government shoreline update
14 grants and actions for reducing public exposure to toxic air pollution.

15 **Sec. 923.** RCW 74.48.090 and 2011 1st sp.s. c 7 s 21 are each
16 amended to read as follows:

17 (1) The department and the department of health, in consultation
18 with the Washington state health care association, and aging services
19 of Washington, shall design a system of skilled nursing facility
20 quality incentive payments. The design of the system shall be
21 submitted to the relevant policy and fiscal committees of the
22 legislature by ((~~December 15, 2011~~)) January 1, 2013. For the 2011-
23 2013 fiscal biennial budget period, the department shall not implement
24 a system of skilled nursing facility quality incentive payments
25 designed pursuant to this section. The system shall be based upon the
26 following principles:

27 (a) Evidence-based treatment and processes shall be used to improve
28 health care outcomes for skilled nursing facility residents;

29 (b) Effective purchasing strategies to improve the quality of
30 health care services should involve the use of common quality
31 improvement measures, while recognizing that some measures may not be
32 appropriate for application to facilities with high bariatric,
33 behaviorally challenged, or rehabilitation populations;

34 (c) Quality measures chosen for the system should be consistent
35 with the standards that have been developed by national quality
36 improvement organizations, such as the national quality forum, the
37 federal centers for medicare and medicaid services, or the federal

1 agency for healthcare research and quality. New reporting burdens to
2 skilled nursing facilities should be minimized by giving priority to
3 measures skilled nursing facilities that are currently required to
4 report to governmental agencies, such as the nursing home compare
5 measures collected by the federal centers for medicare and medicaid
6 services;

7 (d) Benchmarks for each quality improvement measure should be set
8 at levels that are feasible for skilled nursing facilities to achieve,
9 yet represent real improvements in quality and performance for a
10 majority of skilled nursing facilities in Washington state; and

11 (e) Skilled nursing facilities performance and incentive payments
12 should be designed in a manner such that all facilities in Washington
13 are able to receive the incentive payments if performance is at or
14 above the benchmark score set in the system established under this
15 section.

16 (2) Pursuant to an appropriation by the legislature, for state
17 fiscal year ((2013)) 2014 and each fiscal year thereafter, assessments
18 may be increased to support an additional one percent increase in
19 skilled nursing facility reimbursement rates for facilities that meet
20 the quality incentive benchmarks established under this section.

21 **Sec. 924.** RCW 76.04.610 and 2007 c 110 s 1 are each amended to
22 read as follows:

23 (1)(a) If any owner of forest land within a forest protection zone
24 neglects or fails to provide adequate fire protection as required by
25 RCW 76.04.600, the department shall provide such protection and shall
26 annually impose the following assessments on each parcel of such land:
27 (i) A flat fee assessment of seventeen dollars and fifty cents; and
28 (ii) twenty-seven cents on each acre exceeding fifty acres.

29 (b) Assessors may, at their option, collect the assessment on tax
30 exempt lands. If the assessor elects not to collect the assessment,
31 the department may bill the landowner directly.

32 (2) An owner who has paid assessments on two or more parcels, each
33 containing fewer than fifty acres and each within the same county, may
34 obtain the following refund:

35 (a) If all the parcels together contain less than fifty acres, then
36 the refund is equal to the flat fee assessments paid, reduced by the

1 total of (i) seventeen dollars and (ii) the total of the amounts
2 retained by the county from such assessments under subsection (5) of
3 this section.

4 (b) If all the parcels together contain fifty or more acres, then
5 the refund is equal to the flat fee assessments paid, reduced by the
6 total of (i) seventeen dollars, (ii) twenty-seven cents for each acre
7 exceeding fifty acres, and (iii) the total of the amounts retained by
8 the county from such assessments under subsection (5) of this section.

9 Applications for refunds shall be submitted to the department on a
10 form prescribed by the department and in the same year in which the
11 assessments were paid. The department may not provide refunds to
12 applicants who do not provide verification that all assessments and
13 property taxes on the property have been paid. Applications may be
14 made by mail.

15 In addition to the procedures under this subsection, property
16 owners with multiple parcels in a single county who qualify for a
17 refund under this section may apply to the department on an application
18 listing all the parcels owned in order to have the assessment computed
19 on all parcels but billed to a single parcel. Property owners with the
20 following number of parcels may apply to the department in the year
21 indicated:

22	Year	Number of Parcels
23	2002	10 or more parcels
24	2003	8 or more parcels
25	2004 and thereafter	6 or more parcels

26 The department must compute the correct assessment and allocate one
27 parcel in the county to use to collect the assessment. The county must
28 then bill the forest fire protection assessment on that one allocated
29 identified parcel. The landowner is responsible for notifying the
30 department of any changes in parcel ownership.

31 (3) Beginning January 1, 1991, under the administration and at the
32 discretion of the department up to two hundred thousand dollars per
33 year of this assessment shall be used in support of those rural fire
34 districts assisting the department in fire protection services on
35 forest lands.

1 (4) For the purpose of this chapter, the department may divide the
2 forest lands of the state, or any part thereof, into districts, for
3 fire protection and assessment purposes, may classify lands according
4 to the character of timber prevailing, and the fire hazard existing,
5 and place unprotected lands under the administration of the proper
6 district. Amounts paid or contracted to be paid by the department for
7 protection of forest lands from funds at its disposal shall be a lien
8 upon the property protected, unless reimbursed by the owner within ten
9 days after October 1st of the year in which they were incurred. The
10 department shall be prepared to make statement thereof, upon request,
11 to a forest owner whose own protection has not been previously approved
12 as to its adequacy, the department shall report the same to the
13 assessor of the county in which the property is situated. The assessor
14 shall extend the amounts upon the tax rolls covering the property, and
15 upon authorization from the department shall levy the forest protection
16 assessment against the amounts of unimproved land as shown in each
17 ownership on the county assessor's records. The assessor may then
18 segregate on the records to provide that the improved land and
19 improvements thereon carry the millage levy designed to support the
20 rural fire protection districts as provided for in RCW 52.16.170.

21 (5) The amounts assessed shall be collected at the time, in the
22 same manner, by the same procedure, and with the same penalties
23 attached that general state and county taxes on the same property are
24 collected, except that errors in assessments may be corrected at any
25 time by the department certifying them to the treasurer of the county
26 in which the land involved is situated. Assessments shall be known and
27 designated as assessments of the year in which the amounts became
28 reimbursable. Upon the collection of assessments the county treasurer
29 shall place fifty cents of the total assessments paid on a parcel for
30 fire protection into the county current expense fund to defray the
31 costs of listing, billing, and collecting these assessments. The
32 treasurer shall then transmit the balance to the department.
33 Collections shall be applied against expenses incurred in carrying out
34 the provisions of this section, including necessary and reasonable
35 administrative costs incurred by the department in the enforcement of
36 these provisions. The department may also expend sums collected from
37 owners of forest lands or received from any other source for necessary

1 administrative costs in connection with the enforcement of RCW
2 76.04.660.

3 (6) When land against which forest protection assessments are
4 outstanding is acquired for delinquent taxes and sold at public
5 auction, the state shall have a prior lien on the proceeds of sale over
6 and above the amount necessary to satisfy the county's delinquent tax
7 judgment. The county treasurer, in case the proceeds of sale exceed
8 the amount of the delinquent tax judgment, shall immediately remit to
9 the department the amount of the outstanding forest protection
10 assessments.

11 (7) All nonfederal public bodies owning or administering forest
12 land included in a forest protection zone shall pay the forest
13 protection assessments provided in this section and the special forest
14 fire suppression account assessments under RCW 76.04.630. The forest
15 protection assessments and special forest fire suppression account
16 assessments shall be payable by nonfederal public bodies from available
17 funds within thirty days following receipt of the written notice from
18 the department which is given after October 1st of the year in which
19 the protection was provided. Unpaid assessments are not a lien against
20 the nonfederal publicly owned land but shall constitute a debt by the
21 nonfederal public body to the department and are subject to interest
22 charges at the legal rate. During the 2011-2013 fiscal biennium, the
23 forest fire protection assessment account may be appropriated to the
24 joint legislative audit review committee for analysis and
25 recommendations to improve the efficiency and effectiveness of the
26 state's mechanisms for funding fire prevention and suppression
27 activities.

28 (8) A public body, having failed to previously pay the forest
29 protection assessments required of it by this section, which fails to
30 suppress a fire on or originating from forest lands owned or
31 administered by it, is liable for the costs of suppression incurred by
32 the department or its agent and is not entitled to reimbursement of
33 costs incurred by the public body in the suppression activities.

34 (9) The department may adopt rules to implement this section,
35 including, but not limited to, rules on levying and collecting forest
36 protection assessments.

1 **Sec. 925.** RCW 77.12.201 and 2009 c 479 s 63 are each amended to
2 read as follows:

3 The legislative authority of a county may elect, by giving written
4 notice to the director and the treasurer prior to January 1st of any
5 year, to obtain for the following year an amount in lieu of real
6 property taxes on game lands as provided in RCW 77.12.203. Upon the
7 election, the county shall keep a record of all fines, forfeitures,
8 reimbursements, and costs assessed and collected, in whole or in part,
9 under this title for violations of law or rules adopted pursuant to
10 this title, with the exception of the 2011-2013 fiscal biennium, and
11 shall monthly remit an amount equal to the amount collected to the
12 state treasurer for deposit in the state general fund. The election
13 shall continue until the department is notified differently prior to
14 January 1st of any year.

15 **Sec. 926.** RCW 77.12.203 and 2005 c 303 s 14 are each amended to
16 read as follows:

17 (1) Except as provided in subsection (5) of this section and
18 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
19 director shall pay by April 30th of each year on game lands in each
20 county, if requested by an election under RCW 77.12.201, an amount in
21 lieu of real property taxes equal to that amount paid on similar
22 parcels of open space land taxable under chapter 84.34 RCW or the
23 greater of seventy cents per acre per year or the amount paid in 1984
24 plus an additional amount for control of noxious weeds equal to that
25 which would be paid if such lands were privately owned. This amount
26 shall not be assessed or paid on department buildings, structures,
27 facilities, game farms, fish hatcheries, tidelands, or public fishing
28 areas of less than one hundred acres.

29 (2) "Game lands," as used in this section and RCW 77.12.201, means
30 those tracts one hundred acres or larger owned in fee by the department
31 and used for wildlife habitat and public recreational purposes. All
32 lands purchased for wildlife habitat, public access or recreation
33 purposes with federal funds in the Snake River drainage basin shall be
34 considered game lands regardless of acreage.

35 (3) This section shall not apply to lands transferred after April
36 23, 1990, to the department from other state agencies.

1 (4) The county shall distribute the amount received under this
2 section in lieu of real property taxes to all property taxing districts
3 except the state in appropriate tax code areas the same way it would
4 distribute local property taxes from private property. The county
5 shall distribute the amount received under this section for weed
6 control to the appropriate weed district.

7 (5) For the 2011-2013 fiscal biennium, the director shall pay by
8 April 30th of each year on game lands in each county, if requested by
9 an election under RCW 77.12.201, an amount in lieu of real property
10 taxes and shall be distributed as follows:

11 **County**

12

13	<u>Adams</u>	<u>1,909</u>
14	<u>Asotin</u>	<u>36,123</u>
15	<u>Chelan</u>	<u>24,757</u>
16	<u>Columbia</u>	<u>7,795</u>
17	<u>Ferry</u>	<u>6,781</u>
18	<u>Garfield</u>	<u>4,840</u>
19	<u>Grant</u>	<u>37,443</u>
20	<u>Grays Harbor</u>	<u>7,264</u>
21	<u>Kittitas</u>	<u>143,974</u>
22	<u>Klickitat</u>	<u>21,906</u>
23	<u>Lincoln</u>	<u>13,535</u>
24	<u>Okanogan</u>	<u>151,402</u>
25	<u>Pend Oreille</u>	<u>3,309</u>
26	<u>Yakima</u>	<u>126,225</u>

27 These amounts shall not be assessed or paid on department buildings,
28 structures, facilities, game farms, fish hatcheries, tidelands, or
29 public fishing areas of less than one hundred acres.

30 **Sec. 927.** RCW 77.95.090 and 2009 c 340 s 4 are each amended to
31 read as follows:

32 The dedicated regional fisheries enhancement group account is
33 created in the custody of the state treasurer. Only the commission or

1 the commission's designee may authorize expenditures from the account.
2 The account is subject to allotment procedures under chapter 43.88 RCW,
3 but no appropriation is required for expenditures.

4 A portion of each recreational fishing license fee shall be used as
5 provided in RCW 77.32.440. A surcharge of one hundred dollars shall be
6 collected on each commercial salmon fishery license, each salmon
7 delivery license, and each salmon charter license sold in the state.
8 All receipts shall be placed in the regional fisheries enhancement
9 group account and shall be used exclusively for regional fisheries
10 enhancement group projects for the purposes of RCW 77.95.110. For the
11 2011-2013 fiscal biennium, the regional fisheries enhancement group
12 account may be used for the purposes of RCW 77.95.070 and hatcheries.
13 Except as provided in RCW 77.95.320, funds from the regional fisheries
14 enhancement group account shall not serve as replacement funding for
15 department operated salmon projects that exist on January 1, 1991.

16 All revenue from the department's sale of salmon carcasses and eggs
17 that return to group facilities shall be deposited in the regional
18 fisheries enhancement group account for use by the regional fisheries
19 enhancement group that produced the surplus. The commission shall
20 adopt rules to implement this section pursuant to chapter 34.05 RCW.

21 **Sec. 928.** RCW 79.22.010 and 2003 c 334 s 205 are each amended to
22 read as follows:

23 (1) The department has the power to accept gifts and bequests of
24 money or other property, made in its own name, or made in the name of
25 the state, to promote generally the interests of reforestation or for
26 a specific named purpose in connection with reforestation, and to
27 acquire in the name of the state, by purchase or gift, any lands which
28 by reason of their location, topography, or geological formation, are
29 chiefly valuable for purpose of developing and growing timber, and to
30 designate such lands and any lands of the same character belonging to
31 the state as state forest lands; and may acquire by gift or purchase
32 any lands of the same character.

33 (2) The department has the power to seed, plant, and develop
34 forests on any lands, purchased, acquired, or designated by it as state
35 forest lands, and shall furnish such care and fire protection for such
36 lands as it shall deem advisable.

1 (3) Upon approval of the board of county commissioners of the
2 county in which the land is located such gift or donation of land may
3 be accepted subject to delinquent general taxes thereon, and upon such
4 acceptance of such gift or donation subject to such taxes, the
5 department shall record the deed of conveyance thereof and file with
6 the assessor and treasurer of the county wherein such land is situated,
7 written notice of acquisition of such land, and that all delinquent
8 general taxes thereon, except state taxes, shall be canceled, and the
9 county treasurer shall thereupon proceed to make such cancellation in
10 the records of the county treasurer. ((~~Thereafter, such lands~~))

11 (4)(a) Lands acquired under this section shall be held in trust,
12 protected, managed, and administered upon, and the proceeds therefrom
13 disposed of, under RCW 79.22.040.

14 (b) During the 2011-2013 fiscal biennium, the legislature may
15 appropriate moneys derived subject to this section from the forest
16 development account consistent with RCW 79.64.100.

17 **Sec. 929.** RCW 79.22.040 and 2003 c 334 s 206 are each amended to
18 read as follows:

19 (1) If any land acquired by a county through foreclosure of tax
20 liens, or otherwise, comes within the classification of land described
21 in RCW 79.22.010 and can be used as state forest land and if the
22 department deems such land necessary for the purposes of this chapter,
23 the county shall, upon demand by the department, deed such land to the
24 department and the land shall become a part of the state forest lands.

25 (2) Such land shall be held in trust and administered and protected
26 by the department in the same manner as other state forest lands.

27 (3)(a) In the event that the department sells logs using the
28 contract harvesting process described in RCW 79.15.500 through
29 79.15.530, the moneys derived subject to this section are the net
30 proceeds from the contract harvesting sale.

31 (b) During the 2011-2013 fiscal biennium, the legislature may
32 appropriate moneys derived subject to this section from the forest
33 development account consistent with RCW 79.64.100.

34 **Sec. 930.** RCW 79.64.040 and 2011 1st sp.s. c 50 s 966 and 2011 c
35 216 s 16 are each reenacted and amended to read as follows:

36 (1) The board shall determine the amount deemed necessary in order

1 to achieve the purposes of this chapter and shall provide by rule for
2 the deduction of this amount from the moneys received from all leases,
3 sales, contracts, licenses, permits, easements, and rights-of-way
4 issued by the department and affecting state lands, community forest
5 trust lands, and aquatic lands, provided that no deduction shall be
6 made from the proceeds from agricultural college lands.

7 (2) Moneys received as deposits from successful bidders, advance
8 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
9 prior to December 1, 1981, which have not been subjected to deduction
10 under this section are not subject to deduction under this section.

11 (3) Except as otherwise provided in subsections (4) and (6) of this
12 section, the deductions authorized under this section shall not exceed
13 twenty-five percent of the moneys received by the department in
14 connection with any one transaction pertaining to state lands and
15 aquatic lands other than second-class tide and shore lands and the beds
16 of navigable waters, and fifty percent of the moneys received by the
17 department pertaining to second-class tide and shore lands and the beds
18 of navigable waters.

19 (4) Deductions authorized under this section for transactions
20 pertaining to community forest trust lands must be established at a
21 level sufficient to defray over time the management costs for
22 activities prescribed in a parcel's management plan adopted pursuant to
23 RCW 79.155.080, and, if deemed appropriate by the board consistent with
24 RCW 79.155.090, to reimburse the state and any local entities' eligible
25 financial contributions for acquisition of the parcel.

26 (5) In the event that the department sells logs using the contract
27 harvesting process described in RCW 79.15.500 through 79.15.530, the
28 moneys received subject to this section are the net proceeds from the
29 contract harvesting sale.

30 (6) During the (~~2009-2011~~) 2011-2013 fiscal biennium (~~and fiscal~~
31 ~~year 2012~~), the twenty-five percent limitation on deductions set in
32 subsection (3) of this section may be increased up to thirty percent by
33 the board.

34 **Sec. 931.** RCW 79.64.100 and 2003 c 334 s 219 are each amended to
35 read as follows:

36 There is created a forest development account in the state
37 treasury. The state treasurer shall keep an account of all sums

1 deposited therein and expended or withdrawn therefrom. Any sums placed
2 in the forest development account shall be pledged for the purpose of
3 paying interest and principal on the bonds issued by the department
4 under RCW 79.22.080 and 79.22.090 and the provisions of this chapter,
5 and for the purchase of land for growing timber. Any bonds issued
6 shall constitute a first and prior claim and lien against the account
7 for the payment of principal and interest. No sums for the above
8 purposes shall be withdrawn or paid out of the account except upon
9 approval of the department.

10 Appropriations may be made by the legislature from the forest
11 development account to the department for the purpose of carrying on
12 the activities of the department on state forest lands, lands managed
13 on a sustained yield basis as provided for in RCW 79.10.320, and for
14 reimbursement of expenditures that have been made or may be made from
15 the resource management cost account in the management of state forest
16 lands. For the 2011-2013 fiscal biennium, moneys from the forest
17 development account shall be distributed as directed in section 706 of
18 this act to the beneficiaries of the revenues derived from state forest
19 lands. During the 2011-2013 fiscal biennium, the legislature may
20 appropriate moneys in the forest development account to support
21 emergency fire suppression activities in a manner that, at a maximum,
22 represents the proportion of land that the department manages in
23 comparison to the total land the department conducts emergency fire
24 suppression activities on.

25 **Sec. 932.** RCW 79.105.150 and 2011 2nd sp.s. c 9 s 911 are each
26 amended to read as follows:

27 (1) After deduction for management costs as provided in RCW
28 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
29 received by the state from the sale or lease of state-owned aquatic
30 lands and from the sale of valuable material from state-owned aquatic
31 lands shall be deposited in the aquatic lands enhancement account which
32 is hereby created in the state treasury. After appropriation, these
33 funds shall be used solely for aquatic lands enhancement projects; for
34 the purchase, improvement, or protection of aquatic lands for public
35 purposes; for providing and improving access to the lands; and for
36 volunteer cooperative fish and game projects. During the ((2009-2011
37 and)) 2011-2013 fiscal ((biennia)) biennium, the aquatic lands

1 enhancement account may also be used for scientific research as part of
2 the adaptive management process and for developing a planning report
3 for McNeil Island. During the ((2009-2011-and)) 2011-2013 fiscal
4 ((biennia)) biennium, the legislature may transfer from the aquatic
5 lands enhancement account to the state general fund such amounts as
6 reflect excess fund balance of the account. During the 2011-2013
7 fiscal biennium, the aquatic lands enhancement account may be used to
8 support the shellfish program, the ballast water program, parks,
9 hatcheries, and the Puget Sound toxic sampling program at the
10 department of fish and wildlife, and the knotweed program at the
11 department of agriculture. During the 2011-2013 fiscal biennium, the
12 legislature may transfer from the aquatic lands enhancement account to
13 the marine resources stewardship trust account funds for the purposes
14 of RCW 43.372.070.

15 (2) In providing grants for aquatic lands enhancement projects, the
16 recreation and conservation funding board shall:

17 (a) Require grant recipients to incorporate the environmental
18 benefits of the project into their grant applications;

19 (b) Utilize the statement of environmental benefits, consideration,
20 except as provided in RCW 79.105.610, of whether the applicant is a
21 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
22 referenced in the action agenda developed by the Puget Sound
23 partnership under RCW 90.71.310, and except as otherwise provided in
24 RCW 79.105.630, and effective one calendar year following the
25 development and statewide availability of model evergreen community
26 management plans and ordinances under RCW 35.105.050, whether the
27 applicant is an entity that has been recognized, and what gradation of
28 recognition was received, in the evergreen community recognition
29 program created in RCW 35.105.030 in its prioritization and selection
30 process; and

31 (c) Develop appropriate outcome-focused performance measures to be
32 used both for management and performance assessment of the grants.

33 (3) To the extent possible, the department should coordinate its
34 performance measure system with other natural resource-related agencies
35 as defined in RCW 43.41.270.

36 (4) The department shall consult with affected interest groups in
37 implementing this section.

1 (5) After January 1, 2010, any project designed to address the
2 restoration of Puget Sound may be funded under this chapter only if the
3 project is not in conflict with the action agenda developed by the
4 Puget Sound partnership under RCW 90.71.310.

5 **Sec. 933.** RCW 79A.25.200 and 2007 c 241 s 53 are each amended to
6 read as follows:

7 The recreation resource account is created in the state treasury.
8 Moneys in this account are subject to legislative appropriation. The
9 board shall administer the account in accordance with this chapter and
10 chapter 79A.35 RCW and shall hold it separate and apart from all other
11 money, funds, and accounts of the board. Moneys received from the
12 marine fuel tax refund account under RCW 79A.25.070 shall be deposited
13 into the account. Grants, gifts, or other financial assistance,
14 proceeds received from public bodies as administrative cost
15 contributions, and moneys made available to the state of Washington by
16 the federal government for outdoor recreation may be deposited into the
17 account. During the 2011-2013 fiscal biennia, the recreation resource
18 account may be used by the department of fish and wildlife for the
19 purposes of activities related to aquatic and marine enforcement.

20 **Sec. 934.** RCW 86.26.007 and 2011 1st sp.s. c 50 s 976 are each
21 amended to read as follows:

22 The flood control assistance account is hereby established in the
23 state treasury. At the beginning of the 2005-2007 fiscal biennium, the
24 state treasurer shall transfer three million dollars from the general
25 fund to the flood control assistance account. Each biennium thereafter
26 the state treasurer shall transfer four million dollars from the
27 general fund to the flood control assistance account, except that
28 during the ((2009-2011 and)) 2011-2013 fiscal ((biennia)) biennium, the
29 state treasurer shall transfer ((two)) one million dollars from the
30 general fund to the flood control assistance account. Moneys in the
31 flood control assistance account may be spent only after appropriation
32 for purposes specified under this chapter.

33 **Sec. 935.** RCW 90.48.390 and 2008 c 329 s 925 are each amended to
34 read as follows:

35 The coastal protection fund is established to be used by the

1 department as a revolving fund for carrying out the purposes of
2 restoration of natural resources under this chapter and chapter 90.56
3 RCW. To this fund there shall be credited penalties, fees, damages,
4 charges received pursuant to the provisions of this chapter and chapter
5 90.56 RCW, compensation for damages received under this chapter and
6 chapter 90.56 RCW, and an amount equivalent to one cent per gallon from
7 each marine use refund claim under RCW 82.36.330.

8 Moneys in the fund not needed currently to meet the obligations of
9 the department in the exercise of its powers, duties, and functions
10 under RCW 90.48.142, 90.48.366, 90.48.367, and 90.48.368 shall be
11 deposited with the state treasurer to the credit of the fund. During
12 the 2007-2009 fiscal biennium, the coastal protection fund may also be
13 used for a standby rescue tug at Neah Bay. During the 2011-2013 fiscal
14 biennium, the legislature may transfer from the coastal protection fund
15 to the state general fund such amounts as reflect excess fund balance
16 derived from penalties, forfeits, and seizures.

17 **Sec. 936.** 2010 c 23 s 205 (uncodified) is amended to read as
18 follows:

19 (1) The legislature finds that this state's tax policy with respect
20 to the taxation of transactions between affiliated entities and the
21 income derived from such transactions (intercompany transactions) has
22 motivated some taxpayers to engage in transactions designed solely or
23 primarily to minimize the tax effects of intercompany transactions.
24 The legislature further finds that some intercompany transactions
25 result from taxpayers that are required to establish affiliated
26 entities to comply with regulatory mandates and that transactions
27 between such affiliates effectively increases the tax burden in this
28 state on the affiliated group of entities.

29 (2) Therefore, as existing resources allow, the department of
30 revenue is directed to conduct a review of the state's tax policy with
31 respect to the taxation of intercompany transactions. The review must
32 include the impacts of such transactions under the state's business and
33 occupation tax and state and local sales and use taxes. The department
34 may include other taxes in the review as it deems appropriate.

35 (3) In conducting the review, the department must examine how this
36 state's tax policy compares to the tax policy of other states with
37 respect to the taxation of intercompany transactions. The department's

1 review must include an analysis of potential alternatives to the
2 current policy of taxing intercompany transactions, including their
3 estimated revenue impacts if practicable.

4 (4) In conducting this review, the department may seek input from
5 members of the business community and others as it deems appropriate.

6 (5) The department must report its findings to the fiscal
7 committees of the house of representatives and senate by December 1,
8 2010. However, if the department has not completed its review by
9 December 1, 2010, the department must provide the fiscal committees of
10 the legislature with a brief status report by December 1, 2010, and the
11 final report by December 1, (~~2011~~) 2012.

12 NEW SECTION. **Sec. 937.** A new section is added to 2011 1st sp.s.
13 c 50 (uncodified) to read as follows:

14 It is the intent of the legislature that regulatory agencies
15 receiving appropriations in this act work with the office of regulatory
16 assistance to:

17 (1) Establish a small business liaison team to assist small
18 businesses with permitting and regulatory issues.

19 (2) Take action to assure that additional violations or corrective
20 actions that could have been discovered and noted in the original
21 violation or correction notice are not subsequently added and to
22 provide a single list of any violations discovered during the
23 regulatory visit or inspection;

24 (3) Provide notice about when the business may expect the results
25 of a technical assistance or regulatory visit;

26 (4) Provide information about how the business may provide
27 anonymous feedback regarding a technical assistance or other regulatory
28 visit; and

29 (5) Provide information regarding the role of the agency's small
30 business liaison as a neutral party within the agency, as well as
31 contact information for the liaison.

32 NEW SECTION. **Sec. 938.** A new section is added to 2011 1st sp.s.
33 c 50 (uncodified) to read as follows:

34 Chapter 50, Laws of 2011 1st sp. sess. (the biennial operating
35 budget) included funding for the pension system cost of legislation
36 adopted during the 2011 session of the legislature. No supplemental

1 rates are authorized for funding that legislation during the remainder
2 of the 2011-2013 fiscal biennium. Pension contribution rates for the
3 public employees' retirement system, the public safety employees'
4 retirement system, the school employees' retirement systems, and the
5 teachers' retirement system are established.

6 (1) For the public employees' retirement system:

7 (a) Beginning April 1, 2012, an employer contribution rate of 7.08
8 percent shall be charged;

9 (b) Beginning July 1, 2012, an employer contribution rate of 7.21
10 percent shall be charged.

11 (2) For the public safety employees' retirement system:

12 (a) Beginning April 1, 2012, an employer contribution rate of 8.74
13 percent shall be charged;

14 (b) Beginning July 1, 2012, an employer contribution rate of 8.87
15 percent shall be charged.

16 (3) For the school employees' retirement system:

17 (a) Beginning April 1, 2012, an employer contribution rate of 7.58
18 percent shall be charged;

19 (b) Beginning September 1, 2012, an employer contribution rate of
20 7.59 percent shall be charged.

21 (4) For the teachers' retirement system:

22 (a) Beginning April 1, 2012, an employer contribution rate of 8.04
23 percent shall be charged; and

24 (b) Beginning September 21, 2012, an employer contribution rate of
25 8.05 percent shall be charged.

26 These rates are inclusive of a department of retirement systems
27 expense charge of 0.16 percent. The department of retirement systems
28 shall collect employee contributions as provided in chapter 41.45 RCW.

29 NEW SECTION. **Sec. 939.** If any provision of this act or its
30 application to any person or circumstance is held invalid, the
31 remainder of the act or the application of the provision to other
32 persons or circumstances is not affected.

33 NEW SECTION. **Sec. 940.** This act is necessary for the immediate
34 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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