
SUBSTITUTE HOUSE BILL 1057

State of Washington 63rd Legislature 2013 1st Special Session

By House Appropriations (originally sponsored by Representative Hunter; by request of Governor Gregoire)

READ FIRST TIME 06/06/13.

1 AN ACT Relating to fiscal matters; amending RCW 2.28.170, 2.28.170,
2 13.40.466, 28A.500.020, 28B.15.067, 28B.20.476, 28B.92.010, 28C.04.535,
3 38.52.540, 39.26.210, 41.06.280, 41.06.280, 41.26.802, 43.08.190,
4 43.10.150, 43.19.791, 43.71.030, 43.79.445, 43.79.480, 43.82.010,
5 43.101.200, 43.155.050, 43.160.080, 43.333.030, 46.66.080, 46.68.340,
6 70.42.090, 70.93.180, 70.96A.350, 74.13.621, 74.09.215, 74.09.215,
7 77.12.201, 77.12.203, 79.64.040, 79A.80.020, 79A.80.080, 82.14.310, and
8 86.26.007; reenacting and amending RCW 41.60.050, 41.80.010, 41.80.020,
9 70.105D.070, and 79.105.150; amending 2013 c 147 s 1 (uncodified);
10 amending 2012 2nd sp.s. c 7 ss 111, 112, 114, 115, 118, 121, 127, 129,
11 131, 132, 136, 139, 142, 144, 149, 201, 202, 203, 204, 205, 206, 207,
12 208, 209, 210, 211, 212, 213, 216, 218, 219, 220, 221, 222, 303, 307,
13 308, 402, 502, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 602,
14 613, 615, 616, 617, 701, 702, 707, 801, 802, 803, and 804 (uncodified);
15 amending 2011 2nd sp.s. c 9 ss 221, 506, and 703 (uncodified); amending
16 2011 1st sp.s. c 50 s 804 (uncodified); amending 2011 1st sp.s. c 41 s
17 3 (uncodified); adding a new section to 2011 1st sp.s. c 50
18 (uncodified); creating new sections; making appropriations; providing
19 effective dates; providing a contingent effective date; providing an
20 expiration date; and declaring an emergency.

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

2 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
3 to the provisions set forth in the following sections, the several
4 amounts specified in parts I through IX of this act, or so much thereof
5 as shall be sufficient to accomplish the purposes designated, are
6 hereby appropriated and authorized to be incurred for salaries, wages,
7 and other expenses of the agencies and offices of the state and for
8 other specified purposes for the fiscal biennium beginning July 1,
9 2013, and ending June 30, 2015, except as otherwise provided, out of
10 the several funds of the state hereinafter named.

11 (2) Unless the context clearly requires otherwise, the definitions
12 in this section apply throughout this act.

13 (a) "Fiscal year 2014" or "FY 2014" means the fiscal year ending
14 June 30, 2014.

15 (b) "Fiscal year 2015" or "FY 2015" means the fiscal year ending
16 June 30, 2015.

17 (c) "FTE" means full time equivalent.

18 (d) "Lapse" or "revert" means the amount shall return to an
19 unappropriated status.

20 (e) "Provided solely" means the specified amount may be spent only
21 for the specified purpose. Unless otherwise specifically authorized in
22 this act, any portion of an amount provided solely for a specified
23 purpose which is not expended subject to the specified conditions and
24 limitations to fulfill the specified purpose shall lapse.

25 **PART I**

26 **GENERAL GOVERNMENT**

27 NEW SECTION. **Sec. 101. FOR THE HOUSE OF REPRESENTATIVES**

28	General Fund--State Appropriation (FY 2014)	\$30,797,000
29	General Fund--State Appropriation (FY 2015)	\$31,192,000
30	Motor Vehicle Account--State Appropriation	\$1,765,000
31	TOTAL APPROPRIATION	\$63,754,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$8,000 of the general fund--state
34 appropriation for fiscal year 2014 and \$7,000 of the general fund--
35 state appropriation for fiscal year 2015 are provided solely for member

1 reimbursement, staff support, or other expenses associated with the
2 work of the joint legislative executive committee on planning for aging
3 and disability issues that is established in section 130 of this act.

4 NEW SECTION. **Sec. 102. FOR THE SENATE**

5	General Fund--State Appropriation (FY 2014)	\$21,158,000
6	General Fund--State Appropriation (FY 2015)	\$23,489,000
7	Motor Vehicle Account--State Appropriation	\$1,514,000
8	TOTAL APPROPRIATION	\$46,161,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: \$8,000 of the general fund--state
11 appropriation for fiscal year 2014 and \$7,000 of the general fund--
12 state appropriation for fiscal year 2015 are provided solely for member
13 reimbursement, staff support, or other expenses associated with the
14 work of the joint legislative executive committee on planning for aging
15 and disability issues that is established in section 130 of this act.

16 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
17 **COMMITTEE**

18	General Fund--State Appropriation (FY 2014)	\$62,000
19	General Fund--State Appropriation (FY 2015)	\$119,000
20	Performance Audits of Government Account--State	
21	Appropriation	\$5,641,000
22	Medical Aid Account--State Appropriation	\$332,000
23	Accident Account--State Appropriation	\$332,000
24	TOTAL APPROPRIATION	\$6,486,000

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

27 (1) Notwithstanding the provisions of this section, the joint
28 legislative audit and review committee may adjust the due dates for
29 projects included on the committee's 2013-15 work plan as necessary to
30 efficiently manage workload.

31 (2) The joint legislative audit and review committee shall conduct
32 an audit of Washington's state research universities. The purpose of
33 the audit is to identify cost and profit centers within, and in
34 partnership with, the research universities. The audit must focus on
35 public funds; student fees, in particular tuition; and auxiliary
36 enterprises, which for the purposes of the audit at the University of

1 Washington includes University of Washington medical center, the
2 internal lending program, the W fund, and the center for
3 commercialization. The audit at each university much achieve the
4 following:

5 (a) Assess the university's policies and practices for tracking
6 per-student expenditures for instruction and identify the average
7 amount per student that the university has spent on instruction for
8 undergraduate students in each of the past five fiscal years;

9 (b) Obtain the university's definition of auxiliary enterprises and
10 determine the number of auxiliary enterprises, including the University
11 of Washington medical center, the University of Washington internal
12 lending program, the W fund, and the center for commercialization, that
13 exist in the university system, the methods the university uses to
14 track revenue and expenditures of auxiliary enterprises, and the
15 policies and practices the university has in place to ensure that state
16 funding is not used to supplement or guarantee projects or programs
17 authorized by auxiliary enterprises;

18 (c) Identify how much money is being spent on undergraduate
19 education and to what extent undergraduate education is subsidizing
20 graduate education; and

21 (d) Determine how tuition funds are being used and to what extent
22 they are being used to fund the University of Washington medical
23 center, the University of Washington internal lending program, the W
24 fund, and the center for commercialization and to back bonds authorized
25 by the university.

26 (3) \$332,000 of the medical aid account--state appropriation and
27 \$332,000 of the accident account--state appropriation are provided for
28 the purposes of chapter 37, Laws of 2011 (workers' compensation).

29 (4) \$323,000 of the performance audits of government account--state
30 appropriation is provided for consultant and staff costs related to the
31 economic analysis of tax preferences as directed by chapter 43.136 RCW.

32 (5) The committee shall analyze the incidence and level of taxation
33 and business incentives available to the financial services industry in
34 Washington State, and identify the relative differences in taxes and
35 business incentives compared to California. A report shall be provided
36 to the appropriate committees of the legislature by December 1, 2014.

37 (6) By June 30, 2014, the committee shall conduct a study of the
38 electricity cost impacts for each qualifying utility to meet the 2016

1 and 2020 renewable resource and conservation targets under chapter
2 19.285 RCW. The study must also include an analysis of the impacts on
3 each utility's commercial, industrial, and residential customers,
4 including an additional analysis of the impacts on low-income
5 residential customers.

6 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
7 **ACCOUNTABILITY PROGRAM COMMITTEE**

8 General Fund--State Appropriation (FY 2014) \$1,653,000
9 General Fund--State Appropriation (FY 2015) \$1,814,000
10 TOTAL APPROPRIATION \$3,467,000

11 NEW SECTION. **Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS**
12 **COMMITTEE**

13 General Fund--State Appropriation (FY 2014) \$8,004,000
14 General Fund--State Appropriation (FY 2015) \$7,988,000
15 TOTAL APPROPRIATION \$15,992,000

16 NEW SECTION. **Sec. 106. FOR THE OFFICE OF THE STATE ACTUARY**

17 Department of Retirement Systems Expense
18 Account--State Appropriation \$3,534,000

19 NEW SECTION. **Sec. 107. FOR THE STATUTE LAW COMMITTEE**

20 General Fund--State Appropriation (FY 2014) \$3,895,000
21 General Fund--State Appropriation (FY 2015) \$4,116,000
22 TOTAL APPROPRIATION \$8,011,000

23 NEW SECTION. **Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT**
24 **SERVICES**

25 General Fund--State Appropriation (FY 2014) \$3,686,000
26 General Fund--State Appropriation (FY 2015) \$3,695,000
27 TOTAL APPROPRIATION \$7,381,000

28 NEW SECTION. **Sec. 109. LEGISLATIVE AGENCIES**

29 In order to achieve operating efficiencies within the financial
30 resources available to the legislative branch, the executive rules
31 committee of the house of representatives and the facilities and
32 operations committee of the senate by joint action may transfer funds

1 among the house of representatives, senate, joint legislative audit and
2 review committee, legislative evaluation and accountability program
3 committee, joint transportation committee, office of the state actuary,
4 joint legislative systems committee, statute law committee, and office
5 of legislative support services.

6 NEW SECTION. **Sec. 110. FOR THE SUPREME COURT**

7 General Fund--State Appropriation (FY 2014) \$6,911,000
8 General Fund--State Appropriation (FY 2015) \$6,857,000
9 TOTAL APPROPRIATION \$13,768,000

10 NEW SECTION. **Sec. 111. FOR THE LAW LIBRARY**

11 General Fund--State Appropriation (FY 2014) \$1,481,000
12 General Fund--State Appropriation (FY 2015) \$1,471,000
13 TOTAL APPROPRIATION \$2,952,000

14 NEW SECTION. **Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT**

15 General Fund--State Appropriation (FY 2014) \$1,068,000
16 General Fund--State Appropriation (FY 2015) \$996,000
17 TOTAL APPROPRIATION \$2,064,000

18 NEW SECTION. **Sec. 113. FOR THE COURT OF APPEALS**

19 General Fund--State Appropriation (FY 2014) \$15,795,000
20 General Fund--State Appropriation (FY 2015) \$15,732,000
21 TOTAL APPROPRIATION \$31,527,000

22 NEW SECTION. **Sec. 114. FOR THE ADMINISTRATOR FOR THE COURTS**

23 General Fund--State Appropriation (FY 2014) \$52,770,000
24 General Fund--State Appropriation (FY 2015) \$52,562,000
25 General Fund--Federal Appropriation \$2,125,000
26 General Fund--Private/Local Appropriation \$658,000
27 Judicial Information Systems Account--State
28 Appropriation \$44,737,000
29 Judicial Stabilization Trust Account--State
30 Appropriation \$6,691,000
31 TOTAL APPROPRIATION \$159,543,000

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

1 (1) \$1,500,000 of the judicial information systems account--state
2 appropriation is provided solely for development and implementation of
3 the information network hub project.

4 (2) \$2,138,000 of the judicial information systems account--state
5 appropriation is provided solely for replacement of computer equipment,
6 including servers, routers, and storage system upgrades.

7 (3) The administrative office of the courts, in conjunction with
8 the office of the chief information officer, shall analyze the
9 feasibility and associated costs of moving the judicial branch servers
10 and data center equipment to the state data center. Amounts provided
11 in subsections (1) and (2) of this section may not be expended until
12 the office of the chief information officer approves the expenditures.

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

18 (5) \$1,199,000 of the judicial information systems account--state
19 appropriation is provided solely for replacing computer equipment at
20 state courts and state judicial agencies.

21 (6) \$108,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$108,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for the implementation of House
24 Bill No. 1159 (superior court judges Whatcom county). If the bill is
25 not enacted by June 30, 2013, the amounts provided in this subsection
26 shall lapse. The funds provided in this subsection shall be expended
27 only if the fourth superior court judge position in Whatcom county is
28 appointed and serving on the bench.

29 (7) \$108,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$108,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the implementation of House
32 Bill No. 1175 (superior court judges Benton/Franklin counties). If the
33 bill is not enacted by June 30, 2013, the amounts provided in this
34 subsection shall lapse. The funds provided in this subsection shall be
35 expended only if the seventh superior court judge position in Benton
36 and Franklin counties jointly is appointed and serving on the bench.

37 (8) \$11,300,000 of the judicial information systems account--state
38 appropriation is provided solely for continued implementation of the

1 superior court case management system project. The administrative
2 office of the courts, in consultation with the judicial information
3 systems committee, the superior court case management system project
4 steering committee, and the office of the chief information officer
5 shall develop a revised charter to implement the next phases of the
6 superior court case management system. The revised charter shall
7 insure that the superior court case management system project steering
8 committee continues to provide contract oversight, in collaboration
9 with the judicial information system committee, through the
10 implementation period and various phases of the project. Oversight
11 responsibilities throughout the various phases of the project must
12 include, but are not limited to, vendor management, contract and
13 deliverable management, and assuring satisfaction of the business and
14 technical needs at the local level. The superior court case management
15 system project steering committee may solicit input from user groups as
16 deemed appropriate. The revised charter shall be approved by the
17 judicial information systems committee.

18 (9) \$1,399,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$1,399,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for school districts for petitions
21 to juvenile court for truant students as provided in RCW 28A.225.030
22 and 28A.225.035. The administrator for the courts shall develop an
23 interagency agreement with the superintendent of public instruction to
24 allocate the funding provided in this subsection. Allocation of this
25 money to school districts shall be based on the number of petitions
26 filed. This funding includes amounts school districts may expend on
27 the cost of serving petitions filed under RCW 28A.225.030 by certified
28 mail or by personal service or for the performance of service of
29 process for any hearing associated with RCW 28A.225.030.

30 (10)(a) \$7,313,000 of the general fund--state appropriation for
31 fiscal year 2014 and \$7,313,000 of the general fund--state
32 appropriation for fiscal year 2015 are provided solely for distribution
33 to county juvenile court administrators to fund the costs of processing
34 truancy, children in need of services, and at-risk youth petitions.
35 The administrator for the courts, in conjunction with the juvenile
36 court administrators, shall develop an equitable funding distribution
37 formula. The formula shall neither reward counties with higher than

1 average per-petition processing costs nor shall it penalize counties
2 with lower than average per-petition processing costs.

3 (b) Each fiscal year during the 2013-2015 fiscal biennium, each
4 county shall report the number of petitions processed and the total
5 actual costs of processing truancy, children in need of services, and
6 at-risk youth petitions. Counties shall submit the reports to the
7 administrator for the courts no later than 45 days after the end of the
8 fiscal year. The administrator for the courts shall electronically
9 transmit this information to the chairs and ranking minority members of
10 the house of representatives and senate fiscal committees no later than
11 60 days after a fiscal year ends. These reports are deemed
12 informational in nature and are not for the purpose of distributing
13 funds.

14 (11) \$274,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$274,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for the office of public
17 guardianship to continue guardianship services for those low-income
18 incapacitated persons who were receiving services on June 30, 2013.

19 NEW SECTION. **Sec. 115. FOR THE OFFICE OF PUBLIC DEFENSE**

20	General Fund--State Appropriation (FY 2014)	\$30,460,000
21	General Fund--State Appropriation (FY 2015)	\$33,774,000
22	Judicial Stabilization Trust Account--State	
23	Appropriation	\$3,648,000
24	General Fund--Federal Appropriation	\$152,000
25	TOTAL APPROPRIATION	\$68,034,000

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

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

30 (2) \$3,378,000 of the general fund--state appropriation for fiscal
31 year 2015 is provided solely to expand the parents representation
32 program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman
33 counties.

34 NEW SECTION. **Sec. 116. FOR THE OFFICE OF CIVIL LEGAL AID**

35	General Fund--State Appropriation (FY 2014)	\$10,862,000
36	General Fund--State Appropriation (FY 2015)	\$10,870,000

1	Judicial Stabilization Trust Account--State	
2	Appropriation	\$1,454,000
3	TOTAL APPROPRIATION	\$23,186,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: An amount not to exceed \$40,000 of the
6 general fund--state appropriation for fiscal year 2014 and an amount
7 not to exceed \$40,000 of the general fund--state appropriation for
8 fiscal year 2015 may be used to provide telephonic legal advice and
9 assistance to otherwise eligible persons who are sixty years of age or
10 older on matters authorized by RCW 2.53.030(2) (a) through (k)
11 regardless of household income or asset level.

12 NEW SECTION. **Sec. 117. FOR THE OFFICE OF THE GOVERNOR**

13	General Fund--State Appropriation (FY 2014)	\$5,690,000
14	General Fund--State Appropriation (FY 2015)	\$5,232,000
15	Economic Development Strategic Reserve Account--State	
16	Appropriation	\$4,000,000
17	TOTAL APPROPRIATION	\$14,922,000

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

20 (1) \$4,000,000 of the economic development strategic reserve
21 account appropriation is provided solely for efforts to assist with
22 currently active industrial recruitment efforts that will bring new
23 jobs to the state or will retain headquarter locations of major
24 companies currently housed in the state.

25 (2) \$684,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$684,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for the office of the education
28 ombudsman.

29 (3) \$239,000 of the general fund--state appropriation for fiscal
30 year 2014 is provided solely for implementation of Engrossed Second
31 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
32 bill is not enacted by June 30, 2013, the amount provided in this
33 subsection shall lapse.

34 NEW SECTION. **Sec. 118. FOR THE LIEUTENANT GOVERNOR**

35	General Fund--State Appropriation (FY 2014)	\$654,000
36	General Fund--State Appropriation (FY 2015)	\$660,000

1 General Fund--Private/Local Appropriation \$90,000
 2 TOTAL APPROPRIATION \$1,404,000

3 NEW SECTION. **Sec. 119. FOR THE PUBLIC DISCLOSURE COMMISSION**

4 General Fund--State Appropriation (FY 2014) \$2,082,000
 5 General Fund--State Appropriation (FY 2015) \$2,022,000
 6 TOTAL APPROPRIATION \$4,104,000

7 NEW SECTION. **Sec. 120. FOR THE SECRETARY OF STATE**

8 General Fund--State Appropriation (FY 2014) \$10,585,000
 9 General Fund--State Appropriation (FY 2015) \$8,804,000
 10 General Fund--Federal Appropriation \$7,425,000
 11 Public Records Efficiency, Preservation, and Access
 12 Account--State Appropriation \$7,369,000
 13 Charitable Organization Education Account--State
 14 Appropriation \$364,000
 15 Local Government Archives Account--State
 16 Appropriation \$8,475,000
 17 Election Account--Federal Appropriation \$12,018,000
 18 Washington State Heritage Center Account--State
 19 Appropriation \$8,860,000
 20 TOTAL APPROPRIATION \$63,900,000

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

23 (1) \$3,301,000 of the general fund--state appropriation for fiscal
 24 year 2014 is provided solely to reimburse counties for the state's
 25 share of primary and general election costs and the costs of conducting
 26 mandatory recounts on state measures. Counties shall be reimbursed
 27 only for those odd-year election costs that the secretary of state
 28 validates as eligible for reimbursement.

29 (2)(a) \$1,847,000 of the general fund--state appropriation for
 30 fiscal year 2014 and \$1,926,000 of the general fund--state
 31 appropriation for fiscal year 2015 are provided solely for contracting
 32 with a nonprofit organization to produce gavel-to-gavel television
 33 coverage of state government deliberations and other events of
 34 statewide significance during the 2013-2015 fiscal biennium. The
 35 funding level for each year of the contract shall be based on the
 36 amount provided in this subsection. The nonprofit organization shall

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

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

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

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

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

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

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

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

29 NEW SECTION. **Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN**
30 **AFFAIRS**

31	General Fund--State Appropriation (FY 2014)	\$253,000
32	General Fund--State Appropriation (FY 2015)	\$249,000
33	TOTAL APPROPRIATION	\$502,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: The office shall assist the department of
36 enterprise services on providing the government-to-government training
37 sessions for federal, state, local, and tribal government employees.

1 The training sessions shall cover tribal historical perspectives, legal
2 issues, tribal sovereignty, and tribal governments. Costs of the
3 training sessions shall be recouped through a fee charged to the
4 participants of each session. The department of enterprise services
5 shall be responsible for all of the administrative aspects of the
6 training, including the billing and collection of the fees for the
7 training.

8 NEW SECTION. **Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC**
9 **AMERICAN AFFAIRS**

10	General Fund--State Appropriation (FY 2014)	\$213,000
11	General Fund--State Appropriation (FY 2015)	\$208,000
12	TOTAL APPROPRIATION	\$421,000

13 NEW SECTION. **Sec. 123. FOR THE STATE TREASURER**

14	State Treasurer's Service Account--State	
15	Appropriation	\$15,702,000

16 The appropriation in this section is subject to the following
17 conditions and limitations: \$150,000 of the state treasurer's service
18 account--state appropriation is provided solely for legal fees related
19 to additional legal assistance due to changes in federal financial
20 regulations and an increase in complex and high profile litigation.

21 NEW SECTION. **Sec. 124. FOR THE STATE AUDITOR**

22	General Fund--State Appropriation (FY 2014)	\$728,000
23	General Fund--State Appropriation (FY 2015)	\$733,000
24	State Auditing Services Revolving Account--State	
25	Appropriation	\$9,589,000
26	Performance Audit of Government Account--State	
27	Appropriation	\$58,000
28	TOTAL APPROPRIATION	\$11,108,000

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

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

1 (2) \$728,000 of the general fund--state appropriation for fiscal
 2 year 2014 and \$733,000 of the general fund--state appropriation for
 3 fiscal year 2015 are provided solely for staff and related costs to
 4 verify the accuracy of reported school district data submitted for
 5 state funding purposes; conduct school district program audits of state
 6 funded public school programs; establish the specific amount of state
 7 funding adjustments whenever audit exceptions occur and the amount is
 8 not firmly established in the course of regular public school audits;
 9 and to assist the state special education safety net committee when
 10 requested.

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

19 NEW SECTION. **Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES**
 20 **FOR ELECTED OFFICIALS**

21	General Fund--State Appropriation (FY 2014)	\$141,000
22	General Fund--State Appropriation (FY 2015)	\$172,000
23	TOTAL APPROPRIATION	\$313,000

24 NEW SECTION. **Sec. 126. FOR THE ATTORNEY GENERAL**

25	General Fund--State Appropriation (FY 2014)	\$10,103,000
26	General Fund--State Appropriation (FY 2015)	\$9,819,000
27	General Fund--Federal Appropriation	\$7,114,000
28	New Motor Vehicle Arbitration Account--State	
29	Appropriation	\$999,000
30	Legal Services Revolving Account--State	
31	Appropriation	\$191,670,000
32	Tobacco Prevention and Control Account--State	
33	Appropriation	\$271,000
34	Medicaid Fraud Penalty Account--State Appropriation	\$2,279,000
35	Public Services Revolving Account--State	
36	Appropriation	\$2,093,000

1 TOTAL APPROPRIATION \$224,348,000

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

4 (1) The attorney general shall report each fiscal year on actual
5 legal services expenditures and actual attorney staffing levels for
6 each agency receiving legal services. The report shall be submitted to
7 the office of financial management and the fiscal committees of the
8 senate and house of representatives no later than ninety days after the
9 end of each fiscal year. As part of its by agency report to the
10 legislative fiscal committees and the office of financial management,
11 the office of the attorney general shall include information detailing
12 the agency's expenditures for its agency-wide overhead and a breakdown
13 by division of division administration expenses.

14 (2) Prior to entering into any negotiated settlement of a claim
15 against the state that exceeds five million dollars, the attorney
16 general shall notify the director of financial management and the
17 chairs of the senate committee on ways and means and the house of
18 representatives committee on appropriations.

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

26 (4) The executive ethics board shall: (a) Develop a statewide
27 plan, with performance measures, to provide overall direction and
28 accountability in all executive branch agencies and statewide elected
29 offices; (b) coordinate and work with the commission on judicial
30 conduct and the legislative ethics board; (c) assess and evaluate each
31 agency's ethical culture through employee and stakeholder surveys,
32 review Washington state quality award feedback reports, and publish an
33 annual report on the results to the public; and (d) solicit outside
34 evaluations, studies, and recommendations for improvements from
35 academics, nonprofit organizations, the public disclosure commission,
36 or other entities with expertise in ethics, integrity, and the public
37 sector.

1 (5) \$424,000 of the legal services revolving account--state
2 appropriation is provided solely for replacement of a portion of the
3 computers. The amount provided in this subsection is conditioned on
4 the department satisfying the requirements of the project management
5 oversight standards and policies established by the office of the chief
6 information officer and the provisions of section 945 of this act,
7 personal computer acquisition and replacement.

8 (6) \$609,000 of the legal services revolving account--state
9 appropriation is provided solely for upgrades to software programs.
10 The amount provided in this subsection is conditioned on the department
11 satisfying the requirements of the project management oversight
12 standards and policies established by the office of the chief
13 information officer.

14 (7) \$131,000 of the legal services revolving account--state
15 appropriation is provided solely for the implementation of Engrossed
16 Second Substitute Senate Bill No. 5405 (extended foster care). If the
17 bill is not enacted by June 30, 2013, the amount provided in this
18 subsection shall lapse.

19 (8) \$50,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$50,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the implementation of
22 Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If
23 the bill is not enacted by June 30, 2013, the amount provided in this
24 subsection shall lapse.

25 (9) \$189,000 of the legal services revolving account--state
26 appropriation is provided solely for the implementation of Substitute
27 House Bill No. 1420 (transportation improvement projects). If the bill
28 is not enacted by June 30, 2013, the amount provided in this subsection
29 shall lapse.

30 (10) \$2,093,000 of the public service revolving account--state
31 appropriation is provided solely for the work of the public counsel
32 section of the office of the attorney general.

33 **NEW SECTION. Sec. 127. FOR THE CASELOAD FORECAST COUNCIL**

34	General Fund--State Appropriation (FY 2014)	\$1,260,000
35	General Fund--State Appropriation (FY 2015)	\$1,233,000
36	TOTAL APPROPRIATION	\$2,493,000

1 NEW SECTION. **Sec. 128. FOR THE DEPARTMENT OF COMMERCE**

2	General Fund--State Appropriation (FY 2014)	\$67,184,000
3	General Fund--State Appropriation (FY 2015)	\$64,447,000
4	General Fund--Federal Appropriation	\$265,034,000
5	General Fund--Private/Local Appropriation	\$5,646,000
6	Public Works Assistance Account--State	
7	Appropriation	\$7,242,000
8	Drinking Water Assistance Administrative	
9	Account--State Appropriation	\$445,000
10	Lead Paint Account--State Appropriation	\$147,000
11	Building Code Council Account--State Appropriation	\$13,000
12	Home Security Fund Account--State Appropriation	\$30,456,000
13	Affordable Housing for All Account--State	
14	Appropriation	\$11,916,000
15	Financial Fraud and Identity Theft Crimes Investigation	
16	and Prosecution Account--State Appropriation	\$969,000
17	Low-Income Weatherization Assistance Account--State	
18	Appropriation	\$1,882,000
19	Community and Economic Development Fee Account--State	
20	Appropriation	\$5,303,000
21	Washington Housing Trust Account--State	
22	Appropriation	\$19,599,000
23	Prostitution Prevention and Intervention Account--	
24	State Appropriation	\$98,000
25	Public Facility Construction Loan Revolving	
26	Account--State Appropriation	\$985,000
27	Washington Community Technology Opportunity Account--	
28	Private/Local Appropriation	\$10,000
29	Liquor Revolving Account--State Appropriation	\$5,605,000
30	TOTAL APPROPRIATION	\$486,981,000

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

33 (1) Repayments of outstanding mortgage and rental assistance
34 program loans administered by the department under RCW 43.63A.640 shall
35 be remitted to the department, including any current revolving account
36 balances. The department shall collect payments on outstanding loans,
37 and deposit them into the state general fund. Repayments of funds owed

1 under the program shall be remitted to the department according to the
2 terms included in the original loan agreements.

3 (2) \$500,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$500,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for a grant to resolution
6 Washington to building statewide capacity for alternative dispute
7 resolution centers and dispute resolution programs that guarantee that
8 citizens have access to low-cost resolution as an alternative to
9 litigation.

10 (3) \$306,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$306,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for a grant to the retired senior
13 volunteer program.

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

17 (5) \$1,800,000 of the home security fund--state appropriation is
18 provided for transitional housing assistance or partial payments for
19 rental assistance under the independent youth housing program.

20 (6) \$5,000,000 of the home security fund--state appropriation is
21 for the operation, repair, and staffing of shelters in the homeless
22 family shelter program.

23 (7) \$198,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$198,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the Washington new Americans
26 program.

27 (8) \$2,949,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$2,949,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for associate development
30 organizations.

31 (9) \$234,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$233,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the Washington asset building
34 coalitions.

35 (10) \$32,027,000 of the general fund--state appropriation for
36 fiscal year 2014 and \$32,027,000 of the general fund--state
37 appropriation for fiscal year 2015 are provided solely for the
38 essential needs and housing support program created in chapter 36, 2011

1 1st sp. sess. The department of commerce shall contract for these
2 services with counties or community-based organizations involved in
3 providing essential needs and housing supports to low-income persons
4 who meet eligibility pursuant to chapter 36, 2011 1st sp. sess. The
5 department shall limit the funding used for administration of the
6 program to no more than five percent. Counties and community
7 providers shall limit the funding used for administration of the
8 program to no more than seven percent.

9 (a) Of the amounts provided in this subsection, \$5,000,000 is
10 provided solely for essential needs to clients who meet the eligibility
11 established in chapter 36, 2011 1st sp. sess. Counties and
12 community-based organizations shall distribute basic essential products
13 in a manner that prevents abuse. To the greatest extent possible, the
14 counties or community-based organizations shall leverage local or
15 private funds, and volunteer support to acquire and distribute the
16 basic essential products.

17 (b) Of the amounts provided in this subsection, \$59,000,000 is
18 provided solely for housing support services to individuals who are
19 homeless or who may become homeless, and are eligible for services
20 under this program pursuant to chapter 36, 2011 1st sp. sess.

21 (11) \$5,605,000 of the liquor revolving account--state
22 appropriation is provided solely for the department to contract with
23 the municipal research and services center of Washington.

24 (12) \$500,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$500,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for the purposes of purchasing
27 contracted services to expand and promote the tourism industry in the
28 state of Washington.

29 (a) The department must contract with the Washington tourism
30 alliance. Expenditure of state moneys is contingent upon the
31 contractor providing a dollar for dollar cash or in-kind match.
32 Funding must be provided for the following services:

33 (i) Serving as a central point of contact through developing and
34 maintaining a web portal for Washington tourism, operating a call
35 center, and mailing travel guides;

36 (ii) Promoting Washington as a tourism destination to national and
37 international markets, with emphasis on markets in Europe and Asia;

1 (iii) Providing information to businesses and local communities on
2 tourism opportunities that could expand local revenues; and

3 (iv) Conducting tourism-related research, including market research
4 and measuring the return on investment of funded activities.

5 (b) The department may not use more than 4 percent of the funds to
6 administer, monitor, and report the outcomes of the services. The
7 department must electronically submit performance metrics by January 1,
8 2014, and report the outcomes of the services by January 1, 2015, to
9 the economic development committees of the legislature.

10 (c) The department has the authority to designate one or more
11 alternative contractors if necessary due to performance or other
12 significant issues. Such change must only be made after consultation
13 with the Washington tourism alliance, the governor's office, and the
14 chairs and ranking members of the economic development committees of
15 the legislature.

16 (13) \$250,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$250,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the purposes of expanding
19 foreign trade offices and providing sector-based export assistance to
20 businesses. The department must engage Oregon, Idaho, Montana, Alaska,
21 Hawaii, British Columbia, Alberta, Saskatchewan, and Yukon as well as
22 associate development organizations, the small business development
23 centers export readiness centers, the export finance assistance center
24 of Washington, chambers of commerce, international trade organizations,
25 and ports to leverage the funds provided and maximize the investment in
26 foreign outreach. For each dollar expended the department must receive
27 a one hundred percent match. The match may be provided by the
28 department through nongeneral fund sources, or any partnering
29 governments or organizations. The department must develop performance
30 metrics and measure at a minimum, business hand-offs between partners
31 for the provision of additional services, the number of assisted
32 businesses, the number of assisted businesses that export, and the
33 amount of assisted export sales. The measurements must also include an
34 analysis of the sectors served and results.

35 (14) \$500,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$500,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for facilitating technology

1 transfer and commercialization activities, and supporting business
2 growth in technology sectors.

3 (a) The department must contract with the innovate Washington
4 foundation. Expenditure of state moneys must be provided for following
5 services:

6 (i) Supporting businesses in securing federal and private funds to
7 support product research and commercialization, developing and
8 integrating technology in new or enhanced products and services, and
9 launching those products and services in sustainable businesses in the
10 state;

11 (ii) Establishing public-private partnerships and programmatic
12 activities that increase the competitiveness of state industries;

13 (iii) Working with utilities, district energy providers, the
14 utilities and transportation commission, and the state energy office to
15 improve the alignment of investments in clean energy technologies with
16 existing state policies;

17 (iv) Administering technology and innovation grant and loan
18 programs including bridge funding programs for the state's technology
19 sector;

20 (v) Working with impact Washington to ensure that customers have
21 ready access to each other's services; and

22 (vi) Reaching out to firms operating in the state's innovation
23 partnership zones.

24 (b) The department may not use more than 4 percent of the funds to
25 administer, monitor, and report the outcomes of the services provided.
26 The department must electronically submit performance metrics by
27 January 1, 2014, and report the outcomes of the services by January 1,
28 2015, to the economic development committees of the legislature.

29 (15) \$250,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$250,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely to the northwest agriculture
32 business center. Expenditure of state moneys is contingent upon the
33 northwest agriculture business center providing a fifty percent cash
34 match for each state dollar.

35 (16) \$72,000 of the prostitution prevention and intervention
36 account is provided solely for implementation of Engrossed Substitute
37 House Bill No. 1291 (sex trade victims). If the bill is not enacted by
38 June 30, 2013, the amount provided in this subsection shall lapse.

1 (17) \$49,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$49,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for implementation of House Bill
4 No. 1818 (business and government streamlining). If the bill is not
5 enacted by June 30, 2013, the amounts provided in this subsection shall
6 lapse.

7 (18) \$100,000 of the general fund--state appropriation for fiscal
8 year 2014 is provided solely for the department to conduct an economic
9 cluster analysis of the policies impacting the financial services
10 sector with the objective of building and strengthening the industry's
11 presence in Washington. The department shall examine regulatory,
12 workforce, tax and infrastructure issues and determine strategies to
13 encourage the industry, including private equity, wealth management,
14 and hedge firms and related entities from other states and
15 internationally to locate in Washington. The department shall report
16 to the legislature by December 1, 2013, with recommendations for
17 legislative action.

18 (19) \$50,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$50,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for the department to develop an
21 economic cluster strategy to leverage the state's unique maritime
22 assets, geography, history, and infrastructure. Goals include growing
23 employment, targeted economic activity, environmental considerations,
24 tax revenue to state and local governments, and quality of life
25 associated with the maritime sector by working with the industry to
26 understand workforce needs, parity considerations with Oregon and
27 British Columbia, and tax structure and regulatory barriers. The
28 department will report its findings to the appropriate committees of
29 the legislature no later than December 1, 2014.

30 (20) \$2,000,000 of the Washington housing trust account--state
31 appropriation is provided solely for the department of commerce for
32 services to homeless families through the Washington families fund.

33 (21) \$5,000,000 of the home security account--state appropriation
34 is provided solely for the department of commerce to provide emergency
35 assistance to homeless families in the temporary assistance for needy
36 families program.

37 (22) \$75,000 of the general fund--state appropriation for fiscal
38 year 2014 is provided solely for the department to convene a workgroup

1 consisting of the former members of the Washington economic development
2 commission. The workgroup shall meet a minimum of two times to provide
3 advice and input to the director, governor, and legislature on the
4 economic development strategy for the state. The workgroup may also
5 recommend methods to provide future input on economic development
6 strategies and initiatives for the state within available department
7 resources.

8 (23) \$4,000,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$850,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for purposes of creating and
11 operating a community health care and education and innovation center
12 at the Pacific Medical Center in Seattle. Amounts provided in this
13 subsection must be used for lease, maintenance, operations, and other
14 required related expenses for Seattle community colleges allied health
15 programs and other related uses identified by the department of
16 commerce. The department is authorized to enter into a thirty-year
17 lease for the Pacific Medical Center property.

18 (24) Within the appropriations in this section, the department
19 shall, by December 1, 2013, develop a comprehensive start-up Washington
20 strategy to facilitate the growth of start-ups and enhance the state's
21 competitiveness in recruiting and retaining businesses that start up in
22 Washington. This shall include but is not limited to: B&O tax relief,
23 capital investment, regulatory burdens, workforce and infrastructure
24 needs and support. Start-up businesses interactions with state
25 government and other public entities as a customer shall also be
26 considered.

27 NEW SECTION. **Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST**
28 **COUNCIL**

29	General Fund--State Appropriation (FY 2014)	\$764,000
30	General Fund--State Appropriation (FY 2015)	\$803,000
31	Lottery Administrative Account--State Appropriation	\$50,000
32	TOTAL APPROPRIATION	\$1,617,000

33 NEW SECTION. **Sec. 130. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

34	General Fund--State Appropriation (FY 2014)	\$18,258,000
35	General Fund--State Appropriation (FY 2015)	\$17,749,000
36	General Fund--Federal Appropriation	\$31,341,000

1	General Fund--Private/Local Appropriation	\$370,000
2	Economic Development Strategic Reserve Account--State	
3	Appropriation	\$289,000
4	Personnel Service Fund--State Appropriation	\$8,670,000
5	Data Processing Revolving Account--State	
6	Appropriation	\$6,023,000
7	Higher Education Personnel Services Account--State	
8	Appropriation	\$1,497,000
9	Performance Audits of Government Account--State	
10	Appropriation	\$4,000,000
11	TOTAL APPROPRIATION	\$88,197,000

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

14 (1) The office of financial management shall prepare a report
15 outlining alternative methods of procuring health benefits for home
16 care workers, including individual providers and agency providers. In
17 preparing the report, the office of financial management shall consult
18 with the department of social and health services, representatives of
19 individual home care providers, and agency home care providers.

20 Along with a summary of the current method of providing benefits,
21 the report must include an analysis of the policy and fiscal
22 implications of accessing health benefits through the Washington health
23 benefits exchange. The report must also provide an analysis of a
24 medicaid section 1115 waiver with the federal centers for medicare and
25 medicaid services that would provide additional medicaid matching funds
26 for individual provider home care workers who are provided with health
27 care benefits through a collective bargaining agreement negotiated with
28 the state under chapter 74.39A RCW, but would otherwise be eligible for
29 medicaid under the federal expanded eligibility provisions that take
30 effect January 1, 2014.

31 The report must be submitted to the appropriate fiscal committees
32 of the legislature by January 6, 2014.

33 (2) \$39,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$7,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for member reimbursement, staff
36 support, or other expenses associated with the work of the joint
37 legislative executive committee on planning for aging and disability
38 issues that is established by this subsection.

1 (a) A joint legislative executive committee on aging and disability
2 is established, with members as provided in this subsection.

3 (i) Four members of the senate, with the leaders of the two largest
4 caucuses each appointing two members. Four members of the house of
5 representatives, with the leaders of the two largest caucuses each
6 appointing two members;

7 (ii) A member from the office of the governor, appointed by the
8 governor;

9 (iii) The secretary of the department of social and health services
10 or his or her designee;

11 (iv) The director of the health care authority or his or her
12 designee; and

13 (v) The director of the department of retirement systems or his or
14 her designee.

15 (b) The committee must convene by September 1, 2013. At the first
16 meeting, the committee will select cochairs from among its members who
17 are legislators. All meetings of the committee are open to the public.

18 (c) The purpose of the committee is to identify key strategic
19 actions to prepare for the aging of the population in Washington,
20 including state budget and policy options, by conducting at least, but
21 not limited to, the following tasks:

22 (i) Establish a profile of Washington's current population of older
23 people and people with disabilities and a projection of population
24 growth through 2030;

25 (ii) Establish an inventory of services and supports currently
26 available to older people and people with disabilities from the health
27 care and long-term services and support systems and other community
28 resources such as housing, transportation, income support, and
29 protection for vulnerable adults;

30 (iii) Identify state budget and policy options to more effectively
31 use state, federal and private resources to, over time, reduce the
32 growth rate in state expenditures that would otherwise occur by
33 continuing current policy in light of significant population growth;

34 (iv) Identify strategies to better serve the health care needs of
35 an aging population and people with disabilities, and promote healthy
36 living;

37 (v) Identify policy options to create financing mechanisms for

1 long-term services and supports that will promote additional private
2 responsibility for individuals and families to meet their needs for
3 service;

4 (vi) Identify policies to promote financial security in retirement,
5 support people who wish to stay in the workplace longer, and expand the
6 availability of workplace retirement savings plans; and

7 (vii) Identify policy options to help communities adapt to the
8 aging demographic in planning for housing, land use and transportation.

9 (d) The committee shall consult with the office of the insurance
10 commissioner, the caseload forecast council, and other appropriate
11 entities with specialized knowledge of the needs and growth trends of
12 the aging population and people with disabilities.

13 (e) Staff support for the committee shall be provided by the office
14 of program research, senate committee services, the office of financial
15 management, and the department of social and health services. The
16 committee members may be reimbursed for travel expenses as authorized
17 under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as
18 appropriate.

19 (f) The committee shall issue an interim report to the legislature
20 by December 10, 2013, and issue final recommendations to the governor
21 and relevant standing committees of the legislature by December 10,
22 2014.

23 (3) \$300,000 of the general fund--state appropriation for fiscal
24 year 2014 is provided solely for implementation of Engrossed Second
25 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
26 bill is not enacted by June 30, 2013, the amount provided in this
27 subsection shall lapse.

28 (4) \$536,000 of the general fund--state appropriation for fiscal
29 year 2014 is provided solely for a study of the state's medical and
30 public assistance eligibility systems and infrastructure with the goal
31 of simplifying procedures, improving customer service, and reducing
32 state expenditures. The study must also examine which state entities
33 play various roles in the eligibility and data verification processes
34 in order to determine if eligibility processes can be further
35 streamlined in light of changes related to the federal affordable care
36 act. The study must identify how costs will be allocated between state
37 and federal funding sources and options for maximizing federal

1 participation. The office of financial management shall provide a
2 report on its findings and recommendations to the relevant policy and
3 fiscal committees of the legislature by January 1, 2014.

4 (5)(a) The legislature finds that the state's nationally recognized
5 student achievement initiative has led to significant improvements at
6 two-year institutions of higher education. With the goal of creating
7 such efficiencies within the four-year institutions of higher
8 education, the office of financial management shall convene, in
9 coordination with the joint committee on higher education and the
10 student achievement council, a technical incentive funding model task
11 force to propose an incentive funding model for the four-year
12 institutions of higher education. The model will provide new incentive
13 funding to four-year institutions of higher education that demonstrate
14 improvement on existing performance measures and control resident
15 undergraduate tuition growth. Participation in the program is
16 voluntary; however, funding appropriated for this program shall only be
17 available to those institutions that have chosen to participate in the
18 program.

19 (b) The task force must include the following members:

20 (i) One representative from the student achievement council;

21 (ii) One representative from the education data center created in
22 RCW 43.41.400; and

23 (iii) One representative from each of the four-year institutions of
24 higher education.

25 (c) The program shall include, but shall not be limited to:

26 (i) A system for allocating new incentive funding to participating
27 institutions based on an institution's:

28 (A) Performance in specific metrics;

29 (B) Control and reduction where possible of resident undergraduate
30 and graduate tuition; and

31 (C) Efficient utilization of classrooms laboratories, online and
32 other high technology instructional methods.

33 (ii) A methodology for allocating funding for performance as
34 specified in subsection (2)(a)(i) of this section that is based on
35 performance metrics reported in the accountability monitoring and
36 reporting system established in RCW 28B.77.090 and that recognizes each
37 institution's unique mission by measuring each institution's
38 performance in these metrics against their past performance.

1 (iii) A methodology for investing any unallocated incentive funds
2 to the state need grant program created in chapter 28B.92 RCW to expand
3 access to low-income and underserved student populations; and

4 (iv) A methodology for establishing a baseline level of state
5 funding that:

6 (A) Fully supports the state's need for an increasing portion of
7 its citizens to gain post-secondary education and qualifications;

8 (B) Recognizes the acute need of the state's high-technology
9 economy for a sufficient number of graduates in high employer demand
10 programs of study;

11 (C) Achieves a more equitable share of support between the state
12 and students and their families; and

13 (D) Provides for funding enhancements based on demonstrated
14 improvements in institutional performance within the educational
15 achievement and tuition reduction incentive program.

16 (d) The workgroup shall submit a final report containing an
17 incentive funding model to the governor and higher education and fiscal
18 committees of the legislature by December 31, 2013.

19 **NEW SECTION. Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

20 Administrative Hearings Revolving Account--State

21 Appropriation \$37,826,000

22 TOTAL APPROPRIATION \$37,826,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: \$151,000 of the administrative hearings
25 revolving account--state appropriation is provided solely for
26 replacement of computer equipment, including servers, routers, and
27 storage system upgrades. The amount provided in this subsection is
28 conditioned on the department satisfying the requirements of the
29 project management oversight standards and policies established by the
30 office of the chief information officer.

31 **NEW SECTION. Sec. 132. FOR THE WASHINGTON STATE LOTTERY**

32 Lottery Administrative Account--State

33 Appropriation \$25,745,000

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

1 (1) \$596,000 of the lottery administrative account--state
2 appropriation is provided solely for the replacement of the lottery's
3 gaming systems vendor contract.

4 (2) No portion of this appropriation may be used for acquisition of
5 gaming system capabilities that violates state law.

6 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**

7	General Fund--State Appropriation (FY 2014)	\$238,000
8	General Fund--State Appropriation (FY 2015)	\$236,000
9	TOTAL APPROPRIATION	\$474,000

10 NEW SECTION. **Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN**
11 **AFFAIRS**

12	General Fund--State Appropriation (FY 2014)	\$233,000
13	General Fund--State Appropriation (FY 2015)	\$225,000
14	TOTAL APPROPRIATION	\$458,000

15 NEW SECTION. **Sec. 135. FOR THE DEPARTMENT OF RETIREMENT**
16 **SYSTEMS--OPERATIONS**

17	Department of Retirement Systems Expense	
18	Account--State Appropriation	\$50,877,000

19 The appropriation in this section is subject to the following
20 conditions and limitations: \$72,000 of the department of retirement
21 systems expense account--state appropriation is provided solely for the
22 administrative costs associated with implementation of Substitute House
23 Bill No. 2018 (regarding additional contribution rates for employers of
24 the Washington state retirement systems). If the bill is not enacted
25 by June 30, 2013, the amount provided in this subsection shall lapse.

26 NEW SECTION. **Sec. 136. FOR THE DEPARTMENT OF REVENUE**

27	General Fund--State Appropriation (FY 2014)	\$108,228,000
28	General Fund--State Appropriation (FY 2015)	\$112,688,000
29	Timber Tax Distribution Account--State Appropriation	\$6,111,000
30	Waste Reduction/Recycling/Litter Control--State	
31	Appropriation	\$132,000
32	State Toxics Control Account--State Appropriation	\$93,000
33	Master License Fund--State Appropriation	\$17,145,000
34	TOTAL APPROPRIATION	\$244,397,000

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

3 (1) The department of revenue is authorized to increase the master
4 application fee to nineteen dollars and the renewal fee to eleven
5 dollars consistent with RCW 19.02.075.

6 (2) \$604,000 of the general fund--state appropriation for fiscal
7 year 2014, \$6,147,000 of the general fund--state appropriation for
8 fiscal year 2015, and \$4,853,000 of the master license fund--state
9 appropriation are provided solely for the replacement of the
10 department's legacy business systems. The amounts provided in this
11 subsection are conditioned on the department satisfying the
12 requirements of the project management oversight standards and policies
13 established by the office of the chief information officer.

14 (3) Within the amounts appropriated within this section, the
15 department shall ensure agents of sellers collect and remit the taxes
16 imposed on retail sales under Title 82 RCW, regardless of whether or
17 not the agent has actual or constructive possession or control of the
18 property, product, or services sold.

19 NEW SECTION. **Sec. 137. FOR THE BOARD OF TAX APPEALS**

20	General Fund--State Appropriation (FY 2014)	\$1,217,000
21	General Fund--State Appropriation (FY 2015)	\$1,182,000
22	TOTAL APPROPRIATION	\$2,399,000

23 NEW SECTION. **Sec. 138. FOR THE OFFICE OF MINORITY AND WOMEN'S**
24 **BUSINESS ENTERPRISES**

25	OMWBE Enterprises Account--State Appropriation	\$4,083,000
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26 The appropriation in this section is subject to the following
27 conditions and limitations: \$200,000 of the minority and women's
28 business enterprises account--state appropriation is provided for
29 implementation of a certification program for small business
30 enterprises. The agency will collaborate with the department of
31 transportation to certify small businesses as small business
32 enterprises. Funding for this work is provided through interagency
33 agreement with the state department of transportation.

34 NEW SECTION. **Sec. 139. FOR THE INSURANCE COMMISSIONER**

35	General Fund--State Appropriation (FY 2014)	\$150,000
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1 General Fund--State Appropriation (FY 2015) \$150,000
 2 General Fund--Federal Appropriation \$4,497,000
 3 Health Benefit Exchange Account--State Appropriation \$676,000
 4 Insurance Commissioners Regulatory Account--State
 5 Appropriation \$49,631,000
 6 TOTAL APPROPRIATION \$55,104,000

7 The appropriations in this section are subject to the following
 8 conditions and limitations: \$676,000 of the health benefit exchange
 9 account--state appropriation is provided solely to implement Engrossed
 10 Substitute House Bill No. 1947 (Washington health benefit exchange).
 11 If the bill is not enacted by June 30, 2013, the amount provided in
 12 this subsection shall lapse.

13 NEW SECTION. **Sec. 140. FOR THE STATE INVESTMENT BOARD**

14 State Investment Board Expense Account--State
 15 Appropriation \$36,063,000

16 NEW SECTION. **Sec. 141. FOR THE LIQUOR CONTROL BOARD**

17 Liquor Revolving Account--State Appropriation \$66,269,000
 18 General Fund--Federal Appropriation \$945,000
 19 General Fund--Private/Local Appropriation \$25,000
 20 TOTAL APPROPRIATION \$67,239,000

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

- 23 (1) \$2,494,000 of the liquor revolving account--state appropriation
 24 is provided solely for the liquor control board to implement Initiative
 25 Measure No. 502.
- 26 (2) Within the amounts appropriated in this section from the liquor
 27 revolving account--state appropriation, the liquor control board must
 28 work with the department of revenue, the department of health, and
 29 affected stakeholders to develop proposed legislation regarding the
 30 integration of a regulated medical marijuana market with the
 31 recreational marijuana market.

32 At minimum, the proposed legislation should address the following:

- 33 (a) Agency requirements to regulate medical marijuana and health
 34 care providers and administer and collect taxes;
- 35 (b) Licensing and regulation provisions for medical marijuana
 36 producers, processors, and retailers;

1 (c) Regulations regarding the oversight of health care
2 professionals that authorize the use of medical marijuana for their
3 patients;

4 (d) Rules regarding collective gardens, possession amounts, and age
5 limits; and

6 (e) Implementation of a tax structure for the medical marijuana
7 market.

8 The board shall submit the proposed legislation to the legislature by
9 December 15, 2013.

10 NEW SECTION. **Sec. 142. FOR THE UTILITIES AND TRANSPORTATION**
11 **COMMISSION**

12	General Fund--Federal Appropriation	\$150,000
13	General Fund--Private/Local Appropriation	\$11,231,000
14	Public Service Revolving Account--State	
15	Appropriation	\$28,080,000
16	Pipeline Safety Account--State Appropriation	\$4,413,000
17	Pipeline Safety Account--Federal Appropriation	\$1,940,000
18	TOTAL APPROPRIATION	\$45,814,000

19 The appropriations in this section are subject to the following
20 conditions and limitations: The commission shall work with the Idaho
21 public utilities commission and the public utility commission of Oregon
22 to identify common regulatory functions that can be performed jointly,
23 with the goal of formalizing an agreement that protects essential
24 services while increasing regulatory effectiveness and efficiencies
25 through economies of scale. The commission is authorized to enter into
26 an agreement with such other state public utility commissions to work
27 jointly in administering specified respective regulatory functions.

28 NEW SECTION. **Sec. 143. FOR THE MILITARY DEPARTMENT**

29	General Fund--State Appropriation (FY 2014)	\$1,880,000
30	General Fund--State Appropriation (FY 2015)	\$1,887,000
31	General Fund--Federal Appropriation	\$140,187,000
32	Enhanced 911 Account--State Appropriation	\$59,518,000
33	Disaster Response Account--State Appropriation	\$14,539,000
34	Disaster Response Account--Federal Appropriation	\$53,253,000
35	Military Department Rent and Lease Account--State	
36	Appropriation	\$615,000

1 Worker and Community Right-to-Know Account--State

2 Appropriation \$2,995,000

3 TOTAL APPROPRIATION \$274,874,000

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

6 (1) \$14,539,000 of the disaster response account--state
7 appropriation and \$53,253,000 of the disaster response account--federal
8 appropriation may be spent only on disasters declared by the governor
9 and with the approval of the office of financial management. The
10 military department shall submit a report to the office of financial
11 management and the legislative fiscal committees on October 1st and
12 February 1st of each year detailing information on the disaster
13 response account, including: (a) The amount and type of deposits into
14 the account; (b) the current available fund balance as of the reporting
15 date; and (c) the projected fund balance at the end of the 2014-2015
16 biennium based on current revenue and expenditure patterns.

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

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

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

29 (3) \$200,000 of worker and community right-to-know--state
30 appropriation is provided solely to establish one FTE to initiate and
31 coordinate a statewide continuity of operations program for state
32 government.

33 **NEW SECTION. Sec. 144. FOR THE PUBLIC EMPLOYMENT RELATIONS**
34 **COMMISSION**

35 General Fund--State Appropriation (FY 2014) \$1,977,000

36 General Fund--State Appropriation (FY 2015) \$2,042,000

37 Higher Education Personnel Services Account--State

1 Appropriation \$521,000
2 Department of Personnel Service Account--State
3 Appropriation \$3,305,000
4 TOTAL APPROPRIATION \$7,845,000

5 NEW SECTION. **Sec. 145. FOR THE BOARD OF ACCOUNTANCY**

6 Certified Public Accountants' Account--State
7 Appropriation \$2,702,000

8 NEW SECTION. **Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL**

9 Death Investigations Account--State Appropriation \$498,000

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 NEW SECTION. **Sec. 147. FOR THE HORSE RACING COMMISSION**

23 Horse Racing Commission Operating Account--State
24 Appropriation \$3,558,000

25 The appropriation in this section is subject to the following
26 conditions and limitations: Pursuant to RCW 43.135.055, the commission
27 is authorized to increase licensing fees by up to five percent in
28 fiscal year 2014 and up to five percent in fiscal year 2015; and
29 background check fees by up to one dollar in fiscal year 2014, and up
30 to one dollar in fiscal year 2015.

31 NEW SECTION. **Sec. 148. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

32 General Fund--State Appropriation (FY 2014) \$3,654,000
33 General Fund--State Appropriation (FY 2015) \$3,635,000
34 Building Code Council Account--State Appropriation \$1,576,000

1 TOTAL APPROPRIATION \$8,865,000

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

4 (1) \$3,287,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$3,286,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the payment of facilities and
7 services charges, utilities and contracts charges, public and historic
8 facilities charges, and capital projects surcharges allocable to the
9 senate, house of representatives, statute law committee, and joint
10 legislative systems committee. The department shall allocate charges
11 attributable to these agencies among the affected revolving funds. The
12 department shall maintain an interagency agreement with these agencies
13 to establish performance standards, prioritization of preservation and
14 capital improvement projects, and quality assurance provisions for the
15 delivery of services under this subsection. The legislative agencies
16 named in this subsection shall continue to enjoy all of the same rights
17 of occupancy and space use on the capitol campus as historically
18 established.

19 (2) In accordance with RCW 46.08.172 and 43.135.055, the department
20 is authorized to increase parking fees in fiscal years 2014 and 2015 as
21 necessary to meet the actual costs of conducting business.

22 (3)(a) The building code council account appropriation is provided
23 solely for the operation of the state building code council as required
24 by statute and modified by the standards established by executive order
25 10-06. The council shall not consider any proposed code amendment or
26 take any other action not authorized by statute or in compliance with
27 the standards established in executive order 10-06. No member of the
28 council may receive compensation, per diem, or reimbursement for
29 activities other than physical attendance at those meetings of the
30 state building code council or the council's designated committees, at
31 which the opportunity for public comment is provided generally and on
32 all agenda items upon which the council proposes to take action.

33 (b) Pursuant to Substitute House Bill No. 1618 (concerning the
34 building code council account) there is imposed a fee of five dollars
35 and fifty cents on each building permit issued by a county or a city,
36 plus an additional surcharge of two dollars for each residential unit,
37 but not including the first unit, on each building containing more than
38 one residential unit, and a fee of eight dollars for each

1 nonresidential permit issued. \$348,000 of the building code council
2 account--state appropriation is provided solely for the increase in
3 fees, pursuant to House Bill No. 1618. If the bill is not enacted by
4 June 30, 2013, the amounts provided in this subsection shall lapse.

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

9 (5) Before any agency may purchase a passenger motor vehicle as
10 defined in RCW 43.19.560, the agency must have written approval from
11 the director of the department of enterprise services.

12 (6) The department shall adjust billings for self-insurance
13 premiums to transportation agencies to reflect rate reductions assumed
14 in this act.

15 (7) \$2,400,000 of the data processing revolving account
16 appropriation is provided solely for the implementation of a pilot
17 program to implement a strategy and action plan to modernize the
18 state's enterprise financial and administrative systems. The
19 department, the office of financial management, and the office of the
20 chief information officer, will lead the planning effort and establish
21 advisory committees composed of key stakeholders. The plan will
22 include an assessment of the readiness of state government to conduct
23 a business transformation and system replacement project of this scale.
24 The plan shall incorporate the objectives of lean management and should
25 include recommendations on: Project scope, phasing and timeline,
26 expected outcomes and measures of success, product strategy, budget and
27 financing strategy options, risk mitigation, staffing and organization,
28 and strategies to close readiness gaps. The department shall submit
29 the implementation plan to the fiscal committees of the legislature by
30 December 15, 2013.

31 The amounts provided in this subsection are conditioned on the
32 department satisfying the requirements of the project management
33 oversight standards and policies established by the office of the chief
34 information officer.

35 (8) \$8,013,000 of the data processing revolving account
36 appropriation is provided solely for the implementation of a pilot
37 program to implement a time, leave, and attendance enterprise system.
38 The amounts provided in this subsection are conditioned on the

1 department satisfying the requirements of the project management
2 oversight standards and policies established by the office of the chief
3 information officer.

4 (9) From the fee charged to master contract vendors, the department
5 shall transfer to the office of minority and women's business
6 enterprises in equal monthly installments of \$2,058,000 in fiscal year
7 2014 and \$2,025,000 in fiscal year 2015.

8 (10) The legislature intends to review for purchase and to conduct
9 a boundary survey and appraisal of parcel number one and surrounding
10 property on McNeil Island related to maintaining the secure sex
11 offender facility, real estate transactional work for the deeds between
12 the state and federal government involving McNeil Island, and
13 transition planning to move toward decision-making to realign
14 conveyances for state ownership of McNeil Island. The department of
15 enterprise services is authorized to bill appropriate state agencies
16 for this parcel review and appraisal and the department shall provide
17 an estimate to the legislative fiscal committees by October 1, 2013.

18 NEW SECTION. **Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
19 **Volunteer Firefighters' and Reserve Officers'**

20 Administrative Account--State Appropriation \$1,045,000

21 NEW SECTION. **Sec. 150. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
22 **HISTORIC PRESERVATION**

23 General Fund--State Appropriation (FY 2014) \$1,343,000
24 General Fund--State Appropriation (FY 2015) \$1,246,000
25 General Fund--Federal Appropriation \$1,951,000
26 General Fund--Private/Local Appropriation \$14,000
27 TOTAL APPROPRIATION \$4,554,000

28 The appropriations in this section are subject to the following
29 conditions and limitations: \$50,000 of the general fund--state
30 appropriation for fiscal year 2014 is provided solely to study the role
31 of cultural resources assessment as part of the state and local
32 governmental environmental review, planning, and permitting process.
33 The agency will create a public outreach process with affected
34 governmental entities, businesses, and stakeholders. The agency will
35 review state laws from around the country on cultural resources. The

1 agency will deliver its report with legislative recommendations to the
2 legislature by November 30, 2013.

(End of part)

1 PART II
2 HUMAN SERVICES

3 NEW SECTION. Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH
4 SERVICES

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

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

30 (3)(a) The health care authority and the department are authorized
31 to develop an integrated health care program designed to slow the
32 progression of illness and disability and better manage medicaid
33 expenditures for the aged and disabled population. Under the
34 Washington medicaid integration partnership (WMIP) and the medicare
35 integrated care project (MICP), the health care authority and the
36 department may combine and transfer such medicaid funds appropriated

1 under sections 204, 206, 208, and 213 of this act as may be necessary
2 to finance a unified health care plan for the WMIP and the MICP program
3 enrollment. The WMIP pilot projects shall not exceed a daily
4 enrollment of 6,000 persons, nor expand beyond one county during the
5 2013-2015 fiscal biennium. The amount of funding assigned from each
6 program may not exceed the average per capita cost assumed in this act
7 for individuals covered by that program, actuarially adjusted for the
8 health condition of persons enrolled, times the number of clients
9 enrolled. In implementing the WMIP and the MICP, the health care
10 authority and the department may: (i) Withhold from calculations of
11 "available resources" as set forth in RCW 71.24.025 a sum equal to the
12 capitated rate for enrolled individuals; and (ii) employ capitation
13 financing and risk-sharing arrangements in collaboration with health
14 care service contractors licensed by the office of the insurance
15 commissioner and qualified to participate in both the medicaid and
16 medicare programs.

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

32 (4) The legislature finds that medicaid payment rates, as
33 calculated by the department pursuant to the appropriations in this
34 act, bear a reasonable relationship to the costs incurred by
35 efficiently and economically operated facilities for providing quality
36 services and will be sufficient to enlist enough providers so that care
37 and services are available to the extent that such care and services
38 are available to the general population in the geographic area. The

1 legislature finds that cost reports, payment data from the federal
2 government, historical utilization, economic data, and clinical input
3 constitute reliable data upon which to determine the payment rates.

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

15 (6) The department shall facilitate enrollment under the medicaid
16 expansion for clients applying for or receiving state funded services
17 from the department and its contractors. Prior to open enrollment, the
18 department shall coordinate with the health care authority to provide
19 referrals to the Washington health benefit exchange for clients that
20 will be ineligible for the medicaid expansion but are enrolled in
21 coverage that will be eliminated in the transition to the medicaid
22 expansion.

23 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
24 **SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

25	General Fund--State Appropriation (FY 2014)	\$297,361,000
26	General Fund--State Appropriation (FY 2015)	\$297,530,000
27	General Fund--Federal Appropriation	\$489,867,000
28	General Fund--Private/Local Appropriation	\$1,354,000
29	Home Security Fund Account--State Appropriation	\$10,741,000
30	Domestic Violence Prevention Account--State	
31	Appropriation	\$1,240,000
32	Child and Family Reinvestment Account--State	
33	Appropriation	\$7,672,000
34	TOTAL APPROPRIATION	\$1,105,765,000

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

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

6 (2) \$668,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$668,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely to contract for the operation of
9 one pediatric interim care center. The center shall provide
10 residential care for up to thirteen children through two years of age.
11 Seventy-five percent of the children served by the center must be in
12 need of special care as a result of substance abuse by their mothers.
13 The center shall also provide on-site training to biological, adoptive,
14 or foster parents. The center shall provide at least three months of
15 consultation and support to the parents accepting placement of children
16 from the center. The center may recruit new and current foster and
17 adoptive parents for infants served by the center. The department
18 shall not require case management as a condition of the contract.

19 (3) \$538,500 of the general fund--state appropriation for fiscal
20 year 2014, \$539,500 of the general fund--state appropriation for fiscal
21 year 2015, \$656,000 of the general fund--private/local appropriation,
22 and \$253,000 of the general fund--federal appropriation are provided
23 solely for children's administration to contract with an educational
24 advocacy provider with expertise in foster care educational outreach.
25 The amounts in this subsection are provided solely for contracted
26 education coordinators to assist foster children in succeeding in K-12
27 and higher education systems and to assure a focus on education during
28 the transition to performance based contracts. Funding shall be
29 prioritized to regions with high numbers of foster care youth and/or
30 regions where backlogs of youth that have formerly requested
31 educational outreach services exist. The department shall utilize
32 private matching funds to maintain educational advocacy services.

33 (4) \$10,741,000 of the home security fund--state appropriation is
34 provided solely for the department to contract for services pursuant to
35 RCW 13.32A.030 and 74.15.220. The department shall contract and
36 collaborate with service providers in a manner that maintains the
37 availability and geographic representation of secure and semi-secure
38 crisis residential centers and HOPE centers. To achieve efficiencies

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

14 (5) \$125,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$125,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for a community-based organization
17 that has innovated, developed, and replicated a foster care delivery
18 model that includes a licensed hub home. The community-based
19 organization will provide training and technical assistance to the
20 children's administration to develop five hub home models in region 2
21 that will improve child outcomes, support foster parents, and encourage
22 the least restrictive community placements for children.

23 (6) \$73,000 of the general fund--state appropriation for fiscal
24 year 2014, \$20,000 of the general fund--state appropriation for fiscal
25 year 2015, and \$31,000 of the general fund--federal appropriation are
26 provided solely for implementation of Second Substitute House Bill No.
27 1566 (youth in out-of-home care). If the bill is not enacted by June
28 30, 2013, the amounts provided in this subsection shall lapse.

29 (7) \$88,000 of the general fund--state appropriation for fiscal
30 year 2014, \$2,000 of the general fund--state appropriation for fiscal
31 year 2015, and \$28,000 of the general fund--federal appropriation are
32 provided solely for implementation of Engrossed Substitute House Bill
33 No. 1774 (child welfare system). If the bill is not enacted by June
34 30, 2013, the amounts provided in this subsection shall lapse.

35 (8) \$1,698,000 of the general fund--state appropriation for fiscal
36 year 2014, \$2,788,000 of the general fund--state appropriation for
37 fiscal year 2015, and \$1,894,000 of the general fund--federal
38 appropriation are provided solely for implementation of Engrossed

1 Second Substitute Senate Bill No. 5405 (extended foster care). If the
2 bill is not enacted by June 30, 2013, the amounts provided in this
3 subsection shall lapse.

4 (9) \$579,000 of the general fund--state appropriation for fiscal
5 year 2014, \$579,000 of the general fund--state appropriation for fiscal
6 year 2015, and \$109,000 of the general fund--federal appropriation are
7 provided solely for a receiving care center east of the Cascade
8 mountains.

9 (10)(a) \$446,000 of the general fund--state appropriation for
10 fiscal year 2014 and \$446,000 of the general fund--state appropriation
11 for fiscal year 2015 are provided solely for a contract with a
12 nongovernmental entity or entities to establish one demonstration site
13 in a school district or group of school districts in western
14 Washington.

15 (b) The children's administration and the nongovernmental entity or
16 entities shall collaboratively select the demonstration site. The
17 demonstration site should be a school district or group of school
18 districts with a significant number of students who are dependent
19 pursuant to chapter 13.34 RCW.

20 (c) The demonstration site established under this subsection must
21 be selected by September 1, 2013.

22 (d) The purpose of the demonstration site is to improve the
23 educational outcomes of students who are dependent pursuant to chapter
24 13.34 RCW by providing individualized education services and monitoring
25 and supporting dependent youths' completion of educational milestones,
26 remediation needs, and special education needs.

27 (e) The demonstration site established under this subsection must
28 facilitate the educational progress and graduation of dependent youth.
29 The contract must be performance-based with a stated goal of improving
30 the graduation rates of foster youth by two percent per year over five
31 school year periods, starting with the 2014-15 school year and ending
32 with the 2019-20 school year. The demonstration site must develop and
33 provide services aimed at improving the educational outcomes of foster
34 youth. These services must include:

35 (i) Direct advocacy for foster youth to eliminate barriers to
36 educational access and success;

37 (ii) Consultation with department of social and health services

1 case workers to develop educational plans for and with participating
2 youth;

3 (iii) Monitoring education progress of participating youth;

4 (iv) Providing participating youth with school and local resources
5 that may assist in educational access and success; and

6 (v) Coaching youth, caregivers, and social workers to advocate for
7 dependent youth in the educational system.

8 (f) The contracted nongovernmental entity or entities must report
9 demonstration site outcomes to the department of social and health
10 services and the office of public instruction by June 30, 2014, for the
11 2013-14 school year, and by June 30, 2015, for the 2014-15 school year.

12 (g) The children's administration must proactively refer all
13 students fifteen years or older, within the demonstration site area, to
14 the selected nongovernmental entity for educational services.

15 (h) The children's administration must report quarterly to the
16 legislature on the number of eligible youth and number of youth
17 referred for services beginning at the close of the second quarter of
18 fiscal year 2014 and through the final quarter of fiscal year 2015.

19 (i) The contracted nongovernmental entity or entities shall report
20 to the legislature by June 30, 2015, on the effectiveness of the
21 demonstration site in increasing graduation rates for dependent youth.

22 (11) \$50,000 of the general fund--state appropriation for fiscal
23 year 2014, and \$50,000 of the general fund--state appropriation for
24 fiscal year 2015, and \$256,000 of the general fund--federal
25 appropriation are provided solely for implementation of Substitute
26 Senate Bill No. 5315 (Powell fatality team). If the bill is not
27 enacted by June 30, 2013, the amounts provided in this subsection shall
28 lapse.

29 (12) \$670,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$670,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for services provided through
32 children's advocacy centers.

33 NEW SECTION. **Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
34 **SERVICES--JUVENILE REHABILITATION PROGRAM**

35	General Fund--State Appropriation (FY 2014)	\$89,791,000
36	General Fund--State Appropriation (FY 2015)	\$90,462,000
37	General Fund--Federal Appropriation	\$3,464,000

1 General Fund--Private/Local Appropriation \$1,982,000
 2 Washington Auto Theft Prevention Authority Account--
 3 State Appropriation \$196,000
 4 Reinvesting in Youth--State Appropriation \$383,000
 5 Juvenile Accountability Incentive Account--Federal
 6 Appropriation \$2,801,000
 7 TOTAL APPROPRIATION \$189,079,000

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

10 (1) \$331,000 of the general fund--state appropriation for fiscal
 11 year 2014 and \$331,000 of the general fund--state appropriation for
 12 fiscal year 2015 are provided solely for deposit in the county criminal
 13 justice assistance account for costs to the criminal justice system
 14 associated with the implementation of chapter 338, Laws of 1997
 15 (juvenile code revisions). The amounts provided in this subsection are
 16 intended to provide funding for county adult court costs associated
 17 with the implementation of chapter 338, Laws of 1997 and shall be
 18 distributed in accordance with RCW 82.14.310.

19 (2) \$2,716,000 of the general fund--state appropriation for fiscal
 20 year 2014 and \$2,716,000 of the general fund--state appropriation for
 21 fiscal year 2015 are provided solely for the implementation of chapter
 22 338, Laws of 1997 (juvenile code revisions). The amounts provided in
 23 this subsection are intended to provide funding for county impacts
 24 associated with the implementation of chapter 338, Laws of 1997 and
 25 shall be distributed to counties as prescribed in the current
 26 consolidated juvenile services (CJS) formula.

27 (3) \$3,482,000 of the general fund--state appropriation for fiscal
 28 year 2014 and \$3,482,000 of the general fund--state appropriation for
 29 fiscal year 2015 are provided solely to implement community juvenile
 30 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
 31 code revisions). Funds provided in this subsection may be used solely
 32 for community juvenile accountability grants, administration of the
 33 grants, and evaluations of programs funded by the grants.

34 (4) \$1,130,000 of the general fund--state appropriation for fiscal
 35 year 2014 and \$1,130,000 of the general fund--state appropriation for
 36 fiscal year 2015 are provided solely to implement alcohol and substance
 37 abuse treatment programs for locally committed offenders. The juvenile
 38 rehabilitation administration shall award these moneys on a competitive

1 basis to counties that submitted a plan for the provision of services
2 approved by the division of alcohol and substance abuse. The juvenile
3 rehabilitation administration shall develop criteria for evaluation of
4 plans submitted and a timeline for awarding funding and shall assist
5 counties in creating and submitting plans for evaluation.

6 (5) \$3,123,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$3,123,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for grants to county juvenile
9 courts for the following programs identified by the Washington state
10 institute for public policy (institute) in its October 2006 report:
11 "Evidence-Based Public Policy Options to Reduce Future Prison
12 Construction, Criminal Justice Costs and Crime Rates": Functional
13 family therapy, multi-systemic therapy, aggression replacement training
14 and interagency coordination programs, or other programs with a
15 positive benefit-cost finding in the institute's report. County
16 juvenile courts shall apply to the juvenile rehabilitation
17 administration for funding for program-specific participation and the
18 administration shall provide grants to the courts consistent with the
19 per-participant treatment costs identified by the institute.

20 (6) \$1,537,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$1,537,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for expansion of the following
23 treatments and therapies in juvenile rehabilitation administration
24 programs identified by the Washington state institute for public policy
25 in its October 2006 report: "Evidence-Based Public Policy Options to
26 Reduce Future Prison Construction, Criminal Justice Costs and Crime
27 Rates": Multidimensional treatment foster care, family integrated
28 transitions, and aggression replacement training, or other programs
29 with a positive benefit-cost finding in the institute's report. The
30 administration may concentrate delivery of these treatments and
31 therapies at a limited number of programs to deliver the treatments in
32 a cost-effective manner.

33 (7)(a) The juvenile rehabilitation administration shall administer
34 a block grant, rather than categorical funding, of consolidated
35 juvenile service funds, community juvenile accountability act grants,
36 the chemical dependency disposition alternative funds, the mental
37 health disposition alternative, and the sentencing disposition
38 alternative for the purpose of serving youth adjudicated in the

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

22 (b) The juvenile rehabilitation administration and the juvenile
23 courts shall establish a block grant funding formula oversight
24 committee with equal representation from the juvenile rehabilitation
25 administration and the juvenile courts. The purpose of this committee
26 is to assess the ongoing implementation of the block grant funding
27 formula, utilizing data-driven decision making and the most current
28 available information. The committee will be cochaired by the juvenile
29 rehabilitation administration and the juvenile courts, who will also
30 have the ability to change members of the committee as needed to
31 achieve its purpose. Initial members will include one juvenile court
32 representative from the finance committee, the community juvenile
33 accountability act committee, the risk assessment quality assurance
34 committee, the executive board of the Washington association of
35 juvenile court administrators, the Washington state center for court
36 research, and a representative of the superior court judges
37 association; two representatives from the juvenile rehabilitation
38 administration headquarters program oversight staff, two

1 representatives of the juvenile rehabilitation administration regional
2 office staff, one representative of the juvenile rehabilitation
3 administration fiscal staff and a juvenile rehabilitation
4 administration division director. The committee may make changes to
5 the formula categories other than the evidence-based program and
6 disposition alternative categories if it is determined the changes will
7 increase statewide service delivery or effectiveness of evidence-based
8 program or disposition alternative resulting in increased cost benefit
9 savings to the state. Long-term cost benefit must be considered.
10 Percentage changes may occur in the evidence-based program or
11 disposition alternative categories of the formula should it be
12 determined the changes will increase evidence-based program or
13 disposition alternative delivery and increase the cost benefit to the
14 state. These outcomes will also be considered in determining when
15 evidence-based expansion or special sex offender disposition
16 alternative funds should be included in the block grant or left
17 separate.

18 (c) The juvenile courts and administrative office of the courts
19 shall be responsible for collecting and distributing information and
20 providing access to the data systems to the juvenile rehabilitation
21 administration and the Washington state institute for public policy
22 related to program and outcome data. The juvenile rehabilitation
23 administration and the juvenile courts will work collaboratively to
24 develop program outcomes that reinforce the greatest cost benefit to
25 the state in the implementation of evidence-based practices and
26 disposition alternatives.

27 (8) The juvenile courts and administrative office of the courts
28 shall collect and distribute information related to program outcome and
29 provide access to these data systems to the juvenile rehabilitation
30 administration and Washington state institute for public policy.
31 Consistent with chapter 13.50 RCW, all confidentiality agreements
32 necessary to implement this information-sharing shall be approved
33 within 30 days of the effective date of this section. The agreements
34 between administrative office of the courts, the juvenile courts, and
35 the juvenile rehabilitation administration shall be executed to ensure
36 that the juvenile rehabilitation administration receives the data that
37 the juvenile rehabilitation administration identifies as needed to
38 comply with this subsection. This includes, but is not limited to,

1 information by program at the statewide aggregate level, individual
2 court level, and individual client level for the purpose of the
3 juvenile rehabilitation administration providing quality assurance and
4 oversight for the locally committed youth block grant and associated
5 funds and at times as specified by the juvenile rehabilitation
6 administration as necessary to carry out these functions. The data
7 shall be provided in a manner that reflects the collaborative work the
8 juvenile rehabilitation administration and juvenile courts have
9 developed regarding program outcomes that reinforce the greatest cost
10 benefit to the state in the implementation of evidence-based practices
11 and disposition alternatives.

12 (9) \$445,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$445,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for funding of the teamchild
15 project.

16 (10) \$178,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$178,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the juvenile detention
19 alternatives initiative.

20 (11) \$300,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$300,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for a grant program focused on
23 criminal street gang prevention and intervention. The Washington state
24 partnership council on juvenile justice may award grants under this
25 subsection. The council shall give priority to applicants who have
26 demonstrated the greatest problems with criminal street gangs.
27 Applicants composed of, at a minimum, one or more local governmental
28 entities and one or more nonprofit, nongovernmental organizations that
29 have a documented history of creating and administering effective
30 criminal street gang prevention and intervention programs may apply for
31 funding under this subsection.

32 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
33 **SERVICES--MENTAL HEALTH PROGRAM**

34 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

35	General Fund--State Appropriation (FY 2014)	\$327,678,000
36	General Fund--State Appropriation (FY 2015)	\$312,256,000
37	General Fund--Federal Appropriation	\$558,901,000

1 General Fund--Private/Local Appropriation \$17,864,000
2 TOTAL APPROPRIATION \$1,216,699,000

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

5 (a) \$105,265,000 of the general fund--state appropriation for
6 fiscal year 2014 and \$85,895,000 of the general fund--state
7 appropriation for fiscal year 2015 are provided solely for persons and
8 services not covered by the medicaid program. To the extent possible,
9 levels of regional support network spending shall be maintained in the
10 following priority order: Crisis and commitment services; community
11 inpatient services; and residential care services, including personal
12 care and emergency housing assistance. This is a reduction in flexible
13 nonmedicaid funding of \$4,077,000 for fiscal year 2014 and \$23,446,000
14 for fiscal year 2015. This reduction reflects offsets in state funding
15 related to services that will now be funded with federal dollars
16 through the affordable care act medicaid expansion. This reduction
17 shall be distributed as follows:

18 (i) The \$4,077,000 reduction in fiscal year 2014 and \$11,723,000 of
19 the reduction in fiscal year 2015 must be distributed among regional
20 support networks based on a formula that equally weights each regional
21 support networks proportion of individuals who become newly eligible
22 and enroll in medicaid under the expansion provisions of the affordable
23 care act in fiscal year 2014 and each regional support network's
24 spending of flexible nonmedicaid funding on services that would be
25 reimbursable for federal medicaid matching funds if provided to
26 medicaid enrollees in the 2011-2013 fiscal biennium.

27 (ii) The remaining \$11,723,000 reduction in fiscal year 2015 must
28 be distributed among regional support networks based on each regional
29 support network's proportion of individuals who become newly eligible
30 and enroll in medicaid under the expansion provisions of the affordable
31 care act through fiscal year 2015.

32 (b) \$6,590,000 of the general fund--state appropriation for fiscal
33 year 2014, \$6,590,000 of the general fund--state appropriation for
34 fiscal year 2015, 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 2014, \$5,850,000 of the general fund--state appropriation for
14 fiscal year 2015, 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.

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

30 (f) The department is authorized to continue to contract directly,
31 rather than through contracts with regional support networks, for
32 children's long-term inpatient facility services.

33 (g) \$750,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$750,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely to continue performance-based
36 incentive contracts to provide appropriate community support services
37 for individuals with severe mental illness who were discharged from the
38 state hospitals as part of the expanding community services initiative.

1 These funds will be used to enhance community residential and support
2 services provided by regional support networks through other state and
3 federal funding.

4 (h) \$1,125,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$1,125,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the Spokane regional support
7 network to implement services to reduce utilization and the census at
8 eastern state hospital. Such services shall include:

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

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

15 (iii) Mental health services provided in nursing facilities to
16 individuals with dementia, and consultation to facility staff treating
17 those individuals; and

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

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

23 (i) \$1,529,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$1,529,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely to reimburse Pierce and Spokane
26 counties for the cost of conducting 180-day commitment hearings at the
27 state psychiatric hospitals.

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

1 outpatient services presently available to persons not eligible for
2 medicaid.

3 (k) \$3,436,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$2,291,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for mental health services for
6 mentally ill offenders while confined in a county or city jail and for
7 facilitating access to programs that offer mental health services upon
8 release from confinement.

9 (l) \$523,000 of the general fund--state appropriation for fiscal
10 year 2014, \$775,000 of the general fund--state appropriation for fiscal
11 year 2015, and \$854,000 of the general fund--federal appropriation are
12 provided solely for implementation of sections 3 through 5 of chapter
13 289, Laws of 2013 (E2SHB 1114). Regional support networks must use
14 this funding for the development of intensive community programs that
15 allow individuals to be diverted or transitioned from the state
16 hospitals in accordance with plans approved by the department. If
17 chapter 289, Laws of 2013 (E2SHB 1114) is not enacted by June 30, 2013,
18 the amounts provided in this subsection shall lapse.

19 (m) \$5,986,000 of the general fund--state appropriation for fiscal
20 year 2014, \$11,592,000 of the general fund--state appropriation for
21 fiscal year 2015, and \$10,160,000 of the general fund--federal
22 appropriation are provided solely for implementation of chapter 335,
23 Laws of 2013 (ESSB 5480). Regional support networks must use this
24 funding for the development of intensive community programs that allow
25 individuals to be diverted or transitioned from the state hospitals in
26 accordance with plans approved by the department.

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

33 (o) \$250,000 of the general fund--state appropriation for fiscal
34 year 2014 is provided solely to maintain financial viability for the
35 Chelan-Douglas regional support network. In order to qualify for this
36 funding, the Chelan-Douglas regional support network must submit by
37 August 1, 2013, for approval by the department, either proof of a

1 formal agreement to merge with another regional support network or a
2 plan that demonstrates how the Chelan-Douglas regional support network
3 will maintain financial viability and stability.

4 (2) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2014)	\$133,592,000
6	General Fund--State Appropriation (FY 2015)	\$131,116,000
7	General Fund--Federal Appropriation	\$149,867,000
8	General Fund--Private/Local Appropriation	\$63,097,000
9	TOTAL APPROPRIATION	\$477,672,000

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

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

15 (b) \$231,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$231,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for a community partnership
18 between western state hospital and the city of Lakewood to support
19 community policing efforts in the Lakewood community surrounding
20 western state hospital. The amounts provided in this subsection (2)(b)
21 are for the salaries, benefits, supplies, and equipment for one full-
22 time investigator, one full-time police officer, and one full-time
23 community service officer at the city of Lakewood.

24 (c) \$45,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$45,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for payment to the city of
27 Lakewood for police services provided by the city at western state
28 hospital and adjacent areas.

29 (d) \$20,000,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$20,000,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely to maintain staffed capacity to
32 serve an average daily census in forensic wards at western state
33 hospital of 270 patients per day.

34 (3) SPECIAL PROJECTS

35	General Fund--State Appropriation (FY 2014)	\$1,163,000
36	General Fund--State Appropriation (FY 2015)	\$1,164,000
37	General Fund--Federal Appropriation	\$6,108,000

1 TOTAL APPROPRIATION \$8,435,000

2 The appropriations in this subsection are subject to the following
3 conditions and limitations: \$1,161,000 of the general fund--state
4 appropriation for fiscal year 2014 and \$1,161,000 of the general fund--
5 state appropriation for fiscal year 2015 are provided solely for
6 children's evidence-based mental health services.

7 (4) PROGRAM SUPPORT

8 General Fund--State Appropriation (FY 2014) \$5,287,000

9 General Fund--State Appropriation (FY 2015) \$4,791,000

10 General Fund--Federal Appropriation \$7,719,000

11 General Fund--Private/Local Appropriation \$502,000

12 TOTAL APPROPRIATION \$18,299,000

13 (a) The appropriations in this subsection are subject to the
14 following conditions and limitations: In accordance with RCW
15 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to
16 adopt license and certification fees in fiscal years 2014 and 2015 to
17 support the costs of the regulatory program. The department's fee
18 schedule shall have differential rates for providers with proof of
19 accreditation from organizations that the department has determined to
20 have substantially equivalent standards to those of the department,
21 including but not limited to the joint commission on accreditation of
22 health care organizations, the commission on accreditation of
23 rehabilitation facilities, and the council on accreditation. To
24 reflect the reduced costs associated with regulation of accredited
25 programs, the department's fees for organizations with such proof of
26 accreditation must reflect the lower costs of licensing for these
27 programs than for other organizations which are not accredited.

28 (b) \$74,000 of the general fund--state appropriation for fiscal
29 year 2014, \$74,000 of the general fund--state appropriation for fiscal
30 year 2015, and \$78,000 of the general fund--federal appropriation are
31 provided solely for implementation of chapter 335, Laws of 2013 (ESSB
32 5480).

33 (c) \$160,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$80,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for implementation of chapter 284,
36 Laws of 2013 (ESSB 5551).

1 (d) In developing the new medicaid managed care rates under which
2 the public mental health managed care system will operate, the
3 department must seek to estimate the reasonable and necessary cost of
4 efficiently and effectively providing a comparable set of medically
5 necessary mental health benefits to persons of different acuity levels
6 regardless of where in the state they live. The department must report
7 to the office of financial management and to the relevant fiscal and
8 policy committees of the legislature on its proposed new mental health
9 managed care rate-setting approach by August 1, 2013, and again at
10 least sixty days prior to implementation of new capitation rates.

11 (e) \$349,000 of the general fund--state appropriation for fiscal
12 year 2014, \$212,000 of the general fund--state appropriation for fiscal
13 year 2015, and \$302,000 of the general fund--federal appropriation are
14 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and
15 chapter 338, Laws of 2013 (2SSB 5732).

16 (f) The department shall work cooperatively with the health care
17 authority to explore the feasibility of incentivizing small, rural
18 hospitals to convert, in part or fully, some of their beds to
19 psychiatric treatment beds. No later than December 31, 2014, the
20 department shall report to the appropriate fiscal committees of the
21 legislature on the feasibility of such conversion. The report shall
22 consider rate enhancements and the ability to claim federal medicaid
23 matching funds on converted beds.

24 (g) \$75,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$21,000 of the general fund--federal appropriation are
26 provided for implementation of section 9, chapter 197, Laws of 2013
27 (ESHB 1336). The department must utilize these funds for mental health
28 first aid training targeted at teachers and educational staff in
29 accordance with the training model developed by the department of
30 psychology in Melbourne, Australia.

31 (h) Within the amounts appropriated in this section, funding is
32 provided for the department to continue to develop the child adolescent
33 needs and strengths assessment tool and build workforce capacity to
34 provide evidence based wraparound services for children, consistent
35 with the anticipated settlement agreement in *T.R. v. Dreyfus and*
36 *Porter*.

1 NEW SECTION. **Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
2 **SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

3 (1) COMMUNITY SERVICES

4	General Fund--State Appropriation (FY 2014)	\$442,565,000
5	General Fund--State Appropriation (FY 2015)	\$461,713,000
6	General Fund--Federal Appropriation	\$826,039,000
7	General Fund--Private/Local Appropriation	\$81,000
8	TOTAL APPROPRIATION	\$1,730,398,000

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

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

15 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
16 43.135.055, the department is authorized to increase nursing facility,
17 assisted living facility, and adult family home fees as necessary to
18 fully support the actual costs of conducting the licensure, inspection,
19 and regulatory programs. The license fees may not exceed the
20 department's annual licensing and oversight activity costs and shall
21 include the department's cost of paying providers for the amount of the
22 license fee attributed to medicaid clients.

23 (i) The current annual renewal license fee for adult family homes
24 shall be increased to \$241 per bed beginning in fiscal year 2014 and
25 \$242 per bed beginning in fiscal year 2015. A processing fee of \$2,750
26 shall be charged to each adult family home when the home is initially
27 licensed. This fee is nonrefundable.

28 (ii) The current annual renewal license fee for assisted living
29 facilities shall be increased to \$113 per bed beginning in fiscal year
30 2014 and \$114 per bed beginning in fiscal year 2015.

31 (iii) The current annual renewal license fee for nursing facilities
32 shall be increased to \$389 per bed beginning in fiscal year 2014 and
33 \$403 per bed beginning in fiscal year 2015.

34 (c) \$13,301,000 of the general fund--state appropriation for fiscal
35 year 2014, \$20,607,000 of the general fund--state appropriation for
36 fiscal year 2015, and \$33,910,000 of the general fund federal
37 appropriation are provided solely for the implementation of the
38 agreement reached between the governor and the service employees

1 international union healthcare 775nw through an interest arbitration
2 decision under the provisions of chapters 74.39A and 41.56 RCW for the
3 2013-2015 fiscal biennium.

4 (d) \$6,500,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$6,500,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the individual and family
7 services program. In order to maximize the number of clients served by
8 the program, the department must utilize past experience about award
9 utilization to guide the number of authorized awards, and must change
10 the maximum annual dollar amount awarded to each service priority
11 level. Changes to the award levels must be designed to limit the
12 average annual award for clients in the program during the 2013-2015
13 fiscal biennium to 60 percent of the average annual cost for clients in
14 the 2011-2013 fiscal biennium. Clients who are not receiving paid
15 services from the department, who are on the wait list for individual
16 and family services, and who are ineligible for medicaid personal care
17 may be added to the individual and family services program during the
18 2013-2015 fiscal biennium, provided the projected expenditures for the
19 ensuing biennium do not exceed \$13,000,000 of general fund--state. The
20 department must ensure that award levels are consistent for clients in
21 the individual and family services program and clients receiving a
22 state supplementary payment in lieu of individual and family services.
23 The department shall adopt rules to implement the terms of this
24 subsection. The department must electronically report to the
25 appropriate committees of the legislature within 45 days following each
26 fiscal year quarter, the number of persons served by the program, the
27 average cost of persons served by the program, the services received by
28 persons in the program, and the number of clients who had not
29 previously received paid services who have been added to the program.

30 (e) No later than December 31, 2013, the department shall report to
31 the appropriate fiscal committees of the legislature with a strategy to
32 reduce the rate disparity between urban and suburban residential
33 service providers. The report shall include a proposal for a rate
34 component that recognizes differences in costs as they relate to the
35 geographical location of the provider; however, the proposed component
36 shall use a geographical variable that is more granular than the
37 provider's county.

1 (f) \$1,547,000 of the general fund--state appropriation for fiscal
2 year 2015, and \$4,790,000 of the general fund--federal appropriation
3 are provided solely for a payment system that satisfies medicaid
4 requirements regarding time reporting for W-2 providers. The amounts
5 provided in this subsection are conditioned on the department
6 satisfying the requirements of the project management oversight
7 standards and policies established by the office of the chief
8 information officer.

9 (g) \$1,707,000 of the general fund--state appropriation for fiscal
10 year 2014, \$2,670,000 of the general fund--state appropriation for
11 fiscal year 2015, and \$4,376,000 of the general fund--federal
12 appropriation are provided solely for the homecare agency parity
13 impacts of the service employees international union healthcare 775nw
14 arbitration award.

15 (2) INSTITUTIONAL SERVICES

16	General Fund--State Appropriation (FY 2014)	\$85,347,000
17	General Fund--State Appropriation (FY 2015)	\$85,390,000
18	General Fund--Federal Appropriation	\$160,629,000
19	General Fund--Private/Local Appropriation	\$23,041,000
20	TOTAL APPROPRIATION	\$354,407,000

21 The appropriations in this subsection are subject to the following
22 conditions and limitations: Individuals receiving services as
23 supplemental security income (SSI) state supplemental payments shall
24 not become eligible for medical assistance under RCW 74.09.510 due
25 solely to the receipt of SSI state supplemental payments.

26 (3) PROGRAM SUPPORT

27	General Fund--State Appropriation (FY 2014)	\$1,943,000
28	General Fund--State Appropriation (FY 2015)	\$1,999,000
29	General Fund--Federal Appropriation	\$1,960,000
30	TOTAL APPROPRIATION	\$5,902,000

31 (4) SPECIAL PROJECTS

32	General Fund--State Appropriation (FY 2014)	\$1,400,000
33	General Fund--State Appropriation (FY 2015)	\$1,400,000
34	General Fund--Federal Appropriation	\$1,200,000
35	TOTAL APPROPRIATION	\$4,000,000

1 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

2 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

3	General Fund--State Appropriation (FY 2014)	\$875,867,000
4	General Fund--State Appropriation (FY 2015)	\$932,091,000
5	General Fund--Federal Appropriation	\$1,948,189,000
6	General Fund--Private/Local Appropriation	\$32,308,000
7	Traumatic Brain Injury Account--State Appropriation	\$3,393,000
8	Skilled Nursing Facility Safety Net Trust Account--State	
9	Appropriation	\$88,000,000
10	TOTAL APPROPRIATION	\$3,879,848,000

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

13 (1) For purposes of implementing chapter 74.46 RCW, the weighted
14 average nursing facility payment rate shall not exceed \$171.35 for
15 fiscal year 2014 and shall not exceed \$171.58 for fiscal year 2015,
16 including the rate add-ons described in (a) and (b) of this subsection.
17 However, if the waiver requested from the federal centers for medicare
18 and medicaid services in relation to the safety net assessment is for
19 any reason disapproved, the weighted average nursing facility payment
20 rate shall not exceed \$162.43 for fiscal year 2014 and shall not exceed
21 \$163.58 for fiscal year 2015. There will be no adjustments for
22 economic trends and conditions in fiscal years 2014 and 2015. The
23 economic trends and conditions factor or factors defined in the
24 biennial appropriations act shall not be compounded with the economic
25 trends and conditions factor or factors defined in any other biennial
26 appropriations acts before applying it to the component rate
27 allocations established in accordance with chapter 74.46 RCW. When no
28 economic trends and conditions factor for either fiscal year is defined
29 in a biennial appropriations act, no economic trends and conditions
30 factor or factors defined in any earlier biennial appropriations act
31 shall be applied solely or compounded to the component rate allocations
32 established in accordance with chapter 74.46 RCW.

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

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

7 (b) The department shall do a comparative analysis of the facility-
8 based payment rates calculated on July 1, 2013, using the payment
9 methodology defined in chapter 74.46 RCW and as funded in the omnibus
10 appropriations act, excluding the comparative add-on, acuity add-on,
11 and safety net reimbursement, to the facility-based payment rates in
12 effect June 30, 2010. If the facility-based payment rate calculated on
13 July 1, 2013, is smaller than the facility-based payment rate on June
14 30, 2010, then the difference shall be provided to the individual
15 nursing facilities as an add-on payment per medicaid resident day.

16 (c) During the comparative analysis performed in subsection (b) of
17 this section, if it is found that the direct care rate for any facility
18 calculated using the payment methodology defined in chapter 74.46 RCW
19 and as funded in the omnibus appropriations act, excluding the
20 comparative add-on, acuity add-on, and safety net reimbursement, is
21 greater than the direct care rate in effect on June 30, 2010, then the
22 facility shall receive a ten percent direct care rate add-on to
23 compensate that facility for taking on more acute clients than they
24 have in the past.

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

30 (e) The rate add-on provided in (c) of this subsection is subject
31 to the reconciliation and settlement process provided in RCW
32 74.46.022(6).

33 (f) If the waiver requested from the federal centers for medicare
34 and medicaid services in relation to the safety net assessment is for
35 any reason disapproved, (b), (c), and (d) of this subsection do not
36 apply.

37 (2) In accordance with chapter 74.46 RCW, the department shall
38 issue no additional certificates of capital authorization for fiscal

1 year 2014 and no new certificates of capital authorization for fiscal
2 year 2015 and shall grant no rate add-ons to payment rates for capital
3 improvements not requiring a certificate of need and a certificate of
4 capital authorization for fiscal years 2014 and 2015.

5 (3) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
6 43.135.055, the department is authorized to increase nursing facility,
7 assisted living facility, and adult family home fees as necessary to
8 fully support the actual costs of conducting the licensure, inspection,
9 and regulatory programs. The license fees may not exceed the
10 department's annual licensing and oversight activity costs and shall
11 include the department's cost of paying providers for the amount of the
12 license fee attributed to medicaid clients.

13 (a) The current annual renewal license fee for adult family homes
14 shall be increased to \$241 per bed beginning in fiscal year 2014 and
15 \$242 per bed beginning in fiscal year 2015. A processing fee of \$2,750
16 shall be charged to each adult family home when the home is initially
17 licensed. This fee is nonrefundable.

18 (b) The current annual renewal license fee for assisted living
19 facilities shall be increased to \$113 per bed beginning in fiscal year
20 2014 and \$114 per bed beginning in fiscal year 2015.

21 (c) The current annual renewal license fee for nursing facilities
22 shall be increased to \$389 per bed beginning in fiscal year 2014 and
23 \$403 per bed beginning in fiscal year 2015.

24 (4) The department is authorized to place long-term care clients
25 residing in nursing homes and paid for with state only funds into less
26 restrictive community care settings while continuing to meet the
27 client's care needs.

28 (5) \$30,640,000 of the general fund--state appropriation for fiscal
29 year 2014, \$48,633,000 of the general fund--state appropriation for
30 fiscal year 2015, and \$79,273,000 of the general fund--federal
31 appropriation are provided solely for the implementation of the
32 agreement reached between the governor and the service employees
33 international union healthcare 775nw through an interest arbitration
34 decision under the provisions of chapters 74.39A and 41.56 RCW for the
35 2013-2015 fiscal biennium.

36 (6) \$1,840,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$1,877,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for operation of the volunteer

1 services program. Funding shall be prioritized towards serving
2 populations traditionally served by long-term care services to include
3 senior citizens and persons with disabilities.

4 (7) \$4,894,000 of the general fund--state appropriation for fiscal
5 year 2015, and \$15,150,000 of the general fund--federal appropriation
6 are provided solely for a payment system that satisfies medicaid
7 requirements regarding time reporting for W-2 providers. The amounts
8 provided in this subsection are conditioned on the department
9 satisfying the requirements of the project management oversight
10 standards and policies established by the office of the chief
11 information officer.

12 (8) The department is authorized to establish limited exemption
13 criteria in rule to address RCW 74.39A.325 when a landline phone is not
14 available to the employee.

15 (9) Within the amounts appropriated in this section, in a report to
16 the appropriate fiscal committees of the legislature that must be
17 submitted by December 1, 2013, the department of social and health
18 services must describe the process for establishing medicaid rates for
19 assisted living and adult family homes. The report must include
20 information about licensing and physical plant standards, contracting
21 provisions, and per capita and biennial expenditures for assisted
22 living and adult family homes.

23 (10) \$10,800,000 of the general fund--state appropriation for
24 fiscal year 2014, \$17,768,000 of the general fund--state appropriation
25 for fiscal year 2015, and \$28,567,000 of the general fund--federal
26 appropriation are provided solely for the homecare agency parity
27 impacts of the service employees international union healthcare 775nw
28 arbitration award.

29 (11) \$36,000 of the general fund--state appropriation for fiscal
30 year 2014, \$17,000 of the general fund--state appropriation for fiscal
31 year 2015, and \$45,000 of the general fund--federal appropriation are
32 provided solely for member reimbursement, staff support, or other
33 expenses associated with the work of the joint legislative executive
34 committee on planning for aging and disability issues that is
35 established in section 130 of this act.

36 (12) \$240,000 of the general fund--state appropriation for fiscal
37 year 2014, \$1,342,000 of the general fund--state appropriation for

1 fiscal year 2015, and \$1,468,000 of the general fund--federal
2 appropriation are provided solely to implement chapter 320, Laws of
3 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

4 NEW SECTION. **Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES--ECONOMIC SERVICES PROGRAM**

6	General Fund--State Appropriation (FY 2014)	\$413,184,000
7	General Fund--State Appropriation (FY 2015)	\$418,321,000
8	General Fund--Federal Appropriation	\$1,208,882,000
9	General Fund--Private/Local Appropriation	\$30,594,000
10	TOTAL APPROPRIATION	\$2,070,981,000

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

13 (1)(a) \$196,090,000 of the general fund--state appropriation for
14 fiscal year 2014, \$193,441,000 of the general fund--state appropriation
15 for fiscal year 2015, and \$730,098,000 of the general fund--federal
16 appropriation are provided solely for all components of the WorkFirst
17 program. Within the amounts provided for the WorkFirst program, the
18 department may provide assistance using state-only funds for families
19 eligible for temporary assistance for needy families. The department
20 must create a WorkFirst budget structure that allows for transparent
21 tracking of budget units and subunits of expenditures where these units
22 and subunits are mutually exclusive from other department budget units.
23 The budget structure must include budget units for the following: Cash
24 assistance, child care, WorkFirst activities, and administration of the
25 program. Within these budget units, the department must develop
26 program index codes for specific activities and develop allotments and
27 track expenditures using these codes. The department shall report to
28 the office of financial management and the relevant fiscal and policy
29 committees of the legislature prior to adopting the new structure. The
30 secretary of the department of social and health services, working with
31 WorkFirst partner agencies and in collaboration with the WorkFirst
32 oversight task force, shall develop a plan for maximizing the following
33 outcomes and shall report back to the legislature by November 1, 2013.
34 The outcomes to be measured are: (i) Increased employment; (ii)
35 completion of education or post-secondary training; (iii) completion of
36 barrier removal activity including drug and alcohol or mental health
37 treatment; (iv) housing stability; (v) child care or education

1 stability for the children of temporary assistance for needy families
2 recipients; (vi) reduced rate of return after exit from the WorkFirst
3 program; and (vii) work participation requirements.

4 (b) \$442,888,000 of the amounts in (a) of this subsection are
5 provided solely for assistance to clients, including grants, diversion
6 cash assistance, and additional diversion emergency assistance
7 including but not limited to assistance authorized under RCW
8 74.08A.210. The department may use state funds to provide support to
9 working families that are eligible for temporary assistance for needy
10 families but otherwise not receiving cash assistance.

11 (c) \$173,019,000 of the amounts in (a) of this subsection are
12 provided solely for WorkFirst job search, education and training
13 activities, barrier removal services, limited English proficiency
14 services, and tribal assistance under RCW 74.08A.040. The department
15 must allocate this funding based on client outcomes and cost
16 effectiveness measures.

17 (d) \$362,111,000 of the amounts in (a) of this subsection are
18 provided solely for the working connections child care program under
19 RCW 43.215.135.

20 (e) The amounts in (b) through (d) of this subsection shall be
21 expended for the programs and in the amounts specified. However, the
22 department may transfer up to 10 percent of funding between (b) through
23 (d) of this subsection, but only if the funding is available or
24 necessary to transfer solely due to utilization, caseload changes, or
25 underperformance in terms of client outcomes. The department shall
26 provide notification prior to any transfer to the office of financial
27 management and to the appropriate legislative committees and the
28 legislative-executive WorkFirst oversight task force. The approval of
29 the director of financial management is required prior to any transfer
30 under this subsection.

31 (2) \$1,657,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$1,657,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for naturalization services.

34 (3) \$2,366,000 of the general fund--state appropriation for fiscal
35 year 2014 is provided solely for employment services for refugees and
36 immigrants, of which \$1,774,000 is provided solely for the department
37 to pass through to statewide refugee and immigrant assistance
38 organizations for limited English proficiency pathway services; and

1 \$2,366,000 of the general fund--state appropriation for fiscal year
2 2015 is provided solely for employment services for refugees and
3 immigrants, of which \$1,774,000 is provided solely for the department
4 to pass through to statewide refugee and immigrant assistance
5 organizations for limited English proficiency pathway services.

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

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

17 (6) \$18,000 of the general fund--state appropriation for fiscal
18 year 2014 is provided solely for implementation of section 1, chapter
19 337, Laws of 2013 (2SSB 5595).

20 (7) \$4,729,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$4,729,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for implementation of Substitute
23 House Bill No. 1971 (communication services). Of these funds, \$500,000
24 of the general fund--state appropriation for fiscal year 2014 and
25 \$500,000 of the general fund--state appropriation for fiscal year 2015
26 are provided solely for operational support of the Washington
27 information network 211 organization. If Substitute House Bill No.
28 1971 (communication services) is not enacted by June 30, 2013, the
29 amounts provided in this subsection shall lapse.

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

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

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

4 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

6	General Fund--State Appropriation (FY 2014)	\$72,591,000
7	General Fund--State Appropriation (FY 2015)	\$62,360,000
8	General Fund--Federal Appropriation	\$277,410,000
9	General Fund--Private/Local Appropriation	\$13,559,000
10	Criminal Justice Treatment Account--State	
11	Appropriation	\$14,568,000
12	Problem Gambling Account--State Appropriation	\$1,450,000
13	TOTAL APPROPRIATION	\$441,938,000

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

16 (1) Within the amounts appropriated in this section, the department
17 may contract with the University of Washington and community-based
18 providers for the provision of the parent-child assistance program or
19 other specialized chemical dependency case management providers for
20 pregnant, post-partum, and parenting women. For all contractors: (a)
21 Service and other outcome data must be provided to the department by
22 request; (b) program modifications needed to maximize access to federal
23 medicaid matching funds will be phased in over the course of the 2013-
24 2015 fiscal biennium; and (c) indirect charges for administering the
25 program shall not exceed ten percent of the total contract amount.

26 (2) Within the amounts appropriated in this section, the department
27 shall continue to provide for chemical dependency treatment services
28 for adult medicaid eligible, pregnant and parenting women, disability
29 lifeline, and alcoholism and drug addiction treatment and support act,
30 and medical care services clients.

31 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
32 department is authorized to adopt fees for the review and approval of
33 treatment programs in fiscal years 2014 and 2015 as necessary to
34 support the costs of the regulatory program. The department's fee
35 schedule shall have differential rates for providers with proof of
36 accreditation from organizations that the department has determined to
37 have substantially equivalent standards to those of the department,

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

8 (4) \$3,500,000 of the general fund--federal appropriation (from the
9 substance abuse prevention and treatment federal block grant) is
10 provided solely for the continued funding of existing county drug and
11 alcohol use prevention programs.

12 (5) \$2,600,000 of the general fund--state appropriation for fiscal
13 year 2014 is provided solely for the department to transition 128 beds
14 from settings that are considered institutions for mental diseases to
15 facilities with no more than 16 beds that are able to claim federal
16 match for services provided to medicaid clients or individuals covered
17 under the department's section 1115 medicaid waiver. The department
18 may conduct a request for proposal process to fulfill this requirement
19 and adopt rates that are comparable to the pilot projects implemented
20 in the 2011-13 fiscal biennium. The department may use these funds to
21 assist with the costs of providers in setting up or converting to 16-
22 bed facilities. This funding may also be used for providers that are
23 developing new capacity for clients who will become eligible for
24 services under the affordable care act medicaid expansion. The number
25 of beds available for pregnant and parenting women must not be reduced.

26 (6) \$283,000 of the criminal justice treatment account
27 appropriation is provided solely for transitional funding for the
28 family drug court in Pierce county.

29 (7) Within the amounts appropriated in this section, the department
30 shall contract with the Washington state institute for public policy
31 for a long-term efficacy study of the chemical dependency treatment
32 programs funded by the division of alcohol and substance abuse. The
33 study shall focus on how many program participants successfully
34 complete dependency programs and how long they abstain from use of
35 drugs and alcohol.

36 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

1 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

2	General Fund--State Appropriation (FY 2014)	\$16,478,000
3	General Fund--State Appropriation (FY 2015)	\$16,568,000
4	General Fund--Federal Appropriation	\$99,413,000
5	TOTAL APPROPRIATION	\$132,459,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: \$5,006,000 of the general fund--state
8 appropriation for fiscal year 2014 and \$5,094,000 of the general fund--
9 state appropriation for fiscal year 2015 are provided solely for
10 services and support to individuals who are deaf, hard of hearing, or
11 deaf-blind.

12 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
13 **SERVICES--SPECIAL COMMITMENT PROGRAM**

14	General Fund--State Appropriation (FY 2014)	\$36,706,000
15	General Fund--State Appropriation (FY 2015)	\$36,140,000
16	TOTAL APPROPRIATION	\$72,846,000

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

19 (1) The department shall transfer the stewardship of McNeil Island
20 to the department of corrections industries program. The transferred
21 responsibilities shall include marine operations, waste water
22 treatment, water treatment, road maintenance, and any other general
23 island maintenance that is not site specific to the operations of the
24 special commitment center or the Pierce county secure community
25 transition facility. Facility maintenance within the perimeter of the
26 special commitment center shall remain the responsibility of the
27 department of social and health services.

28 (2) \$3,120,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$3,120,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for operational costs specific to
31 island operations of the special commitment center and the Pierce
32 county secure community transition facility. The department shall
33 establish an accounting structure that enables it to track and report
34 on costs specific to island operations.

35 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

1 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

2	General Fund--State Appropriation (FY 2014)	\$30,127,000
3	General Fund--State Appropriation (FY 2015)	\$29,521,000
4	General Fund--Federal Appropriation	\$37,176,000
5	General Fund--Private/Local Appropriation	\$654,000
6	TOTAL APPROPRIATION	\$97,478,000

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

9 (1) \$395,000 of the general fund--state appropriation for fiscal
10 year 2014, \$228,000 of the general fund--state appropriation for fiscal
11 year 2015, and \$335,000 of the general fund--federal appropriation are
12 provided solely to implement Engrossed Substitute House Bill No. 1519
13 (service coordination organizations) or Second Substitute Senate Bill
14 No. 5732 (adult behavioral health). If neither of the bills is enacted
15 by June 30, 2013, the amounts provided in this subsection shall lapse.

16 (2) \$300,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$300,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the Washington state mentors
19 program to continue its public-private partnerships to provide
20 technical assistance and training to mentoring programs that serve
21 at-risk youth.

22 (3) \$82,000 of the general fund--state appropriation for fiscal
23 year 2014, \$44,000 of the general fund--state appropriation for fiscal
24 year 2015, and \$28,000 of the general fund--federal appropriation are
25 provided solely to develop a report on state efforts to prevent and
26 control diabetes. The department, the health care authority, and the
27 department of health shall submit a coordinated report to the governor
28 and the appropriate committees of the legislature by December 31, 2014,
29 on the following:

30 (a) The financial impacts and reach that diabetes of all types and
31 undiagnosed gestational diabetes are having on the programs
32 administered by each agency and individuals, including children with
33 mothers with undiagnosed gestational diabetes, enrolled in those
34 programs. Items in this assessment must include: (i) The number of
35 lives with diabetes and undiagnosed gestational diabetes impacted or
36 covered by the programs administered by each agency; (ii) the number of
37 lives with diabetes, or at risk for diabetes, and family members
38 impacted by prevention and diabetes control programs implemented by

1 each agency; (iii) the financial toll or impact diabetes and its
2 complications, and undiagnosed gestational diabetes and the
3 complications experienced during labor to children of mothers with
4 gestational diabetes places on these programs in comparison to other
5 chronic diseases and conditions; and (iv) the financial toll or impact
6 diabetes and its complications, and diagnosed gestational diabetes and
7 the complications experienced during labor to children of mothers with
8 gestational diabetes places on these programs;

9 (b) An assessment of the benefits of implemented and existing
10 programs and activities aimed at controlling all types of diabetes and
11 preventing the disease. This assessment must also document the amount
12 and source for any funding directed to each agency for the programs and
13 activities aimed at reaching those with diabetes of all types;

14 (c) A description of the level of coordination existing between the
15 agencies on activities, programmatic activities, and messaging on
16 managing, treating, or preventing all types of diabetes and its
17 complications;

18 (d) The development or revision of detailed policy-related action
19 plans and budget recommendations for battling diabetes and undiagnosed
20 gestational diabetes that includes a range of actionable items for
21 consideration by the legislature. The plans and budget recommendations
22 must identify proposed action steps to reduce the impact of diabetes,
23 prediabetes, related diabetes complications, and undiagnosed
24 gestational diabetes. The plans and budget recommendations must also
25 identify expected outcomes of the action steps proposed in the
26 following biennium while also establishing benchmarks for controlling
27 and preventing all types of diabetes; and

28 (e) An estimate of savings, efficiencies, costs, and budgetary
29 savings and resources required to implement the plans and budget
30 recommendations identified in (d) of this subsection (5).

31 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
32 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

33	General Fund--State Appropriation (FY 2014)	\$60,470,000
34	General Fund--State Appropriation (FY 2015)	\$60,511,000
35	General Fund--Federal Appropriation	\$55,264,000
36	TOTAL APPROPRIATION	\$176,245,000

1 NEW SECTION. **Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY**

2	General Fund--State Appropriation (FY 2014)	\$2,137,710,000
3	General Fund--State Appropriation (FY 2015)	\$2,135,241,000
4	General Fund--Federal Appropriation	\$7,213,604,000
5	General Fund--Private/Local Appropriation	\$57,808,000
6	Emergency Medical Services and Trauma Care Systems	
7	Trust Account--State Appropriation	\$15,082,000
8	Hospital Safety Net Assessment Fund--State	
9	Appropriation	\$668,967,000
10	Health Benefit Exchange Account--State Appropriation . . .	\$110,668,000
11	State Health Care Authority Administration Account--	
12	State Appropriation	\$34,846,000
13	Medical Aid Account--State Appropriation	\$528,000
14	Medicaid Fraud Penalty Account--State Appropriation	\$21,206,000
15	TOTAL APPROPRIATION	\$12,395,660,000

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

18 (1) Within the amounts appropriated in this section, the authority
19 shall implement the medicaid expansion defined in the social security
20 act, section 1902(a)(10)(A)(i)(VIII).

21 (2) The requirements of this subsection apply to the basic health
22 plan. This subsection is null and void and has no further effect upon
23 implementation of the medicaid expansion under subsection (1) of this
24 section.

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

35 (b) The health care authority shall require organizations and
36 individuals that are paid to deliver basic health plan services and
37 that choose to sponsor enrollment in the subsidized basic health plan

1 to pay 133 percent of the premium amount which would otherwise be due
2 from the sponsored enrollees.

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

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

26 (3) The legislature finds that medicaid payment rates, as
27 calculated by the health care authority pursuant to the appropriations
28 in this act, bear a reasonable relationship to the costs incurred by
29 efficiently and economically operated facilities for providing quality
30 services and will be sufficient to enlist enough providers so that care
31 and services are available to the extent that such care and services
32 are available to the general population in the geographic area. The
33 legislature finds that the cost reports, payment data from the federal
34 government, historical utilization, economic data, and clinical input
35 constitute reliable data upon which to determine the payment rates.

36 (4) Based on quarterly expenditure reports and caseload forecasts,
37 if the health care authority estimates that expenditures for the
38 medical assistance program will exceed the appropriations, the health

1 care authority shall take steps including but not limited to reduction
2 of rates or elimination of optional services to reduce expenditures so
3 that total program costs do not exceed the annual appropriation
4 authority.

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

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

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

17 (8) \$4,261,000 of the general fund--state appropriation for fiscal
18 year 2014, \$4,261,000 of the general fund--state appropriation for
19 fiscal year 2015, and \$8,522,000 of the general fund--federal
20 appropriation are provided solely for low-income disproportionate share
21 hospital payments.

22 (9) \$400,000 of the general fund--state appropriation for fiscal
23 year 2014, \$400,000 of the general fund--state appropriation for fiscal
24 year 2015, and \$800,000 of the general fund--federal appropriation are
25 provided solely for disproportionate share hospital payments to rural
26 hospitals certified by the centers for medicare and medicaid services
27 as sole community hospitals as of January 1, 2013, with less than one
28 hundred fifty acute care licensed beds in fiscal year 2011 that do not
29 participate in the certified public expenditures program.

30 (10) \$50,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$50,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for grants to rural hospitals in
33 Clallam county that were certified by the centers for medicare and
34 medicaid services as sole community hospitals as of January 1, 2013,
35 with less than one hundred fifty acute care licensed beds in fiscal
36 year 2011.

37 (11) Within the amounts appropriated in this section, the health
38 care authority shall provide disproportionate share hospital payments

1 to hospitals that provide services to children in the children's health
2 program who are not eligible for services under Title XIX or XXI of the
3 federal social security act due to their citizenship status.

4 (12) \$6,000,000 of the general fund--federal appropriation is
5 provided solely for supplemental payments to nursing homes operated by
6 public hospital districts. The public hospital district shall be
7 responsible for providing the required nonfederal match for the
8 supplemental payment, and the payments shall not exceed the maximum
9 allowable under federal rules. It is the legislature's intent that the
10 payments shall be supplemental to and shall not in any way offset or
11 reduce the payments calculated and provided in accordance with part E
12 of chapter 74.46 RCW. It is the legislature's further intent that
13 costs otherwise allowable for rate-setting and settlement against
14 payments under chapter 74.46 RCW shall not be disallowed solely because
15 such costs have been paid by revenues retained by the nursing home from
16 these supplemental payments. The supplemental payments are subject to
17 retrospective interim and final cost settlements based on the nursing
18 homes' as-filed and final medicare cost reports. The timing of the
19 interim and final cost settlements shall be at the health care
20 authority's discretion. During either the interim cost settlement or
21 the final cost settlement, the health care authority shall recoup from
22 the public hospital districts the supplemental payments that exceed the
23 medicaid cost limit and/or the medicare upper payment limit. The
24 health care authority shall apply federal rules for identifying the
25 eligible incurred medicaid costs and the medicare upper payment limit.

26 (13) The health care authority shall continue the inpatient
27 hospital certified public expenditures program for the 2013-2015 fiscal
28 biennium. The program shall apply to all public hospitals, including
29 those owned or operated by the state, except those classified as
30 critical access hospitals or state psychiatric institutions. The
31 health care authority shall submit reports to the governor and
32 legislature by November 1, 2013, and by November 1, 2014, that evaluate
33 whether savings continue to exceed costs for this program. If the
34 certified public expenditures (CPE) program in its current form is no
35 longer cost-effective to maintain, the health care authority shall
36 submit a report to the governor and legislature detailing
37 cost-effective alternative uses of local, state, and federal resources
38 as a replacement for this program. During fiscal year 2014 and fiscal

1 year 2015, hospitals in the program shall be paid and shall retain one
2 hundred percent of the federal portion of the allowable hospital cost
3 for each medicaid inpatient fee-for-service claim payable by medical
4 assistance and one hundred percent of the federal portion of the
5 maximum disproportionate share hospital payment allowable under federal
6 regulations. Inpatient medicaid payments shall be established using an
7 allowable methodology that approximates the cost of claims submitted by
8 the hospitals. Payments made to each hospital in the program in each
9 fiscal year of the biennium shall be compared to a baseline amount.
10 The baseline amount will be determined by the total of (a) the
11 inpatient claim payment amounts that would have been paid during the
12 fiscal year had the hospital not been in the CPE program based on the
13 reimbursement rates developed, implemented, and consistent with
14 policies approved in the 2013-2015 biennial operating appropriations
15 act and in effect on July 1, 2013, (b) one-half of the indigent
16 assistance disproportionate share hospital payment amounts paid to and
17 retained by each hospital during fiscal year 2005, and (c) all of the
18 other disproportionate share hospital payment amounts paid to and
19 retained by each hospital during fiscal year 2005 to the extent the
20 same disproportionate share hospital programs exist in the 2013-2015
21 fiscal biennium. If payments during the fiscal year exceed the
22 hospital's baseline amount, no additional payments will be made to the
23 hospital except the federal portion of allowable disproportionate share
24 hospital payments for which the hospital can certify allowable match.
25 If payments during the fiscal year are less than the baseline amount,
26 the hospital will be paid a state grant equal to the difference between
27 payments during the fiscal year and the applicable baseline amount.
28 Payment of the state grant shall be made in the applicable fiscal year
29 and distributed in monthly payments. The grants will be recalculated
30 and redistributed as the baseline is updated during the fiscal year.
31 The grant payments are subject to an interim settlement within eleven
32 months after the end of the fiscal year. A final settlement shall be
33 performed. To the extent that either settlement determines that a
34 hospital has received funds in excess of what it would have received as
35 described in this subsection, the hospital must repay the excess
36 amounts to the state when requested. \$5,319,000 of the general
37 fund--state appropriation for fiscal year 2014, of which \$6,570,000 is
38 appropriated in section 204(1) of this act, and \$1,141,000 of the

1 general fund--state appropriation for fiscal year 2015, of which
2 \$6,570,000 is appropriated in section 204(1) of this act, are provided
3 solely for state grants for the participating hospitals.

4 (14) The health care authority shall seek public-private
5 partnerships and federal funds that are or may become available to
6 provide on-going support for outreach and education efforts under the
7 federal children's health insurance program reauthorization act of
8 2009.

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

21 (16) \$170,000 of the general fund--state appropriation for fiscal
22 year 2014, \$121,000 of the general fund--state appropriation for fiscal
23 year 2015, and \$292,000 of the general fund--federal appropriation are
24 provided solely to implement Engrossed Substitute House Bill No. 1519
25 (service coordination organizations) and Second Substitute Senate Bill
26 No. 5732 (behavioral health services). If neither of the bills is
27 enacted by June 30, 2013, the amounts provided in this subsection shall
28 lapse.

29 (17) \$57,000 of the general fund--state appropriation for fiscal
30 year 2014, \$40,000 of the general fund--state appropriation for fiscal
31 year 2015, and \$55,000 of the general fund--federal appropriation are
32 provided solely to develop a report on state efforts to prevent and
33 control diabetes. The authority, the department of social and health
34 services, and the department of health shall submit a coordinated
35 report to the governor and the appropriate committees of the
36 legislature by December 31, 2014, on the following:

37 (a) The financial impacts and reach that diabetes of all types and
38 undiagnosed gestational diabetes are having on the programs

1 administered by each agency and individuals, including children with
2 mothers with undiagnosed gestational diabetes, enrolled in those
3 programs. Items in this assessment must include: (i) The number of
4 lives with diabetes and undiagnosed gestational diabetes impacted or
5 covered by the programs administered by each agency; (ii) the number of
6 lives with diabetes, or at risk for diabetes, and family members
7 impacted by prevention and diabetes control programs implemented by
8 each agency; (iii) the financial toll or impact diabetes and its
9 complications, and undiagnosed gestational diabetes and the
10 complications experienced during labor to children of mothers with
11 gestational diabetes places on these programs in comparison to other
12 chronic diseases and conditions; and (iv) the financial toll or impact
13 diabetes and its complications, and diagnosed gestational diabetes and
14 the complications experienced during labor to children of mothers with
15 gestational diabetes places on these programs;

16 (b) An assessment of the benefits of implemented and existing
17 programs and activities aimed at controlling all types of diabetes and
18 preventing the disease. This assessment must also document the amount
19 and source for any funding directed to each agency for the programs and
20 activities aimed at reaching those with diabetes of all types;

21 (c) A description of the level of coordination existing between the
22 agencies on activities, programmatic activities, and messaging on
23 managing, treating, or preventing all types of diabetes and its
24 complications;

25 (d) The development or revision of detailed policy-related action
26 plans and budget recommendations for battling diabetes and undiagnosed
27 gestational diabetes that includes a range of actionable items for
28 consideration by the legislature. The plans and budget recommendations
29 must identify proposed action steps to reduce the impact of diabetes,
30 prediabetes, related diabetes complications, and undiagnosed
31 gestational diabetes. The plans and budget recommendations must also
32 identify expected outcomes of the action steps proposed in the
33 following biennium while also establishing benchmarks for controlling
34 and preventing all types of diabetes; and

35 (e) An estimate of savings, efficiencies, costs, and budgetary
36 savings and resources required to implement the plans and budget
37 recommendations identified in (d) of this subsection (15).

1 (18) \$25,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$25,000 of the general fund--federal appropriation are
3 provided solely for the development of recommendations for funding
4 integrated school nursing and outreach services. The authority shall
5 collaborate with the office of the superintendent of public instruction
6 to develop recommendations for increasing federal financial
7 participation for providing nursing services in schools with the goals
8 of integrating nursing and outreach services and supporting one nurse
9 for every four hundred fifty students in elementary schools and one
10 nurse for every seven hundred fifty students in secondary schools. In
11 developing these recommendations, the authority shall inquire with the
12 federal centers for medicare and medicaid services about state plan
13 amendment or waiver options for receiving additional federal matching
14 funds for school nursing services provided to children enrolled in
15 apple health for kids. The recommendations shall include proposals for
16 funding training and reimbursement for nurses that provide outreach
17 services to help eligible students enroll in apple health for kids and
18 other social services programs. The authority and the office of the
19 superintendent of public instruction shall provide these
20 recommendations to the governor and the legislature by December 1,
21 2013.

22 (19) \$430,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$500,000 of the general fund--federal appropriation are
24 provided solely to complete grant requirements for the health
25 information exchange.

26 (20) \$143,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$423,000 of the general fund--federal appropriation are
28 provided solely for the rebasing of outpatient and inpatient payment
29 methods.

30 (21) \$822,000 of the general fund--state appropriation for fiscal
31 year 2014, \$341,000 of the general fund--state appropriation for fiscal
32 year 2015, and \$9,710,000 of the general fund--federal appropriation
33 are provided solely to implement the conversion to the tenth version of
34 the world health organization's international classification of
35 diseases.

36 (22) \$111,000 of the general fund--state appropriation for fiscal
37 year 2014, \$35,000 of the general fund--state appropriation for fiscal
38 year 2015, and \$359,000 of the general fund--federal appropriation are

1 provided solely to update the medicaid information technology
2 architecture state self-assessment and to develop the five year road
3 map for the medicaid information technology architecture architect.

4 (23) \$62,000 of the general fund--state appropriation for fiscal
5 year 2014, \$62,000 of the general fund--state appropriation for fiscal
6 year 2015, and \$126,000 of the general fund--federal appropriation are
7 provided solely to support the Robert Bree collaborative's efforts to
8 disseminate evidence-based best practices for preventing and treating
9 health problems.

10 (24) Within the amounts appropriated in this section, the authority
11 shall increase reimbursement rates for primary care services provided
12 by independent nurse practitioners to medicare levels for the period
13 from July 1, 2013, to December 31, 2014.

14 (25) The authority shall seek a medicaid state plan amendment to
15 create a professional services supplemental payment managed care
16 program for professional services delivered to managed care recipients
17 by University of Washington medicine and other public professional
18 providers. This program shall be effective as soon as administratively
19 possible and shall operate concurrently with the existing professional
20 services supplemental payment program. The authority shall apply
21 federal rules for identifying the difference between average commercial
22 rates and fee-for-service medicaid payments. This difference will be
23 multiplied by the number of managed care encounters and incorporated
24 into the managed care plan capitation rates by a certified actuary.
25 The managed care plans will pay the providers the difference
26 attributable to the increased capitation rate. Participating providers
27 shall be solely responsible for providing the local funds required to
28 obtain federal matching funds. Any incremental costs incurred by the
29 authority in the development, implementation, and maintenance of this
30 program shall be the responsibility of the participating providers.
31 Participating providers shall retain the full amount of supplemental
32 payments provided under this program, net of any costs related to the
33 program that are disallowed due to audits or litigation against the
34 state.

35 (26) Sufficient amounts are appropriated in this section for the
36 authority to provide an adult dental benefit beginning January 1, 2014.

37 (27) To the extent allowed under federal law, the authority shall

1 require an adult client to enroll in full medicaid coverage instead of
2 family planning-only coverage unless the client is at risk of domestic
3 violence.

4 (28) The authority shall facilitate enrollment under the medicaid
5 expansion for clients applying for or receiving state funded services
6 from the authority and its contractors. Prior to open enrollment, the
7 authority shall coordinate with the department of social and health
8 services to provide referrals to the Washington health benefit exchange
9 for clients that will be ineligible for the medicaid expansion but are
10 enrolled in coverage that will be eliminated in the transition to the
11 medicaid expansion.

12 (29) \$90,000 of the general fund--state appropriation for fiscal
13 year 2014, \$90,000 of the general fund--state appropriation for fiscal
14 year 2015, and \$180,000 of the general fund--federal appropriation are
15 provided solely to continue operation by a nonprofit organization of a
16 toll-free hotline that assists families to learn about and enroll in
17 the apple health for kids program.

18 (30) The appropriations in this section reflect savings and
19 efficiencies by transferring children receiving medical care provided
20 through fee-for-service to medical care provided through managed care.

21 (31) \$150,000 of the general fund--state appropriation for fiscal
22 year 2014, \$436,000 of the general fund--state appropriation for fiscal
23 year 2015, and \$170,561,000 of the general fund--federal appropriation
24 are provided solely for the provider incentive program and other
25 initiatives related to the health information technology medicaid plan.

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

33 (33) The authority shall not subject antiretroviral drugs used to
34 treat HIV/AIDS, anticancer medications used to kill or slow the growth
35 of cancerous cells, antihemophilic drugs, or transplant drugs to any
36 medicaid preferred drug list or formulary for the fee-for-service
37 population.

1 (34) \$1,531,000 of the general fund--state appropriation for fiscal
2 year 2014, \$280,000 of the general fund--state appropriation for fiscal
3 year 2015, and \$10,803,000 of the general fund--federal appropriation
4 are provided solely to implement phase two of the project to create a
5 single provider payment system that consolidates medicaid medical and
6 social services payments and replaces the social service payment
7 system. The amounts provided in this subsection are conditioned on the
8 authority satisfying the requirements of the project management
9 oversight standards and policies established by the office of the chief
10 information officer.

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

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

36 (37) Within the amounts appropriated in this section, the authority
37 shall reimburse for primary care services provided by naturopathic
38 physicians.

1 (38) Within amounts appropriated, the health care authority shall
2 conduct a review of its management and staffing structure to identify
3 efficiencies and opportunities to reduce full time equivalent employees
4 and other administrative costs. A report summarizing the review and
5 the authority's recommendations to reduce costs and full time
6 equivalent employees must be submitted to the governor and legislature
7 by November 1, 2013.

8 (39) \$19,250,000 of the health benefit exchange account--state
9 appropriation and \$2,750,000 of the general fund--federal appropriation
10 are provided solely to support the operations of the Washington health
11 benefit exchange from January 1, 2015, to June 30, 2015.

12 (40) \$1,540,000 of the general fund--state appropriation for fiscal
13 year 2014, \$946,000 of the general fund--state appropriation for fiscal
14 year 2015, \$930,000 of the health benefit exchange account--state
15 appropriation, and \$10,743,000 of the general fund--federal
16 appropriation are provided solely for the medicaid and children's
17 health insurance program shares of costs allocated from the health
18 benefit exchange. The amounts provided in this subsection shall lapse
19 if Engrossed Substitute House Bill No. 1947 (Washington health benefit
20 exchange) is not enacted by June 30, 2013, and the office of financial
21 management determines by January 1, 2013, that the charges to enrollees
22 and the state under the health benefit exchange's self-sustaining
23 methodology exceed 3.4 percent of premiums paid.

24 (41) Within the amounts appropriated in this section, the authority
25 shall continue to provide coverage for pregnant teens that cannot
26 qualify for medicaid or the federal children's health insurance
27 program.

28 (42) Upon implementation of the medicaid expansion under subsection
29 (1) of this section, the breast and cervical cancer treatment program
30 is eliminated. To maintain continuity of coverage, the authority shall
31 offer the option to stay in a fee-for-service program to clients that
32 are already enrolled in the breast and cervical cancer treatment
33 program and will be transitioned into the new adult group upon
34 implementation of the medicaid expansion. The authority will continue
35 to provide coverage to clients that are already enrolled in the breast
36 and cervical cancer treatment program at the time of program
37 elimination until their courses of treatment are completed.

1 (43) \$40,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$40,000 of the general fund--federal appropriation are
3 provided solely for the authority to create a new position to provide
4 adequate oversight and assistance to managed care organizations, rural
5 health clinics, and federally qualified health centers under a new
6 administratively streamlined payment methodology. Effective July 1,
7 2013, or upon obtaining any necessary federal approval, but in no case
8 during the first quarter of a calendar year, the authority shall
9 implement an administratively streamlined payment methodology for
10 federally qualified health centers and rural health clinics. State
11 payments to managed care organizations shall include the full encounter
12 payments for federally qualified health centers and rural health
13 clinics as defined in the medicaid state plan and in accordance with
14 section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)). For
15 any services eligible for encounter payments, as defined in the
16 medicaid state plan, managed care organizations shall be required to
17 pay at least the full published encounter rates directly to each clinic
18 or center. The authority will require participating managed care
19 organizations to reimburse federally qualified health centers and rural
20 health clinics for clean claims in strict adherence to the timeliness
21 of payment standards established under contract and specified for the
22 medicaid fee-for-service program in section 1902(a)(37) of the social
23 security act (42 U.S.C. 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and
24 specified for health carriers in WAC 284-43-321. The authority shall
25 exercise all necessary options under its existing sanctions policy to
26 enforce timely payment of claims. The authority shall ensure necessary
27 staff and resources are identified to actively monitor and enforce the
28 timeliness and accuracy of payments to federally qualified health
29 centers and rural health clinics. By January 1, 2014, and after
30 collaboration with federally qualified health centers, rural health
31 clinics, managed care plans, and the centers for medicare and medicaid
32 services, the authority will produce a report that provides options for
33 a new payment methodology that rewards innovation and outcomes over
34 volume of services delivered, and which maintains the integrity of the
35 rural health clinic program as outlined under federal law. The report
36 will detail necessary federal authority for implementation and provide
37 the benefits and drawbacks of each option.

1 (44) Sufficient amounts are appropriated in this section to remove
 2 the mental health visit limit and to provide the shingles vaccine and
 3 screening, brief intervention, and referral to treatment benefits that
 4 are available in the medicaid alternative benefit plan in the current
 5 medicaid benefit plan beginning January 1, 2014. The authority shall
 6 monitor the costs of the habilitative benefit as part of the
 7 forecasting process but shall not provide this benefit in the current
 8 medicaid benefit plan without a direct appropriation in the omnibus
 9 appropriations act.

10 (45) The appropriations in this section reflect savings and
 11 efficiencies achieved by modifying dispensing methods of contraceptive
 12 drugs. The authority must make arrangements for all medicaid programs
 13 offered through managed care plans or fee-for-service programs to
 14 require dispensing of contraceptive drugs with a one-year supply
 15 provided at one time unless a patient requests a smaller supply or the
 16 prescribing physician instructs that the patient must receive a smaller
 17 supply. Contracts with managed care plans must allow on-site
 18 dispensing of the prescribed contraceptive drugs at family planning
 19 clinics. Dispensing practices must follow clinical guidelines for
 20 appropriate prescribing and dispensing to ensure the health of the
 21 patient while maximizing access to effective contraceptive drugs.

22 **NEW SECTION. Sec. 214. FOR THE HUMAN RIGHTS COMMISSION**

23	General Fund--State Appropriation (FY 2014)	\$2,077,000
24	General Fund--State Appropriation (FY 2015)	\$2,002,000
25	General Fund--Federal Appropriation	\$2,190,000
26	TOTAL APPROPRIATION	\$6,269,000

27 The appropriations in this section are subject to the following
 28 conditions and limitations: \$218,000 of the general fund--federal
 29 appropriation is provided for additional financial resources from the
 30 U.S. department of housing and urban development for the investigation
 31 of discrimination cases involving service animals.

32 **NEW SECTION. Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE**

33 **APPEALS**

34	Worker and Community Right-to-Know Account--State	
35	Appropriation	\$10,000
36	Accident Account--State Appropriation	\$19,790,000

1 Medical Aid Account--State Appropriation \$19,790,000
2 TOTAL APPROPRIATION \$39,590,000

3 NEW SECTION. **Sec. 216.** **FOR THE CRIMINAL JUSTICE TRAINING**
4 **COMMISSION**

5 General Fund--State Appropriation (FY 2014) \$14,360,000
6 General Fund--State Appropriation (FY 2015) \$14,274,000
7 General Fund--Private/Local Appropriation \$3,059,000
8 Death Investigations Account--State Appropriation \$148,000
9 Municipal Criminal Justice Assistance Account--
10 State Appropriation \$460,000
11 Washington Auto Theft Prevention Authority Account--
12 State Appropriation \$8,597,000
13 TOTAL APPROPRIATION \$40,898,000

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

16 (1) \$5,000,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$5,000,000 of the general fund--state appropriation for
18 fiscal year 2015, are provided to the Washington association of
19 sheriffs and police chiefs solely to verify the address and residency
20 of registered sex offenders and kidnapping offenders under RCW
21 9A.44.130.

22 (2) \$340,000 of the general fund--local appropriation is provided
23 solely to purchase ammunition for the basic law enforcement academy.
24 Jurisdictions shall reimburse to the criminal justice training
25 commission the costs of ammunition, based on the average cost of
26 ammunition per cadet, for cadets that they enroll in the basic law
27 enforcement academy.

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

30 (4) \$100,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$100,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for a school safety program. The
33 commission, in collaboration with the school safety center advisory
34 committee, shall provide the school safety training for all school
35 administrators and school safety personnel hired after the effective
36 date of this section.

1 (5) \$96,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$96,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the school safety center
4 within the commission. The safety center shall act as an information
5 dissemination and resource center when an incident occurs in a school
6 district in Washington or in another state, coordinate activities
7 relating to school safety, and review and approve manuals and curricula
8 used for school safety models and training. Through an interagency
9 agreement, the commission shall provide funding for the office of the
10 superintendent of public instruction to continue to develop and
11 maintain a school safety information web site. The school safety
12 center advisory committee shall develop and revise the training
13 program, using the best practices in school safety, for all school
14 safety personnel. The commission shall provide research-related
15 programs in school safety and security issues beneficial to both law
16 enforcement and schools.

17 (6) \$123,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$123,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for the costs of providing
20 statewide advanced driving training with the use of a driving
21 simulator.

22 (7) \$165,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$165,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for crisis intervention training
25 for peace officers. The commission shall incorporate eight hours of
26 crisis intervention curriculum into its basic law enforcement academy
27 and shall offer an eight-hour in-service crisis intervention training
28 course.

29 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**
30 **INDUSTRIES**

31	General Fund--State Appropriation (FY 2014)	\$17,054,000
32	General Fund--State Appropriation (FY 2015)	\$17,668,000
33	General Fund--Federal Appropriation	\$11,876,000
34	Asbestos Account--State Appropriation	\$367,000
35	Electrical License Account--State Appropriation	\$37,177,000
36	Farm Labor Contractor Account--State Appropriation	\$28,000
37	Worker and Community Right-to-Know Account--	

1	State Appropriation	\$904,000
2	Public Works Administration Account--State	
3	Appropriation	\$6,261,000
4	Manufactured Home Installation Training Account--	
5	State Appropriation	\$354,000
6	Accident Account--State Appropriation	\$260,561,000
7	Accident Account--Federal Appropriation	\$13,626,000
8	Medical Aid Account--State Appropriation	\$279,402,000
9	Medical Aid Account--Federal Appropriation	\$3,186,000
10	Plumbing Certificate Account--State Appropriation	\$1,735,000
11	Pressure Systems Safety Account--State	
12	Appropriation	\$4,200,000
13	TOTAL APPROPRIATION	\$654,399,000

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

16 (1) Pursuant to RCW 43.135.055, the department is authorized to
17 increase elevator fees by up to 13.1 percent during the 2013-2015
18 fiscal biennium. This increase is necessary to support expenditures
19 authorized in this section, consistent with chapter 70.87 RCW.

20 (2) \$1,336,000 of the medical aid account--state appropriation is
21 provided solely for implementation of Substitute Senate Bill No. 5362
22 (workers' compensation/vocational rehabilitation). If the bill is not
23 enacted by June 30, 2013, the amount provided in this subsection shall
24 lapse.

25 (3) \$279,000 of the public works administration account--state
26 appropriation, \$4,000 of the medical aid account--state appropriation,
27 and \$4,000 of the accident account--state appropriation are provided
28 solely for implementation of Substitute House Bill No. 1420
29 (transportation improvement projects). If the bill is not enacted by
30 June 30, 2013, the amounts provided in this subsection shall lapse.

31 (4) \$465,000 of the accident account--state appropriation and
32 \$355,000 of the medical aid account--state appropriation are provided
33 solely for the logging safety initiative effort and the goal of
34 reducing the frequency and severity of injuries in manual or
35 nonmechanized logging. \$200,000 of the medical aid account--state
36 appropriation provided in this subsection may come from unspent safety
37 and health investment program grants and is not subject to the process
38 established in RCW 49.17.243. The department of labor and industries

1 shall use \$620,000 of the amounts provided in this subsection in the
2 calculation of workers' compensation premiums for the forest products
3 industry and any other appropriate risk classes in future biennia. The
4 department shall submit a report to the legislature by December 31,
5 2014, on the approach of using a third-party safety certification
6 vendor, and on the accomplishments, work to date, and future plans of
7 the logging safety task force. The report must identify options for
8 future funding of the program and provide a permanent funding
9 recommendation.

10 NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

11 (1) HEADQUARTERS

12	General Fund--State Appropriation (FY 2014)	\$1,996,000
13	General Fund--State Appropriation (FY 2015)	\$1,906,000
14	Charitable, Educational, Penal, and Reformatory	
15	Institutions Account--State Appropriation	\$10,000
16	TOTAL APPROPRIATION	\$3,912,000

17 (2) FIELD SERVICES

18	General Fund--State Appropriation (FY 2014)	\$5,340,000
19	General Fund--State Appropriation (FY 2015)	\$5,321,000
20	General Fund--Federal Appropriation	\$3,460,000
21	General Fund--Private/Local Appropriation	\$4,425,000
22	Veteran Estate Management Account--Private/Local	
23	Appropriation	\$1,105,000
24	TOTAL APPROPRIATION	\$19,651,000

25 The appropriations in this subsection are subject to the following
26 conditions and limitations: \$300,000 of the general fund--state
27 appropriation for fiscal year 2014 and \$300,000 of the general fund--
28 state appropriation for fiscal year 2015 are provided solely to provide
29 crisis and emergency relief and education, training, and employment
30 assistance to veterans and their families in their communities through
31 the veterans innovation program.

32 (3) INSTITUTIONAL SERVICES

33	General Fund--State Appropriation (FY 2014)	\$102,000
34	General Fund--State Appropriation (FY 2015)	\$20,000
35	General Fund--Federal Appropriation	\$69,102,000
36	General Fund--Private/Local Appropriation	\$39,209,000

1	TOTAL APPROPRIATION	\$108,433,000
2	<u>NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF HEALTH</u>	
3	General Fund--State Appropriation (FY 2014)	\$61,259,000
4	General Fund--State Appropriation (FY 2015)	\$59,322,000
5	General Fund--Federal Appropriation	\$536,270,000
6	General Fund--Private/Local Appropriation	\$139,534,000
7	Hospital Data Collection Account--State Appropriation	\$222,000
8	Health Professions Account--State Appropriation	\$104,223,000
9	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
10	Emergency Medical Services and Trauma Care Systems	
11	Trust Account--State Appropriation	\$12,320,000
12	Safe Drinking Water Account--State Appropriation	\$5,273,000
13	Drinking Water Assistance Account--Federal	
14	Appropriation	\$14,820,000
15	Waterworks Operator Certification--State	
16	Appropriation	\$1,561,000
17	Drinking Water Assistance Administrative Account--	
18	State Appropriation	\$340,000
19	Site Closure Account--State Appropriation	\$159,000
20	Biotoxin Account--State Appropriation	\$1,323,000
21	State Toxics Control Account--State Appropriation	\$3,805,000
22	Medical Test Site Licensure Account--State	
23	Appropriation	\$3,389,000
24	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
25	Public Health Supplemental Account--Private/Local	
26	Appropriation	\$3,236,000
27	Accident Account--State Appropriation	\$304,000
28	Medical Aid Account--State Appropriation	\$50,000
29	Medicaid Fraud Penalty Account--State	
30	Appropriation	\$973,000
31	TOTAL APPROPRIATION	\$950,499,000

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

34 (1)(a) The department of health shall not initiate any services
35 that will require expenditure of state general fund moneys unless
36 expressly authorized in this act or other law. The department of
37 health and the state board of health shall not implement any new or

1 amended rules pertaining to primary and secondary school facilities
2 until the rules and a final cost estimate have been presented to the
3 legislature, and the legislature has formally funded implementation of
4 the rules through the omnibus appropriations act or by statute. The
5 department may seek, receive, and spend, under RCW 43.79.260 through
6 43.79.282, federal moneys not anticipated in this act as long as the
7 federal funding does not require expenditure of state moneys for the
8 program in excess of amounts anticipated in this act. If the
9 department receives unanticipated unrestricted federal moneys, those
10 moneys shall be spent for services authorized in this act or in any
11 other legislation that provides appropriation authority, and an equal
12 amount of appropriated state moneys shall lapse. Upon the lapsing of
13 any moneys under this subsection, the office of financial management
14 shall notify the legislative fiscal committees. As used in this
15 subsection, "unrestricted federal moneys" includes block grants and
16 other funds that federal law does not require to be spent on
17 specifically defined projects or matched on a formula basis by state
18 funds.

19 (b) The joint administrative rules review committee shall review
20 the new or amended rules pertaining to primary and secondary school
21 facilities under (a) of this subsection. The review committee shall
22 determine whether (i) the rules are within the intent of the
23 legislature as expressed by the statute that the rule implements, (ii)
24 the rule has been adopted in accordance with all applicable provisions
25 of law, or (iii) that the agency is using a policy or interpretive
26 statement in place of a rule. The rules review committee shall report
27 to the appropriate policy and fiscal committees of the legislature the
28 results of committee's review and any recommendations that the
29 committee deems advisable.

30 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
31 is authorized to establish and raise fees in fiscal year 2014 as
32 necessary to meet the actual costs of conducting business and the
33 appropriation levels in this section. This authorization applies to
34 fees required for newborn screening, and fees associated with the
35 following professions: Agency affiliated counselors; certified
36 counselors; and certified advisors.

37 (3)(a) \$50,000 of the medicaid fraud penalty account--state
38 appropriation is provided solely for the department to integrate the

1 prescription monitoring program into the coordinated care electronic
2 tracking program developed in response to section 213, chapter 7, Laws
3 of 2012, 2nd sp. sess., commonly referred to as the seven best
4 practices in emergency medicine.

5 (b) The integration must provide prescription monitoring program
6 data to emergency department personnel when the patient registers in
7 the emergency department. Such exchange may be a private or public
8 joint venture, including the use of the state health information
9 exchange.

10 (c) As part of the integration, the department shall request
11 insurers and third-party administrators that provide coverage to
12 residents of Washington state to provide the following to the
13 coordinated care electronic tracking program:

14 (i) Any available information regarding the assigned primary care
15 provider, and the primary care provider's telephone and fax numbers.
16 This information is to be used for real-time communication to an
17 emergency department provider when caring for a patient; and

18 (ii) Information regarding any available care plans or treatment
19 plans for patients with higher utilization of services on a regular
20 basis. This information is to be provided to the treating provider.

21 (4) \$270,000 of the general fund--state appropriation for fiscal
22 year 2014 is provided solely for the Washington autism alliance to
23 assist autistic individuals and families with autistic children during
24 the transition to federal health reform.

25 (5) \$6,000 of the general fund--state appropriation for fiscal year
26 2014 and \$5,000 of the general fund--state appropriation for fiscal
27 year 2015 are provided solely for the department to convene a work
28 group to study and recommend language for standardized clinical
29 affiliation agreements for clinical placements associated with the
30 education and training of physicians licensed under chapter 18.71 RCW,
31 osteopathic physicians and surgeons licensed under chapter 18.57 RCW,
32 and nurses licensed under chapter 18.79 RCW. The work group shall
33 develop one recommended standardized clinical affiliation agreement for
34 each profession or one recommended standardized clinical affiliation
35 agreement for all three professions.

36 (a) When choosing members of the work group, the department shall
37 consult with the health care personnel shortage task force and shall

1 attempt to ensure that the membership of the work group is
2 geographically diverse. The work group must, at a minimum, include
3 representatives of the following:

- 4 (i) Two-year institutions of higher education;
- 5 (ii) Four-year institutions of higher education;
- 6 (iii) The University of Washington medical school;
- 7 (iv) The college of osteopathic medicine at the Pacific Northwest
8 University of Health Sciences;
- 9 (v) The health care personnel shortage task force;
- 10 (vi) Statewide organizations representing hospitals and other
11 facilities that accept clinical placements;
- 12 (vii) A statewide organization representing physicians;
- 13 (viii) A statewide organization representing osteopathic physicians
14 and surgeons;
- 15 (ix) A statewide organization representing nurses;
- 16 (x) A labor organization representing nurses; and
- 17 (xi) Any other groups deemed appropriate by the department in
18 consultation with the health care personnel shortage task force.

19 (b) The work group shall report its findings to the governor and
20 the appropriate standing committees of the legislature no later than
21 November 15, 2014.

22 (6) \$65,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$65,000 of the general fund--state appropriation for
24 fiscal year 2015 are for the midwifery licensure and regulatory program
25 to supplement revenue from fees. Current annual fees for new or
26 renewed licenses for the midwifery program, except for online access to
27 HEAL-WA, may increase by no more than the rate of inflation as measured
28 by the consumer price index. The department shall convene the
29 midwifery advisory committee on a quarterly basis to address issues
30 related to licensed midwifery.

31 (7) During the 2013-2015 fiscal biennium, each person subject to
32 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
33 twenty-five dollars annually for the purposes of RCW 43.70.112,
34 regardless of how many professional licenses the person holds.

35 (8) \$35,000 of the health professions account--state appropriation
36 is provided solely for the implementation of House Bill No. 1003
37 (health professions licensees). If the bill is not enacted by June 30,
38 2013, the amount provided in this subsection shall lapse.

1 (9) \$10,000 of the health professions account--state appropriation
2 is provided solely for the implementation of Substitute House Bill No.
3 1270 (board of denturists). If the bill is not enacted by June 30,
4 2013, the amount provided in this subsection shall lapse.

5 (10) \$10,000 of the health professions account--state appropriation
6 is provided solely for the implementation of Substitute House Bill No.
7 1271 (denturism). If the bill is not enacted by June 30, 2013, the
8 amount provided in this subsection shall lapse.

9 (11) \$11,000 of the health professions account--state appropriation
10 is provided solely for the implementation of House Bill No. 1330
11 (dental hygienists, assistants). If the bill is not enacted by June
12 30, 2013, the amount provided in this subsection shall lapse.

13 (12) \$1,008,000 of the health professions account--state
14 appropriation is provided solely for the implementation of Substitute
15 House Bill No. 1343 (nurses surcharge). If the bill is not enacted by
16 June 30, 2013, the amount provided in this subsection shall lapse.

17 (13) \$34,000 of the health professions account--state appropriation
18 is provided solely for the implementation of Substitute House Bill No.
19 1376 (suicide assessment training). If the bill is not enacted by June
20 30, 2013, the amount provided in this subsection shall lapse.

21 (14) \$10,000 of the health professions account--state appropriation
22 is provided solely for the implementation of Engrossed Substitute House
23 Bill No. 1515 (medical assistants). If the bill is not enacted by June
24 30, 2013, the amount provided in this subsection shall lapse.

25 (15) \$2,185,000 of the health professions account--state
26 appropriation is provided solely for the implementation of Second
27 Substitute House Bill No. 1518 (disciplinary authorities). If the bill
28 is not enacted by June 30, 2013, the amount provided in this subsection
29 shall lapse.

30 (16) \$141,000 of the general fund--private/local appropriation is
31 provided solely for the implementation of Substitute House Bill No.
32 1525 (birth certificates and information). If the bill is not enacted
33 by June 30, 2013, the amount provided in this subsection shall lapse.

34 (17) \$220,000 of the health professions account--state
35 appropriation is provided solely for the implementation of House Bill
36 No. 1534 (impaired dentist program). If the bill is not enacted by
37 June 30, 2013, the amount provided in this subsection shall lapse.

1 (18) \$51,000 of the health professions account--state appropriation
2 is provided solely for the implementation of House Bill No. 1609 (board
3 of pharmacy). If the bill is not enacted by June 30, 2013, the amount
4 provided in this subsection shall lapse.

5 (19) \$12,000 of the health professions account--state appropriation
6 is provided solely for the implementation of Substitute House Bill No.
7 1629 (home care continuing education). If the bill is not enacted by
8 June 30, 2013, the amount provided in this subsection shall lapse.

9 (20) \$18,000 of the health professions account--state appropriation
10 is provided solely for the implementation of Substitute House Bill No.
11 1737 (physician assistants). If the bill is not enacted by June 30,
12 2013, the amount provided in this subsection shall lapse.

13 (21) \$77,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$38,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely to develop a report on state
16 efforts to prevent and control diabetes. The department, the health
17 care authority, and the department of social and health services shall
18 submit a coordinated report to the governor and the appropriate
19 committees of the legislature by December 31, 2014, on the following:

20 (a) The financial impacts and reach that diabetes of all types and
21 undiagnosed gestational diabetes are having on the programs
22 administered by each agency and individuals, including children with
23 mothers with undiagnosed gestational diabetes, enrolled in those
24 programs. Items in this assessment must include: (i) The number of
25 lives with diabetes and undiagnosed gestational diabetes impacted or
26 covered by the programs administered by each agency; (ii) the number of
27 lives with diabetes, or at risk for diabetes, and family members
28 impacted by prevention and diabetes control programs implemented by
29 each agency; (iii) the financial toll or impact diabetes and its
30 complications, and undiagnosed gestational diabetes and the
31 complications experienced during labor to children of mothers with
32 gestational diabetes places on these programs in comparison to other
33 chronic diseases and conditions; and (iv) the financial toll or impact
34 diabetes and its complications, and diagnosed gestational diabetes and
35 the complications experienced during labor to children of mothers with
36 gestational diabetes places on these programs;

37 (b) An assessment of the benefits of implemented and existing
38 programs and activities aimed at controlling all types of diabetes and

1 preventing the disease. This assessment must also document the amount
2 and source for any funding directed to each agency for the programs and
3 activities aimed at reaching those with diabetes of all types;

4 (c) A description of the level of coordination existing between the
5 agencies on activities, programmatic activities, and messaging on
6 managing, treating, or preventing all types of diabetes and its
7 complications;

8 (d) The development or revision of detailed policy-related action
9 plans and budget recommendations for battling diabetes and undiagnosed
10 gestational diabetes that includes a range of actionable items for
11 consideration by the legislature. The plans and budget recommendations
12 must identify proposed action steps to reduce the impact of diabetes,
13 prediabetes, related diabetes complications, and undiagnosed
14 gestational diabetes. The plans and budget recommendations must also
15 identify expected outcomes of the action steps proposed in the
16 following biennium while also establishing benchmarks for controlling
17 and preventing all types of diabetes; and

18 (e) An estimate of savings, efficiencies, costs, and budgetary
19 savings and resources required to implement the plans and budget
20 recommendations identified in (d) of this subsection (24).

21 (22) Within the general fund--state amounts appropriated in this
22 section, the department of health will develop and administer the
23 certified home care aide examination translated into at least seven
24 languages in addition to the languages in which the examination is
25 available on the effective date of this act. The purpose of offering
26 the examination in additional languages is to encourage an adequate
27 supply of certified home care aides to meet diverse long-term care
28 client needs.

29 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF CORRECTIONS**

30 (1) ADMINISTRATION AND SUPPORT SERVICES

31	General Fund--State Appropriation (FY 2014)	\$57,085,000
32	General Fund--State Appropriation (FY 2015)	\$55,585,000
33	TOTAL APPROPRIATION	\$112,670,000

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

36 (a) \$35,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$35,000 of the general fund-- state appropriation for

1 fiscal year 2015 are provided solely for the support of a statewide
2 council on mentally ill offenders that includes as its members
3 representatives of community-based mental health treatment programs,
4 current or former judicial officers, and directors and commanders of
5 city and county jails and state prison facilities. The council will
6 investigate and promote cost-effective approaches to meeting the
7 long-term needs of adults and juveniles with mental disorders who have
8 a history of offending or who are at-risk of offending, including their
9 mental health, physiological, housing, employment, and job training
10 needs.

11 (b) \$150,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$75,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the department to contract
14 with a consultant who can facilitate and provide project expertise on
15 the implementation of community and prison based offender programming
16 that follows the risk-needs-responsivity model.

17 (i) By September 1, 2013, the department shall provide to the
18 consultant an inventory of all existing programming both in prisons and
19 in community operations. The department shall consult with the
20 Washington state institute for public policy (WSIPP) to determine
21 whether programs are evidence-based or research-based using definitions
22 provided by WSIPP and shall include this information on the inventory.

23 (ii) By October 1, 2013, the consultant shall report to the
24 department, the office of financial management, and legislative fiscal
25 committees on the department's current plans and processes for managing
26 offender programming including processes for phasing-out ineffective
27 programs and implementing evidence-based or research-based programs.
28 All department programs should be considered by the consultant
29 regardless of whether they are included on the most recent list of
30 WSIPP approved identifiable evidence-based practices in (b)(i) of this
31 subsection.

32 (iii) The WSIPP, in consultation with the department, shall
33 systematically review selected programs to determine the effectiveness
34 of these programs at reducing recidivism or other outcomes. The WSIPP
35 shall conduct a benefit-cost analysis of these programs when feasible
36 and shall report to the legislature by December 1, 2013.

37 (iv) Based on the report provided by the consultant and the WSIPP
38 review of programs, the department shall work collaboratively with the

1 consultant to develop and complete a written comprehensive
2 implementation plan by January 15, 2014. The implementation plan must
3 clearly identify the types of programs to be included, the recommended
4 locations where the programs will be sited, an implementation timeline,
5 and a phasing of the projected number of participants needed to meet
6 the threshold of available program funds.

7 (v) Using the written implementation plan as a guide, the
8 department must have programs in place and fully phased-in no later
9 than June 30, 2015.

10 (vi) The department shall hold the consultant on retainer to assist
11 the department as needed throughout the implementation process. The
12 consultant shall review quarterly the actual implementation compared to
13 the written implementation plan and shall provide a report to the
14 secretary of the department. The department shall provide reports to
15 the office of financial management and legislative fiscal committees as
16 follows:

17 (A) The written comprehensive implementation plan shall be provided
18 by January 15, 2014; and

19 (B) Written progress updates shall be provided by July 1, 2014, and
20 by December 1, 2014.

21 (2) CORRECTIONAL OPERATIONS

22	General Fund--State Appropriation (FY 2014)	\$606,143,000
23	General Fund--State Appropriation (FY 2015)	\$607,085,000
24	General Fund--Federal Appropriation	\$3,322,000
25	Washington Auto Theft Prevention Authority Account--	
26	State Appropriation	\$7,586,000
27	State Toxics Control--State Appropriation	\$105,000
28	TOTAL APPROPRIATION	\$1,224,241,000

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

31 (a) During the 2013-2015 fiscal biennium, when contracts are
32 established or renewed for offender pay phone and other telephone
33 services provided to inmates, the department shall select the
34 contractor or contractors primarily based on the following factors:

- 35 (i) The lowest rate charged to both the inmate and the person paying
36 for the telephone call; and (ii) the lowest commission rates paid to
37 the department, while providing reasonable compensation to cover the

1 costs of the department to provide the telephone services to inmates
2 and provide sufficient revenues for the activities funded from the
3 institutional welfare betterment account.

4 (b) By December 1, 2013, the department of corrections shall
5 provide a report to the office of financial management and the
6 appropriate fiscal and policy committees of the legislature that
7 evaluates the department's inmate intake processes and expenditures and
8 makes recommendations for improvements. The evaluation must include an
9 analysis of lean management processes that, if adopted, could improve
10 the efficiency and cost effectiveness of inmate intake.

11 (c) By December 1, 2013, the department of corrections shall
12 provide a report to the office of financial management and the
13 appropriate fiscal and policy committees of the legislature that
14 evaluates the department's use of partial confinement and work release
15 programs and makes recommendations for improving public safety and
16 decreasing recidivism through increasing participation in partial
17 confinement re-entry and work release programs. In making its
18 recommendations, the department shall identify:

19 (i) Options for increasing the capacity of work release beds to
20 meet the number of eligible offenders;

21 (ii) Potential cost savings to the state through contracting for or
22 building new work release capacity;

23 (iii) Options for expanding eligibility for partial confinement,
24 including creation of a structured re-entry program that includes
25 stable housing, mandatory participation in evidence-based programs, and
26 intensive supervision; and

27 (iv) Potential cost savings to the state from creation of a
28 structured re-entry program.

29 (d) By December 1, 2013, the department of corrections shall
30 provide a report to the office of financial management and the
31 appropriate fiscal and policy committees of the legislature that
32 evaluates the department's community parenting alternative program, and
33 makes recommendations for increasing participation in the program with
34 the goals of increasing public safety and decreasing recidivism. The
35 evaluation shall include recommendations for increasing the placement
36 of eligible offenders into the program and increasing eligibility to
37 other populations. In making its recommendations, the department shall

1 identify the percent of the eligible population currently entering the
2 program, outcomes to-date for program participants, and potential cost
3 savings from increasing placement of offenders into the program.

4 (e) The department of corrections shall contract with local and
5 tribal governments for the provision of jail capacity to house
6 offenders who violate the terms of their community supervision. A
7 contract shall not have a cost of incarceration in excess of \$85 per
8 day per offender. A contract shall not have a year-to-year increase in
9 excess of three percent per year. The contracts may include rates for
10 the medical care of offenders which exceed the daily cost of
11 incarceration and the limitation on year-to-year increase, provided
12 that medical payments conform to the department's offender health plan,
13 pharmacy formulary, and all off-site medical expenses are preapproved
14 by department utilization management staff.

15 (f) The department of corrections shall issue a competitive
16 solicitation by August 1, 2013, to contract with local jurisdictions
17 for the use of inmate bed capacity in lieu of prison beds operated by
18 the state. The department may contract for up to 300 beds statewide to
19 the extent that it is at no net cost to the department. The contracts
20 shall be for beds in western Washington and eastern Washington. The
21 duration of the contracts may be for up to four years. The department
22 shall not pay a rate greater than \$65 per day for all costs associated
23 with the offender while in the local correctional facility to include
24 programming and health care costs, or the equivalent of \$65 per day per
25 bed including programming and health care costs for full units. The
26 capacity provided at local correctional facilities must be for
27 offenders who the department of corrections defines as medium security
28 offenders. Local jurisdictions must provide health care to offenders
29 that meet standards set by the department. The department will report
30 to legislative fiscal committees and the office of financial management
31 by November 1, 2013, to provide a status update on implementation.

32 (g) The department shall convene a work group to develop health
33 care cost containment strategies at local jail facilities. The work
34 group shall identify cost containment strategies in place at the
35 department and at local jail facilities, identify the costs and
36 benefits of implementing strategies in jail health-care facilities, and
37 make recommendations on implementing beneficial strategies. The work
38 group shall submit a report on its findings and recommendations to the

1 fiscal committees of the legislature by October 1, 2013. The work
2 group shall include jail administrators, representatives from health
3 care facilities at the local jail level and the state prisons level,
4 and other representatives as deemed necessary.

5 (h) \$1,026,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$781,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely to expand the piloted
8 risk-needs-responsivity model to include the use of cognitive
9 behavioral therapy with evidence-based programming at two minimum
10 security prison facilities and at the Monroe correctional complex.

11 (i) \$24,563,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$25,606,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for offender programming.
14 Pursuant to section 220(1) of this act, the department shall develop
15 and implement a written comprehensive plan for offender programming
16 that prioritizes programs which follow the risk-needs-responsivity
17 model, are evidence-based, and have measurable outcomes. The
18 department is authorized to discontinue ineffective programs and to
19 repurpose underspent funds according to the priorities in the written
20 plan.

21 (j) \$36,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$36,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for implementation of Engrossed
24 Senate Bill No. 5484 (assault in the third-degree). If the bill is not
25 enacted by June 30, 2013, the amounts provided in this subsection shall
26 lapse.

27 (k) \$244,000 of the general fund--state appropriation for fiscal
28 year 2014 is provided solely for the costs incurred by Snohomish county
29 for *State v. Scherf*.

30 (3) COMMUNITY SUPERVISION

31	General Fund--State Appropriation (FY 2014)	\$129,472,000
32	General Fund--State Appropriation (FY 2015)	\$131,102,000
33	County Criminal Justice Assistance Account--State	\$1,906,000
34	Ignition Interlock Device Revolving Account--State	\$2,200,000
35	TOTAL APPROPRIATION	\$264,680,000

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

1 (a) \$1,906,000 of the county criminal justice assistance account--
2 state appropriation and \$2,200,000 of the ignition interlock device
3 revolving account--state appropriation are provided solely for the
4 department to contract for additional residential drug offender
5 sentencing alternative treatment slots. By December 1, 2013, the
6 department shall provide a report to the appropriate fiscal committees
7 of the house of representatives and the senate on the use of the
8 additional treatment slots.

9 (b) \$4,186,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$6,362,000 of the general fund--state appropriation for
11 fiscal year 2015 must be expended on evidence-based programs that
12 follow the risk-needs-responsivity model. The department is authorized
13 to use up to ten percent of these funds as necessary to secure physical
14 space as needed to maximize program delivery of evidence-based
15 treatment to all high-risk, high-need offenders in community
16 supervision. Funding may be prioritized by the department to any
17 program recognized as evidence-based for adult offenders by the
18 Washington state institute for public policy.

19 (c) \$16,513,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$16,527,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for offender programming.
22 Pursuant to section 220 (1) of this act, the department shall develop
23 and implement a written comprehensive plan for offender programming
24 that prioritizes programs which follow the risk-needs-responsivity
25 model, are evidence-based, and have measurable outcomes. The
26 department is authorized to discontinue ineffective programs and to
27 repurpose underspent funds according to the priorities in the written
28 plan.

29 (4) CORRECTIONAL INDUSTRIES

30	General Fund--State Appropriation (FY 2014)	\$6,472,000
31	General Fund--State Appropriation (FY 2015)	\$7,060,000
32	TOTAL APPROPRIATION	\$13,532,000

33 The appropriations in this subsection are subject to the following
34 conditions and limitations: \$2,985,000 of the general fund--state
35 appropriation for fiscal year 2014 and \$3,583,000 of the general fund--
36 state appropriation for fiscal year 2015 are provided solely for the
37 stewardship of McNeil island. The department shall assume
38 responsibility of all island maintenance excluding site specific

1 maintenance operations for the special commitment center and the Pierce
2 county secure transitional facility. The department shall as part of
3 its industries program provide job skills to offenders while providing
4 the minimum maintenance and preservation necessary for the state to
5 remain in compliance with the federal deed for McNeil island. The
6 department shall report on efficiencies and potential cost reductions
7 to the office of financial management and legislative fiscal committees
8 by December 15, 2013.

9 (5) INTERAGENCY PAYMENTS

10	General Fund--State Appropriation (FY 2014)	\$35,345,000
11	General Fund--State Appropriation (FY 2015)	\$32,115,000
12	TOTAL APPROPRIATION	\$67,460,000

13 The appropriations in this subsection are subject to the following
14 conditions and limitations: The state prison medical facilities may
15 use funds appropriated in this subsection to purchase goods and
16 supplies through hospital or other group purchasing organizations when
17 it is cost effective to do so.

18 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**
19 **BLIND**

20	General Fund--State Appropriation (FY 2014)	\$2,242,000
21	General Fund--State Appropriation (FY 2015)	\$2,202,000
22	General Fund--Federal Appropriation	\$21,080,000
23	General Fund--Private/Local Appropriation	\$60,000
24	TOTAL APPROPRIATION	\$25,584,000

25 NEW SECTION. **Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

26	General Fund--Federal Appropriation	\$270,061,000
27	General Fund--Private/Local Appropriation	\$34,229,000
28	Unemployment Compensation Administration Account--	
29	Federal Appropriation	\$320,596,000
30	Administrative Contingency Account--State	
31	Appropriation	\$22,771,000
32	Employment Service Administrative Account--State	
33	Appropriation	\$35,851,000
34	TOTAL APPROPRIATION	\$683,508,000

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

3 (1) \$12,386,000 of the unemployment compensation administration
4 account--federal appropriation is from amounts made available to the
5 state by section 903(g) of the social security act (Reed act). This
6 amount is provided solely for the replacement of the unemployment
7 insurance tax information system for the employment security
8 department. The amounts provided in this subsection are conditioned on
9 the department satisfying the requirements of the project management
10 oversight standards and policies established by the office of the chief
11 information officer.

12 (2) \$3,735,000 of the unemployment compensation account--federal
13 appropriation is from amounts made available to the state by section
14 903(g) of the social security act (Reed act). This amount is provided
15 solely for the replacement of call center technology to improve the
16 integration of the telephone and computing systems to increase
17 efficiency and improve customer service.

18 (3) \$182,000 of the employment services administrative account--
19 state appropriation is provided for costs associated with the second
20 stage of the review and evaluation of the training benefits program as
21 directed in section 15(2), chapter 4, Laws of 2011 (unemployment
22 insurance program). This second stage shall be developed and conducted
23 by the joint legislative audit and review committee and shall consist
24 of further work on the process study and net-impact/cost-benefit
25 analysis components of the evaluation.

26 (4) \$240,000 of the administrative contingency account--state
27 appropriation is provided solely for the employment security department
28 to contract with a center for workers in King county. The amount
29 appropriated in this subsection shall be used by the contracted center
30 for workers to support initiatives that generate high-skill, high-wage
31 jobs; improve workforce and training systems; improve service delivery
32 for dislocated workers; and build alliances with community and
33 environmental organizations.

34 (5) The department is prohibited from expending amounts
35 appropriated in this section for implementation of chapter 49.86 RCW.

(End of part)

PART III
NATURAL RESOURCES

NEW SECTION. **Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2014)	\$444,000
General Fund--State Appropriation (FY 2015)	\$448,000
General Fund--Federal Appropriation	\$31,000
General Fund--Private/Local Appropriation	\$875,000
TOTAL APPROPRIATION	\$1,798,000

NEW SECTION. **Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2014)	\$30,854,000
General Fund--State Appropriation (FY 2015)	\$30,568,000
General Fund--Federal Appropriation	\$105,314,000
General Fund--Private/Local Appropriation	\$16,927,000
Reclamation Account--State Appropriation	\$3,740,000
Flood Control Assistance Account--State Appropriation	\$1,987,000
State Emergency Water Projects Revolving Account--State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$9,734,000
State Drought Preparedness Account--State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$427,000
Aquatic Algae Control Account--State Appropriation	\$513,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$557,000
Wood Stove Education and Enforcement Account--State Appropriation	\$613,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,703,000
Water Rights Processing Account--State Appropriation	\$135,000
State Toxics Control Account--State Appropriation	\$148,333,000
State Toxics Control Account--Private/Local Appropriation	\$980,000
Local Toxics Control Account--State Appropriation	\$27,337,000

1	Water Quality Permit Account--State Appropriation	\$41,039,000
2	Underground Storage Tank Account--State Appropriation	\$3,353,000
3	Biosolids Permit Account--State Appropriation	\$1,850,000
4	Hazardous Waste Assistance Account--State	
5	Appropriation	\$6,046,000
6	Air Pollution Control Account--State Appropriation	\$3,130,000
7	Oil Spill Prevention Account--State Appropriation	\$5,692,000
8	Air Operating Permit Account--State Appropriation	\$3,136,000
9	Freshwater Aquatic Weeds Account--State Appropriation	\$1,410,000
10	Oil Spill Response Account--State Appropriation	\$7,076,000
11	Water Pollution Control Revolving Account--State	
12	Appropriation	\$357,000
13	Water Pollution Control Revolving Account--Federal	
14	Appropriation	\$1,509,000
15	Water Pollution Control Revolving Administration	
16	Account--State Appropriation	\$1,021,000
17	TOTAL APPROPRIATION	\$455,631,000

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

20 (1) \$170,000 of the oil spill prevention account--state
21 appropriation is provided solely for a contract with the University of
22 Washington's sea grant program to continue an educational program
23 targeted to small spills from commercial fishing vessels, ferries,
24 cruise ships, ports, and marinas.

25 (2) Pursuant to RCW 43.135.055, the department is authorized to
26 increase the following fees as necessary to meet the actual costs of
27 conducting business and the appropriation levels in this section:
28 Wastewater discharge permit, not more than 4.55 percent in fiscal year
29 2014 and 4.63 percent in fiscal year 2015; and reasonably available
30 control technology fee.

31 (3) \$1,981,000 of the state toxics control account--state
32 appropriation is for the department to provide training regarding the
33 benefits of low-impact development including, but not limited to, when
34 the use of low-impact development is appropriate and feasible, and the
35 design, installation, maintenance, and best practices of low-impact
36 development. The department will consult with Washington State
37 University extension low-impact development technical center and others
38 in the development of the low-impact technical training. As

1 appropriate, the department may contract with the Washington State
2 University extension low-impact development technical center, private
3 sector vendors, associations, and others to deliver the technical
4 training. The training must be provided free of cost to phase I and
5 phase II permittees and the private development community including
6 builders, engineers, and other industry professionals. The training
7 must be sequenced geographically and provided in time for local
8 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By
9 August 1, 2013, the department of ecology shall provide the governor
10 and appropriate legislative committees a plan for how low-impact
11 development training funds will be spent during fiscal years 2014
12 through 2017.

13 (4) \$440,000 of the state toxics control account--state
14 appropriation is provided solely for administering the water pollution
15 control facilities financial assistance program authorized in chapter
16 90.50A RCW.

17 (5) \$350,000 of the state toxics control account--state
18 appropriation is provided solely for the Spokane river regional toxics
19 task force to support their efforts to address elevated levels of
20 polychlorinated biphenyls in the Spokane river. Funding will be used
21 to determine the extent of the cleanup required, implement cleanup
22 actions to meet applicable water quality standards, and prevent
23 recontamination.

24 (6) \$516,000 of the state toxics control account--state
25 appropriation is provided solely for the department to support an
26 ultrafine particulate study to determine how, if at all, the biomass
27 cogeneration facilities in Port Townsend and Port Angeles may impact
28 air quality and the health of citizens in the region.

29 (7) \$65,000 of the water quality permit account--state
30 appropriation is provided solely for the implementation of Engrossed
31 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
32 the bill is not enacted by June 30, 2013, the amount provided in this
33 subsection shall lapse.

34 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
35 **COMMISSION**

36	General Fund--State Appropriation (FY 2014)	\$11,929,000
37	General Fund--State Appropriation (FY 2015)	\$11,929,000

1	General Fund--Federal Appropriation	\$6,017,000
2	Winter Recreation Program Account--State Appropriation . . .	\$2,065,000
3	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$215,000
4	Snowmobile Account--State Appropriation	\$4,860,000
5	Aquatic Lands Enhancement Account--State Appropriation	\$363,000
6	Parks Renewal and Stewardship Account--State	
7	Appropriation	\$93,298,000
8	Parks Renewal and Stewardship Account--Private/Local	
9	Appropriation	\$300,000
10	TOTAL APPROPRIATION	\$130,976,000

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

13 (1) \$79,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$79,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for a grant for the operation of
16 the Northwest weather and avalanche center.

17 (2) Prior to closing any state park, the commission must notify all
18 affected local governments and relevant nonprofit organizations of the
19 intended closure and provide an opportunity for the notified local
20 governments and nonprofit organizations to elect to acquire, or enter
21 into, a maintenance and operating contract with the commission that
22 would allow the park to remain open.

23 (3) The commission shall prepare a report on its efforts to
24 increase revenue from all sources, including the discover pass. The
25 report shall also include a status update on the fiscal health of the
26 state parks system, and shall be submitted to the office of financial
27 management and the appropriate committees of the legislature by October
28 28, 2013.

29 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**
30 **FUNDING BOARD**

31	General Fund--State Appropriation (FY 2014)	\$823,000
32	General Fund--State Appropriation (FY 2015)	\$816,000
33	General Fund--Federal Appropriation	\$3,430,000
34	General Fund--Private/Local Appropriation	\$24,000
35	Aquatic Lands Enhancement Account--State Appropriation	\$480,000
36	Firearms Range Account--State Appropriation	\$37,000
37	Recreation Resources Account--State Appropriation	\$3,089,000

1 NOVA Program Account--State Appropriation \$965,000
2 TOTAL APPROPRIATION \$9,664,000

3 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
4 **HEARINGS OFFICE**

5 General Fund--State Appropriation (FY 2014) \$2,227,000
6 General Fund--State Appropriation (FY 2015) \$2,153,000
7 TOTAL APPROPRIATION \$4,380,000

8 NEW SECTION. **Sec. 306. FOR THE CONSERVATION COMMISSION**

9 General Fund--State Appropriation (FY 2014) \$6,841,000
10 General Fund--State Appropriation (FY 2015) \$6,746,000
11 General Fund--Federal Appropriation \$2,301,000
12 TOTAL APPROPRIATION \$15,888,000

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

15 (1) Within the amounts appropriated in this section, the
16 conservation commission, in consultation with conservation districts,
17 must submit to the office of financial management and legislative
18 fiscal committees by December 10, 2013, a report containing proposals
19 for the consolidation of conservation districts within counties in
20 which there is more than one district. The report must include details
21 on the anticipated future savings that would be expected from
22 consolidating districts starting on July 1, 2014.

23 (2) \$300,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$246,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely to implement the voluntary
26 stewardship program in Thurston and Chelan counties. These amounts may
27 not be used to fund agency indirect and administrative expenses.

28 (3) \$1,000,000 of the general fund--federal appropriation is
29 provided solely to implement the voluntary stewardship program
30 statewide. The commission shall place the appropriation in this
31 subsection in unallotted status, and may not allot any of these funds
32 until the federal government has provided funding to the commission for
33 the purpose of implementing the voluntary stewardship program.

34 (4) The conservation commission must evaluate the current system
35 for the election of conservation district board supervisors and
36 recommend improvements to ensure the highest degree of public

1 involvement in these elections. The commission must engage with
 2 stakeholder groups and conservation districts to gather a set of
 3 options for improvement to district elections, which must include an
 4 option aligning district elections with state and local general
 5 elections. The commission must submit a report detailing the options
 6 to the office of financial management and appropriate committees of the
 7 legislature by December 10, 2013.

8 NEW SECTION. **Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

9	General Fund--State Appropriation (FY 2014)	\$30,521,000
10	General Fund--State Appropriation (FY 2015)	\$29,299,000
11	General Fund--Federal Appropriation	\$107,753,000
12	General Fund--Private/Local Appropriation	\$58,890,000
13	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$399,000
14	Aquatic Lands Enhancement Account--State	
15	Appropriation	\$15,928,000
16	Recreational Fisheries Enhancement--State Appropriation . .	\$2,595,000
17	Warm Water Game Fish Account--State Appropriation	\$2,513,000
18	Eastern Washington Pheasant Enhancement Account--State	
19	Appropriation	\$849,000
20	Aquatic Invasive Species Enforcement Account--State	
21	Appropriation	\$209,000
22	Aquatic Invasive Species Prevention Account--State	
23	Appropriation	\$738,000
24	State Wildlife Account--State Appropriation	\$103,510,000
25	Special Wildlife Account--State Appropriation	\$2,406,000
26	Special Wildlife Account--Federal Appropriation	\$500,000
27	Special Wildlife Account--Private/Local Appropriation . . .	\$3,447,000
28	Wildlife Rehabilitation Account--State Appropriation	\$259,000
29	State Toxics Control Account--State Appropriation	\$1,224,000
30	Hydraulic Project Approval Account--State Appropriation . . .	\$674,000
31	Regional Fisheries Enhancement Salmonid Recovery	
32	Account--Federal Appropriation	\$5,001,000
33	Oil Spill Prevention Account--State Appropriation	\$918,000
34	Oyster Reserve Land Account--State Appropriation	\$774,000
35	TOTAL APPROPRIATION	\$368,407,000

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

1 (1) \$130,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$130,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely to pay for emergency fire
4 suppression costs. These amounts may not be used to fund agency
5 indirect and administrative expenses.

6 (2) Prior to submitting its 2015-2017 biennial operating and
7 capital budget request related to state fish hatcheries to the office
8 of financial management, the department shall contract with the
9 hatchery scientific review group (HSRG) to review this request. This
10 review shall: (a) Determine if the proposed requests are consistent
11 with HSRG recommendations; (b) prioritize the components of the
12 requests based on their contributions to protecting wild salmonid
13 stocks and meeting the recommendations of the HSRG; and (c) evaluate
14 whether the proposed requests are being made in the most cost effective
15 manner. The department shall provide a copy of the HSRG review to the
16 office of financial management with their agency budget proposal.

17 (3) \$400,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$400,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for a state match to support the
20 Puget Sound nearshore partnership between the department and the U.S.
21 army corps of engineers.

22 (4) Within the amounts appropriated in this section, the department
23 shall identify additional opportunities for partnerships in order to
24 keep fish hatcheries operational. Such partnerships shall aim to
25 maintain fish production and salmon recovery with less reliance on
26 state operating funds.

27 (5) During the 2013-2015 fiscal biennium, the department must
28 retain ownership and continue to occupy the downtown Olympia office
29 building at 600 Capitol Way.

30 (6) \$1,000,000 of the state wildlife account--state appropriation
31 is provided solely to the department for resources that serve to
32 promote and engage nonlethal deterrence methods relating to wolf and
33 livestock interaction with a priority given to funding cooperative
34 agreements with livestock producers, and for providing compensation for
35 injury or loss of livestock caused by wolves as prescribed in chapter
36 77.36 RCW.

37 (7) \$180,000 of the state wildlife account--state appropriation is

1 provided solely for the department to contract with a community-based
2 organization to disseminate information about apex predators in the
3 North Cascades.

4 (8) \$100,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$100,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the transfer of trout from the
7 Clark's Creek hatchery to the Lakewood hatchery.

8 (9) \$200,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$200,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely to the department for the
11 production of Steelhead, Coho, and Chinook at the Clark's Creek
12 hatchery.

13 (10) \$200,000 of the state wildlife account--state appropriation,
14 \$50,000 of the general fund--state appropriation for fiscal year 2014,
15 and \$50,000 of the general fund--state appropriation for fiscal year
16 2015 are provided solely for the department to increase production of
17 juvenile fall Chinook on the Cowlitz river. The funds provided may be
18 used to match or leverage funds from private or public sources for the
19 same purpose.

20 (11) \$596,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$596,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for weed assessments and for
23 payments in lieu of real property taxes to counties that elect to
24 receive the payments for department owned game lands within the county.

25 (12) Within the amounts appropriated in this section, the
26 department must deploy additional wildlife conflict specialists to
27 provide landowner assistance and address wildlife conflicts, with at
28 least one additional specialist primarily assigned to each of the
29 following areas: Administrative region six of the department; Okanogan
30 and Chelan counties in administrative region two of the department; and
31 Whatcom and Skagit counties in administrative region four of the
32 department.

33 (13) \$25,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$25,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for implementation of House Bill
36 No. 1112 (science and public policy). If the bill is not enacted by
37 June 30, 2013, the amounts provided in this subsection shall lapse.

1 (14) Within the amounts appropriated in this section the department
 2 shall work with the regional fisheries enhancement groups to identify
 3 a revenue source or sources capable of providing long-term funding to
 4 support the community-based salmon restoration work of regional
 5 fisheries enhancement groups. The department shall work with the
 6 regional fisheries enhancement group coalition to submit a report to
 7 the office of financial management and the appropriate legislative
 8 committees by December 1, 2013, with the outcomes and recommendations.

9 NEW SECTION. **Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

10	General Fund--State Appropriation (FY 2014)	\$41,933,000
11	General Fund--State Appropriation (FY 2015)	\$44,616,000
12	General Fund--Federal Appropriation	\$26,970,000
13	General Fund--Private/Local Appropriation	\$2,372,000
14	Forest Development Account--State Appropriation	\$49,132,000
15	ORV and Nonhighway Vehicle Account--State Appropriation	\$4,501,000
16	Surveys and Maps Account--State Appropriation	\$2,173,000
17	Aquatic Lands Enhancement Account--State Appropriation	\$584,000
18	Resources Management Cost Account--State	
19	Appropriation	\$114,279,000
20	Surface Mining Reclamation Account--State Appropriation	\$3,978,000
21	Disaster Response Account--State Appropriation	\$5,000,000
22	Forest and Fish Support Account--State Appropriation	\$11,760,000
23	Aquatic Land Dredged Material Disposal Site	
24	Account--State Appropriation	\$843,000
25	Natural Resources Conservation Areas Stewardship	
26	Account--State Appropriation	\$34,000
27	Marine Resources Stewardship Trust Account--State	
28	Appropriation	\$3,700,000
29	State Toxics Control Account--State Appropriation	\$4,028,000
30	Forest Practices Application Account--State	
31	Appropriation	\$1,697,000
32	Air Pollution Control Account--State Appropriation	\$786,000
33	NOVA Program Account--State Appropriation	\$651,000
34	Derelict Vessel Removal Account--State Appropriation	\$1,771,000
35	Agricultural College Trust Management Account--State	
36	Appropriation	\$2,716,000
37	TOTAL APPROPRIATION	\$323,524,000

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

3 (1) \$1,389,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$1,327,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for deposit into the agricultural
6 college trust management account and are provided solely to manage
7 approximately 70,700 acres of Washington State University's
8 agricultural college trust lands.

9 (2) \$19,099,000 of the general fund--state appropriation for fiscal
10 year 2014, \$19,099,000 of the general fund--state appropriation for
11 fiscal year 2015, and \$5,000,000 of the disaster response account--
12 state appropriation are provided solely for emergency fire suppression.
13 None of the general fund and disaster response account amounts provided
14 in this subsection may be used to fund agency indirect and
15 administrative expenses. Agency indirect and administrative costs
16 shall be allocated among the agency's remaining accounts and
17 appropriations. The department of natural resources shall submit a
18 quarterly report to the office of financial management and the
19 legislative fiscal committees detailing information on current and
20 planned expenditures from the disaster response account. This work
21 shall be done in coordination with the military department.

22 (3) \$5,000,000 of the forest and fish support account--state
23 appropriation is provided solely for outcome-based, performance
24 contracts with tribes to participate in the implementation of the
25 forest practices program. Contracts awarded may only contain indirect
26 costs set at or below the rate in the contracting tribe's indirect cost
27 agreement with the federal government. If federal funding for this
28 purpose is reinstated, the amount provided in this subsection shall
29 lapse.

30 (4) \$660,000 of the forest and fish support account--state
31 appropriation is provided solely for outcome-based performance
32 contracts with nongovernmental organizations to participate in the
33 implementation of the forest practices program. Contracts awarded may
34 only contain indirect cost set at or below a rate of eighteen percent.

35 (5) \$717,000 of the forest and fish support account--state
36 appropriation is provided solely to fund interagency agreements with
37 the department of ecology and the department of fish and wildlife as
38 part of the adaptive management process.

1 (6) \$440,000 of the state general fund--state appropriation for
2 fiscal year 2014 and \$440,000 of the state general fund--state
3 appropriation for fiscal year 2015 are provided solely for forest work
4 crews that support correctional camps and are contingent upon
5 continuing operations of Naselle youth camp.

6 (7) \$2,382,000 of the resource management cost account--state
7 appropriation is for addressing the growing backlog of expired aquatic
8 leases and new aquatic lease applications. The department shall
9 implement a Lean process to improve the lease review process and
10 further reduce the backlog, and submit a report on its progress in
11 addressing the backlog and implementation of the Lean process to the
12 governor and the appropriate committees of the legislature by October
13 1, 2013.

14 (8) \$1,948,000 of the state toxics control account--state
15 appropriation is provided solely for the department to pay a portion of
16 the costs to complete remedial investigation work at Whitmarsh landfill
17 and Mill site A and perform final-year maintenance of the Olympic view
18 triangle site in Commencement Bay.

19 (9) \$265,000 of the resources management cost account--state
20 appropriation is provided solely for implementation of Second
21 Substitute House Bill No. 1764 (geoduck diver licenses). If the bill
22 is not enacted by June 30, 2013, the amount provided in this subsection
23 shall lapse.

24 (10) \$425,000 of the derelict vessel removal account--state
25 appropriation is provided solely for implementation of Engrossed
26 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
27 the bill is not enacted by June 30, 2013, the amount provided in this
28 subsection shall lapse.

29 (11) \$3,700,000 of the marine resources stewardship trust account--
30 state appropriation is provided solely for implementation of priority
31 marine management planning efforts including mapping activities,
32 ecological assessment, data tools, stakeholder engagement, and all
33 other work identified in Engrossed Senate Bill No. 5603 (marine
34 advisory councils) during the 2013-2015 fiscal biennium.

35 **NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

36	General Fund--State Appropriation (FY 2014)	\$15,300,000
37	General Fund--State Appropriation (FY 2015)	\$15,324,000

1	General Fund--Federal Appropriation	\$23,119,000
2	General Fund--Private/Local Appropriation	\$192,000
3	Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,840,000
4	State Toxics Control Account--State Appropriation	\$5,208,000
5	Water Quality Permit Account--State Appropriation	\$70,000
6	TOTAL APPROPRIATION	\$62,053,000

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

9 (1) \$5,308,445 of the general fund--state appropriation for fiscal
10 year 2014 and \$5,302,905 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for implementing the food
12 assistance program as defined in RCW 43.23.290.

13 (2) Pursuant to RCW 43.135.055 and 16.57.220, the department is
14 authorized to institute livestock inspection fees in the 2013-2015
15 fiscal biennium for calves less than thirty days old.

16 (3) Pursuant to RCW 43.135.055 and 16.36.150, the department is
17 authorized to establish a fee for the sole purpose of purchasing and
18 operating a database and any other technology or software needed to
19 administer animal disease traceability activities for cattle sold or
20 slaughtered in the state or transported out of the state.

21 (4) Within the amounts appropriated in this section, the department
22 of agriculture must convene and facilitate a work group with
23 appropriate stakeholders to review fees supporting programs within the
24 department that are also supported with state general fund. In
25 developing strategies to make the program work more self-supporting,
26 the workgroup will consider, at minimum, the length of time since the
27 last fee increase, similar fees that exist in neighboring states, and
28 fee increases that will ensure reasonable competitiveness in the
29 respective industries. The workgroup must submit a report containing
30 recommendations that will make each of the fee supported programs
31 within the department less reliant on state general fund to the office
32 of financial management and legislative fiscal committees by December
33 1, 2013.

34 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
35 **INSURANCE PROGRAM**

36 Pollution Liability Insurance Program Trust

37	Account--State Appropriation	\$988,000
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1 NEW SECTION. **Sec. 311. FOR THE PUGET SOUND PARTNERSHIP**

2	General Fund--State Appropriation (FY 2014)	\$2,416,000
3	General Fund--State Appropriation (FY 2015)	\$2,324,000
4	General Fund--Federal Appropriation	\$11,577,000
5	Aquatic Lands Enhancement Account--State Appropriation . . .	\$1,920,000
6	State Toxics Control Account--State Appropriation . . . . .	.\$677,000
7	TOTAL APPROPRIATION	\$18,914,000

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

10 (1) \$788,000 of the aquatic lands enhancement account--state
11 appropriation is provided solely for coordinating a study of Puget
12 Sound juvenile steelhead marine survival conducted by the department of
13 fish and wildlife and based on a study plan developed in cooperation
14 with federal, tribal, and nongovernmental entities.

15 (2) By October 1, 2014, the Puget Sound partnership shall provide
16 the governor a single, prioritized list of state agency 2015-2017
17 capital and operating budget requests related to Puget Sound
18 restoration.

(End of part)

PART IV
TRANSPORTATION

NEW SECTION. **Sec. 401. FOR THE DEPARTMENT OF LICENSING**

4	General Fund--State Appropriation (FY 2014)	\$1,103,000
5	General Fund--State Appropriation (FY 2015)	\$1,345,000
6	Architects' License Account--State Appropriation	\$903,000
7	Professional Engineers' Account--State	
8	Appropriation	\$3,563,000
9	Real Estate Commission Account--State Appropriation	\$9,946,000
10	Uniform Commercial Code Account--State	
11	Appropriation	\$3,157,000
12	Real Estate Education Account--State Appropriation	\$276,000
13	Real Estate Appraiser Commission Account--State	
14	Appropriation	\$1,705,000
15	Business and Professions Account--State	
16	Appropriation	\$17,483,000
17	Funeral and Cemetery Account--State Appropriation	\$5,000
18	Landscape Architects Account--State Appropriation	\$4,000
19	Appraisal Management Company Account--State	
20	Appropriation	\$4,000
21	Real Estate Research Account--State Appropriation	\$415,000
22	Wildlife Account--State Appropriation	\$32,000
23	Geologists' Account--State Appropriation	\$52,000
24	Derelict Vessel Removal Account--State Appropriation	\$31,000
25	TOTAL APPROPRIATION	\$40,024,000

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

28 (1) \$566,000 of the business and professions account--state
29 appropriation is provided solely for the implementation of Engrossed
30 Substitute House Bill No. 1552 (scrap metal theft reduction). If the
31 bill is not enacted by June 30, 2013, the amount provided in this
32 subsection shall lapse.

33 (2) \$166,000 of the business and professions account--state
34 appropriation in fiscal year 2014 only is provided solely for the
35 implementation of Substitute House Bill No. 1779 (esthetics). If the

1 bill is not enacted by June 30, 2013, the amount provided in this
2 subsection shall lapse.

3 (3) \$592,000 of the business and professions account--state
4 appropriation is provided solely for the implementation of Substitute
5 House Bill No. 1822 (debt collection practices). If the bill is not
6 enacted by June 30, 2013, the amount provided in this subsection shall
7 lapse.

8 NEW SECTION. **Sec. 402. FOR THE STATE PATROL**

9	General Fund--State Appropriation (FY 2014)	\$34,653,000
10	General Fund--State Appropriation (FY 2015)	\$32,592,000
11	General Fund--Federal Appropriation	\$16,195,000
12	General Fund--Private/Local Appropriation	\$3,020,000
13	Death Investigations Account--State Appropriation	\$9,965,000
14	County Criminal Justice Assistance Account--State	
15	Appropriation	\$3,338,000
16	Municipal Criminal Justice Assistance Account--State	
17	Appropriation	\$1,354,000
18	Fire Service Trust Account--State Appropriation	\$131,000
19	Disaster Response Account--State Appropriation	\$8,000,000
20	Fire Service Training Account--State Appropriation	\$10,104,000
21	Aquatic Invasive Species Enforcement Account--State	
22	Appropriation	\$54,000
23	State Toxics Control Account--State Appropriation	\$517,000
24	Fingerprint Identification Account--State	
25	Appropriation	\$13,990,000
26	Vehicle License Fraud Account--State Appropriation	\$448,000
27	TOTAL APPROPRIATION	\$134,361,000

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

30 (1) \$200,000 of the fire service training account--state
31 appropriation is provided solely for two FTEs in the office of the
32 state director of fire protection to exclusively review K-12
33 construction documents for fire and life safety in accordance with the
34 state building code. It is the intent of this appropriation to provide
35 these services only to those districts that are located in counties
36 without qualified review capabilities.

1 (2) \$8,000,000 of the disaster response account--state
2 appropriation is provided solely for Washington state fire service
3 resource mobilization costs incurred in response to an emergency or
4 disaster authorized under RCW 43.43.960 through 43.43.964. The state
5 patrol shall submit a report quarterly to the office of financial
6 management and the legislative fiscal committees detailing information
7 on current and planned expenditures from this account. This work shall
8 be done in coordination with the military department.

9 (3) \$1,000,000 of the fire service training account--state
10 appropriation is provided solely for the firefighter apprenticeship
11 training program.

12 (4) \$3,480,000 of the fingerprint identification account--state
13 appropriation is provided solely for upgrades to the Washington state
14 identification system and the Washington crime information center.
15 Amounts provided in this subsection may not be expended until the
16 office of the chief information officer approves a plan to move the
17 Washington state patrol's servers and data center equipment into the
18 state data center in the 1500 Jefferson building, and the office of the
19 chief information officer certifies that the Washington state patrol
20 has begun the move. The amounts provided in this subsection are
21 conditioned on the department satisfying the requirements of the
22 project management oversight standards and policies established by the
23 office of the chief information officer.

24 (5) \$154,000 of the fingerprint identification account--state
25 appropriation is provided solely for implementation of Substitute House
26 Bill No. 1612 (firearms offenders). If the bill is not enacted by June
27 30, 2013, the amount provided in this subsection shall lapse.

28 (6) In accordance with RCW 43.135.055 and 43.43.742, the state
29 patrol is authorized to increase the following fees in fiscal year 2014
30 as necessary to meet the actual costs of conducting business and the
31 appropriation levels in this section: Electronic and paper-based
32 fingerprint and name and date of birth background checks.

(End of part)

PART V
EDUCATION

NEW SECTION. **Sec. 501.** **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2014)	\$27,386,000
General Fund--State Appropriation (FY 2015)	\$26,450,000
General Fund--Federal Appropriation	\$63,862,000
General Fund--Private/Local Appropriation	\$4,005,000
TOTAL APPROPRIATION	\$121,653,000

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

(1) A maximum of \$17,429,000 of the general fund--state appropriation for fiscal year 2014 and \$16,878,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) \$9,102,000 of the general fund--state appropriation for fiscal year 2014 and \$8,944,000 of the general fund--state appropriation for fiscal year 2015 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) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(iii) By September of each year, the office of the superintendent of public instruction shall produce an annual status report of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of staff, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, and proviso outcomes and achievements.

1 (iv) The superintendent of public instruction shall update the
2 program prepared and distributed under RCW 28A.230.150 for the
3 observation of temperance and good citizenship day to include providing
4 an opportunity for eligible students to register to vote at school.

5 (b) \$1,017,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$1,017,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for activities associated with the
8 implementation of new school finance systems required by chapter 236,
9 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
10 (state's education system), including technical staff, systems
11 reprogramming, and workgroup deliberations, including the quality
12 education council and the data governance working group.

13 (c)(i) \$851,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$851,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the operation and expenses of
16 the state board of education, including basic education assistance
17 activities.

18 (ii) \$234,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$234,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely to the state board of education
21 for implementation of Initiative Measure No. 1240 (charter schools).

22 (d) \$1,494,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$1,494,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely to the professional educator
25 standards board for the following:

26 (i) \$1,050,000 in fiscal year 2014 and \$1,050,000 in fiscal year
27 2015 are for the operation and expenses of the Washington professional
28 educator standards board;

29 (ii) \$419,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$419,000 of the general fund--state appropriation for
31 fiscal year 2015 are for mentor stipends provided through the
32 alternative routes to certification program administered by the
33 professional educator standards board, including the pipeline for
34 paraeducators program and the retooling to teach conditional loan
35 programs. Funding within this subsection (1)(d)(ii) is also provided
36 for the recruiting Washington teachers program; and

37 (iii) \$25,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$25,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the professional educator
2 standards board to develop educator interpreter standards and identify
3 interpreter assessments that are available to school districts.
4 Interpreter assessments should meet the following criteria: (A)
5 Include both written assessment and performance assessment; (B) be
6 offered by a national organization of professional sign language
7 interpreters and transliterators; and (C) be designed to assess
8 performance in more than one sign system or sign language. The board
9 shall establish a performance standard, defining what constitutes a
10 minimum assessment result, for each educational interpreter assessment
11 identified. The board shall publicize the standards and assessments
12 for school district use.

13 (e) \$133,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$133,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the implementation of chapter
16 240, Laws of 2010, including staffing the office of equity and civil
17 rights.

18 (f) \$50,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$50,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for the ongoing work of the
21 education opportunity gap oversight and accountability committee.

22 (g) \$45,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$45,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for the implementation of chapter
25 380, Laws of 2009 (enacting the interstate compact on educational
26 opportunity for military children).

27 (h) \$131,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$131,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for the implementation of
30 Initiative Measure No. 1240 (charter schools).

31 (i) \$1,826,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$1,802,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for implementing a comprehensive
34 data system to include financial, student, and educator data, including
35 development and maintenance of the comprehensive education data and
36 research system (CEDARS).

37 (j) \$25,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$25,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for project citizen, a program
2 sponsored by the national conference of state legislatures and the
3 center for civic education to promote participation in government by
4 middle school students.

5 (k) \$1,500,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$1,500,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for collaborative schools for
8 innovation and success authorized under chapter 53, Laws of 2012. The
9 office of the superintendent of public instruction shall award \$500,000
10 per year in funding for each collaborative school for innovation and
11 success selected for participation in the pilot program during 2012.

12 (l) \$123,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$123,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for implementation of chapter 163,
15 Laws of 2012 (foster care outcomes). The office of the superintendent
16 of public instruction shall annually report each December on the
17 implementation of the state's plan of cross-system collaboration to
18 promote educational stability and improve education outcomes of foster
19 youth.

20 (m) \$250,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$250,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for implementation of chapter 178,
23 Laws of 2012 (open K-12 education resources).

24 (n) \$93,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$93,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for chapter 185, Laws of 2011
27 (bullying prevention, which requires the office of the superintendent
28 of public instruction to convene an ongoing workgroup on school
29 bullying and harassment prevention. Within the amounts provided,
30 \$140,000 is for youth suicide prevention activities.

31 (o) \$138,000 of the general fund--state appropriation for fiscal
32 year 2014 is provided solely for implementation of House Bill No. 1336
33 (troubled youth in school). If the bill is not enacted by June 30,
34 2013, the amounts provided in this subsection shall lapse.

35 (p) \$118,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$14,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for implementation of House Bill

1 No. 1134 (state-tribal education compacts). If the bill is not enacted
2 by June 30, 2013, the amounts provided in this subsection shall lapse.

3 (q) \$100,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$100,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for the office of the
6 superintendent of public instruction to develop and implement an
7 outreach and education program to inform school districts and employee
8 representative organizations of the health insurance plans, premium tax
9 credits, and out-of-pocket cost subsidies available to individuals who
10 purchase health plans offered through the Washington health benefit
11 exchange. The outreach and education program shall be developed in
12 collaboration with school districts, health care authority, employee
13 representative organizations, the Washington health benefit exchange,
14 and other appropriate entities.

15 (r) \$62,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$62,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for implementation of House Bill
18 No. 1472 (computer science education). If the bill is not enacted by
19 June 30, 2013, the amounts provided in this subsection shall lapse.

20 (s) \$27,000 of the general fund--state appropriation for fiscal
21 year 2014 is provided solely for implementation of House Bill No. 1556
22 (cardiac arrest education). If the bill is not enacted by June 30,
23 2013, the amounts provided in this subsection shall lapse.

24 (t) \$50,000 of the general fund--state appropriation for fiscal
25 year 2014 is provided solely for the development of recommendations for
26 funding integrated school nursing and outreach services. The office of
27 the superintendent of public instruction shall collaborate with the
28 health care authority to develop recommendations for increasing federal
29 financial participation for providing nursing services in schools with
30 the goals of integrating nursing and outreach services and supporting
31 one nurse for every four-hundred fifty students in elementary schools
32 and one nurse for every seven-hundred fifty students in secondary
33 schools. The recommendations shall include proposals for funding
34 training and reimbursement for nurses that provide outreach services to
35 help eligible students enroll in apple health for kids and other social
36 services programs. The authority and the office of the superintendent
37 of public instruction shall provide these recommendations to the
38 governor and the legislature by December 1, 2013.

1 (u) \$50,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely for the office of the superintendent of
3 public instruction to contract with an organization to develop a model
4 plan for evaluating the outcomes of state funded pilot education
5 programs, including guidelines for standard data that must be gathered
6 throughout any education pilot program, as well as guidance for data
7 and evaluation methods depending on the design of the program and the
8 target population. The contract must also include a provision to
9 provide guidance for the evaluation of existing pilot programs.

10 (v) \$10,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$10,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for the superintendent of public
13 instruction to convene a committee for the selection and recognition of
14 Washington innovative schools. The committee shall select and
15 recognize Washington innovative schools based on the selection criteria
16 established by the office of the superintendent of public instruction,
17 in accordance with chapter 202, Laws of 2011 (innovation schools--
18 recognition) and chapter 260, Laws of 2011 (innovation schools and
19 zones).

20 (2) \$9,957,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$9,584,000 of the general fund--state appropriation for
22 fiscal year 2015 are for statewide programs.

23 (a) HEALTH AND SAFETY

24 (i) \$2,541,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$2,541,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for a corps of nurses located at
27 educational service districts, as determined by the superintendent of
28 public instruction, to be dispatched to the most needy schools to
29 provide direct care to students, health education, and training for
30 school staff.

31 (ii) \$135,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$135,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for a nonviolence and leadership
34 training program provided by the institute for community leadership.

35 (b) TECHNOLOGY

36 \$1,221,000 of the general fund--state appropriation for fiscal year
37 2014 and \$1,221,000 of the general fund--state appropriation for fiscal
38 year 2015 are provided solely for K-20 telecommunications network

1 technical support in the K-12 sector to prevent system failures and
2 avoid interruptions in school utilization of the data processing and
3 video-conferencing capabilities of the network. These funds may be
4 used to purchase engineering and advanced technical support for the
5 network.

6 (c) GRANTS AND ALLOCATIONS

7 (i) \$2,175,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$2,175,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for the Washington state achievers
10 scholarship program. The funds shall be used to support community
11 involvement officers that recruit, train, and match community volunteer
12 mentors with students selected as achievers scholars.

13 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$1,000,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for contracting with a college
16 scholarship organization with expertise in conducting outreach to
17 students concerning eligibility for the Washington college bound
18 scholarship consistent with chapter 405, Laws of 2007.

19 (iii) \$337,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$337,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for implementation of the building
22 bridges statewide program for comprehensive dropout prevention,
23 intervention, and reengagement strategies.

24 (iv) \$135,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$135,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for dropout prevention programs at
27 the office of the superintendent of public instruction, including the
28 jobs for America's graduates (JAG) program.

29 (v) \$2,020,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$1,647,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the implementation of chapter
32 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the
33 development and implementation of the Washington kindergarten inventory
34 of developing skills (WaKIDS).

35 (vi) \$100,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$100,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely to subsidize advanced placement
38 exam fees and international baccalaureate class fees and exam fees for

1 low-income students. To be eligible for the subsidy, a student must be
2 either enrolled or eligible to participate in the federal free or
3 reduced price lunch program, and the student must have maximized the
4 allowable federal contribution. The office of the superintendent of
5 public instruction shall set the subsidy in an amount so that the
6 advanced placement exam fee does not exceed \$15.00 and the combined
7 class and exam fee for the international baccalaureate does not exceed
8 \$14.50.

9 (vii) \$293,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$293,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the office of the
12 superintendent of public instruction to support the dissemination of
13 the navigation 101 curriculum to all districts.

14 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

16	General Fund--State Appropriation (FY 2014)	\$5,445,282,000
17	General Fund--State Appropriation (FY 2015)	\$5,735,636,000
18	Education Legacy Trust Account--State Appropriation	\$25,283,000
19	TOTAL APPROPRIATION	\$11,206,201,000

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

22 (1)(a) Each general fund fiscal year appropriation includes such
23 funds as are necessary to complete the school year ending in the fiscal
24 year and for prior fiscal year adjustments.

25 (b) For the 2013-14 and 2014-15 school years, the superintendent
26 shall allocate general apportionment funding to school districts as
27 provided in the funding formulas and salary schedules in sections 502
28 and 503 of this act, excluding (c) of this subsection.

29 (c) From July 1, 2013 to August 31, 2013, the superintendent shall
30 allocate general apportionment funding to school districts programs as
31 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.
32 sess., as amended through sections 502 and 503 of the 2013 omnibus
33 supplemental operating appropriations act.

34 (d) The enrollment of any district shall be the annual average
35 number of full-time equivalent students and part-time students as
36 provided in RCW 28A.150.350, enrolled on the fourth day of school in
37 September and on the first school day of each month October through

1 June, including students who are in attendance pursuant to RCW
 2 28A.335.160 and 28A.225.250 who do not reside within the servicing
 3 school district. Any school district concluding its basic education
 4 program in May must report the enrollment of the last school day held
 5 in May in lieu of a June enrollment.

6 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

7 Allocations for certificated instructional staff salaries for the
 8 2013-14 and 2014-15 school years are determined using formula-generated
 9 staff units calculated pursuant to this subsection.

10 (a) Certificated instructional staff units, as defined in RCW
 11 28A.150.410, shall be allocated to reflect the minimum class size
 12 allocations, requirements, and school prototypes assumptions as
 13 provided in RCW 28A.150.260. The superintendent shall make allocations
 14 to school districts based on the district's annual average full-time
 15 equivalent student enrollment in each grade.

16 (b) Additional certificated instructional staff units provided in
 17 this subsection (2) that exceed the minimum requirements in RCW
 18 28A.150.260 are enhancements outside the program of basic education,
 19 except as otherwise provided in this section.

20 (c)(i) The superintendent shall base allocations for each level of
 21 prototypical school on the following regular education average class
 22 size of full-time equivalent students per teacher, except as provided
 23 in (c)(ii) of this subsection:

24
 25 General education class size:

26 Grade	RCW 28A.150.260	2013-14 School Year	2014-15 School Year
27 Grades K-3		23.50	23.50
28 Grade 4		27.00	27.00
29 Grades 5-6		27.00	27.00
30 Grades 7-8		28.53	28.53
31 Grades 9-12		28.74	28.74

32
 33 The superintendent shall base allocations for career and technical
 34 education (CTE) and skill center programs average class size as
 35 provided in RCW 28A.150.260.

1 (ii) For each level of prototypical school at which more than fifty
 2 percent of the students were eligible for free and reduced-price meals
 3 in the prior school year, the superintendent shall allocate funding
 4 based on the following average class size of full-time equivalent
 5 students per teacher:

7 General education class size in high poverty 8 school:	2013-14 School Year	2014-15 School Year
9 Grades K-3	21.76	21.76
10 Grade 4	27.00	27.00
11 Grades 5-6	27.00	27.00
12 Grades 7-8	28.53	28.53
13 Grades 9-12	28.74	28.74

14 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
 15 planning period, expressed as a percentage of a teacher work day, is
 16 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

17 (iv) Laboratory science, advanced placement, and international
 18 baccalaureate courses are funded at the same class size assumptions as
 19 general education schools in the same grade; and

20 (d)(i) Funding for teacher librarians, school nurses, social
 21 workers, school psychologists, and guidance counselors is allocated
 22 based on the school prototypes as provided in RCW 28A.150.260 and is
 23 considered certificated instructional staff, except as provided in
 24 (d)(ii) of this subsection.

25 (ii) Students in approved career and technical education and skill
 26 center programs generate certificated instructional staff units to
 27 provide for the services of teacher librarians, school nurses, social
 28 workers, school psychologists, and guidance counselors at the following
 29 combined rate per 1000 students:

30 Career and Technical Education	
31 students	2.02 per 1000 student FTE's
32 Skill Center students	2.36 per 1000 student FTE's

33 (3) ADMINISTRATIVE STAFF ALLOCATIONS

1 (a) Allocations for school building-level certificated
2 administrative staff salaries for the 2013-14 and 2014-15 school years
3 for general education students are determined using the formula
4 generated staff units calculated pursuant to this subsection. The
5 superintendent shall make allocations to school districts based on the
6 district's annual average full-time equivalent enrollment in each
7 grade. The following prototypical school values shall determine the
8 allocation for principals, assistance principals, and other
9 certificated building level administrators:

10

11 Prototypical School Building:

12 Elementary School	.....	1.253
13 Middle School	.....	1.353
14 High School	.....	1.880

15 (b) Students in approved career and technical education and skill
16 center programs generate certificated school building-level
17 administrator staff units at per student rates that are a multiple of
18 the general education rate in (a) of this subsection by the following
19 factors: Career and Technical Education students1.025
20 Skill Center students1.198

21 (4) CLASSIFIED STAFF ALLOCATIONS

22 Allocations for classified staff units providing school building-
23 level and district-wide support services for the 2013-14 and 2014-15
24 school years are determined using the formula-generated staff units
25 provided in RCW 28A.150.260, and adjusted based on each district's
26 annual average full-time equivalent student enrollment in each grade.

27 (5) CENTRAL OFFICE ALLOCATIONS

28 In addition to classified and administrative staff units allocated
29 in subsections (3) and (4) of this section, classified and
30 administrative staff units are provided for the 2013-14 and 2014-15
31 school year for the central office administrative costs of operating a
32 school district, at the following rates:

33 (a) The total central office staff units provided in this
34 subsection (5) are calculated by first multiplying the total number of

1 eligible certificated instructional, certificated administrative, and
2 classified staff units providing school-based or district-wide support
3 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

4 (b) Of the central office staff units calculated in (a) of this
5 subsection, 74.53 percent are allocated as classified staff units, as
6 generated in subsection (4) of this section, and 25.47 percent shall be
7 allocated as administrative staff units, as generated in subsection (3)
8 of this section.

9 (c) Staff units generated as enhancements outside the program of
10 basic education to the minimum requirements of RCW 28A.150.260, and
11 staff units generated by skill center and career-technical students,
12 are excluded from the total central office staff units calculation in
13 (a) of this subsection.

14 (d) For students in approved career-technical and skill center
15 programs, central office classified units are allocated at the same
16 staff unit per student rate as those generated for general education
17 students of the same grade in this subsection (5), and central office
18 administrative staff units are allocated at staff unit per student
19 rates that exceed the general education rate established for students
20 in the same grade in this subsection (5) by 1.97 percent in the 2013-14
21 school year and 1.97 percent in the 2014-15 school year for career and
22 technical education students, and 21.92 percent in the 2013-14 school
23 year and 21.92 percent in the 2014-15 school year for skill center
24 students.

25 (6) FRINGE BENEFIT ALLOCATIONS

26 Fringe benefit allocations shall be calculated at a rate of 18.68
27 percent in the 2013-14 school year and 18.68 percent in the 2014-15
28 school year for certificated salary allocations provided under
29 subsections (2), (3), and (5) of this section, and a rate of 20.95
30 percent in the 2013-14 school year and 20.95 percent in the 2014-15
31 school year for classified salary allocations provided under
32 subsections (4) and (5) of this section.

33 (7) INSURANCE BENEFIT ALLOCATIONS

34 Insurance benefit allocations shall be calculated at the
35 maintenance rate specified in section 504 of this act, based on the
36 number of benefit units determined as follows:

37 (a) The number of certificated staff units determined in
38 subsections (2), (3), and (5) of this section; and

1 (b) The number of classified staff units determined in subsections
 2 (4) and (5) of this section multiplied by 1.152. This factor is
 3 intended to adjust allocations so that, for the purposes of
 4 distributing insurance benefits, full-time equivalent classified
 5 employees may be calculated on the basis of 1440 hours of work per
 6 year, with no individual employee counted as more than one full-time
 7 equivalent.

8 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

9 Funding is allocated per annual average full-time equivalent
 10 student for the materials, supplies, and operating costs (MSOC)
 11 incurred by school districts, consistent with the requirements of RCW
 12 28A.150.260.

13 (a) MSOC funding for general education students are allocated at
 14 the following per student rates:

15 MSOC RATES/STUDENT FTE

17 MSOC Component	2013-14	2014-15
	SCHOOL YEAR	SCHOOL YEAR
20 Technology	\$82.43	\$83.83
21 Utilities and Insurance	\$223.98	\$227.78
22 Curriculum and Textbooks	\$88.50	\$90.01
23 Other Supplies and Library Materials	\$187.89	\$191.08
24 Instructional Professional Development for Certificated 25 and Classified Staff	\$13.69	\$13.92
26 Facilities Maintenance	\$110.96	\$112.84
27 Security and Central Office	\$76.86	\$78.18
28 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$784.31	\$797.64

29 (b) Students in approved skill center programs generate per student
 30 FTE MSOC allocations of \$1,249.17 for the 2013-14 school year and
 31 \$1,270.41 for the 2014-15 school year.

32 (c) Students in approved exploratory and preparatory career and
 33 technical education programs generate a per student MSOC allocation of

1 \$1,249.17 for the 2013-14 school year and \$1,270.41 for the 2014-15
2 school year.

3 (d) Students in laboratory science courses generate per student FTE
4 MSOC allocations which equal the per student FTE rate for general
5 education students established in (a) of this subsection.

6 (9) SUBSTITUTE TEACHER ALLOCATIONS

7 For the 2013-14 and 2014-15 school years, funding for substitute
8 costs for classroom teachers is based on four (4) funded substitute
9 days per classroom teacher unit generated under subsection (2) of this
10 section, at a daily substitute rate of \$151.86.

11 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

12 (a) Amounts provided in this section from July 1, 2013, to August
13 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of
14 2011 1st sp. sess. (allocation of funding for funding for students
15 enrolled in alternative learning experiences).

16 (b) Amounts provided in this section beginning September 1, 2013,
17 are adjusted to reflect 2013 legislation that modifies alternative
18 learning experience courses.

19 (c) The superintendent of public instruction shall require all
20 districts receiving general apportionment funding for alternative
21 learning experience (ALE) programs as defined in WAC 392-121-182 to
22 provide separate financial accounting of expenditures for the ALE
23 programs offered in district or with a provider, including but not
24 limited to private companies and multidistrict cooperatives, as well as
25 accurate, monthly headcount and FTE enrollment claimed for basic
26 education, including separate counts of resident and nonresident
27 students.

28 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

29 Funding in this section is sufficient to fund voluntary full day
30 kindergarten programs in qualifying high poverty schools, pursuant to
31 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
32 for the voluntary full-day program in a qualifying school shall count
33 as one-half of one full-time equivalent student for purpose of making
34 allocations under this section. Funding in this section provides full-
35 day kindergarten programs for 48.0 percent of kindergarten enrollment
36 in the 2013-14 school year and 48.0 percent in the 2014-15 school year.

1 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
2 NECESSARY PLANTS

3 For small school districts and remote and necessary school plants
4 within any district which have been judged to be remote and necessary
5 by the superintendent of public instruction, additional staff units are
6 provided to ensure a minimum level of staffing support. Additional
7 administrative and certificated instructional staff units provided to
8 districts in this subsection shall be reduced by the general education
9 staff units, excluding career and technical education and skills center
10 enhancement units, otherwise provided in subsections (2) through (5) of
11 this section on a per district basis.

12 (a) For districts enrolling not more than twenty-five average
13 annual full-time equivalent students in grades K-8, and for small
14 school plants within any school district which have been judged to be
15 remote and necessary by the superintendent of public instruction and
16 enroll not more than twenty-five average annual full-time equivalent
17 students in grades K-8:

18 (i) For those enrolling no students in grades 7 and 8, 1.76
19 certificated instructional staff units and 0.24 certificated
20 administrative staff units for enrollment of not more than five
21 students, plus one-twentieth of a certificated instructional staff unit
22 for each additional student enrolled; and

23 (ii) For those enrolling students in grades 7 or 8, 1.68
24 certificated instructional staff units and 0.32 certificated
25 administrative staff units for enrollment of not more than five
26 students, plus one-tenth of a certificated instructional staff unit for
27 each additional student enrolled;

28 (b) For specified enrollments in districts enrolling more than
29 twenty-five but not more than one hundred average annual full-time
30 equivalent students in grades K-8, and for small school plants within
31 any school district which enroll more than twenty-five average annual
32 full-time equivalent students in grades K-8 and have been judged to be
33 remote and necessary by the superintendent of public instruction:

34 (i) For enrollment of up to sixty annual average full-time
35 equivalent students in grades K-6, 2.76 certificated instructional
36 staff units and 0.24 certificated administrative staff units; and

37 (ii) For enrollment of up to twenty annual average full-time

1 equivalent students in grades 7 and 8, 0.92 certificated instructional
2 staff units and 0.08 certificated administrative staff units;

3 (c) For districts operating no more than two high schools with
4 enrollments of less than three hundred average annual full-time
5 equivalent students, for enrollment in grades 9-12 in each such school,
6 other than alternative schools, except as noted in this subsection:

7 (i) For remote and necessary schools enrolling students in any
8 grades 9-12 but no more than twenty-five average annual full-time
9 equivalent students in grades K-12, four and one-half certificated
10 instructional staff units and one-quarter of a certificated
11 administrative staff unit;

12 (ii) For all other small high schools under this subsection, nine
13 certificated instructional staff units and one-half of a certificated
14 administrative staff unit for the first sixty average annual full-time
15 equivalent students, and additional staff units based on a ratio of
16 0.8732 certificated instructional staff units and 0.1268 certificated
17 administrative staff units per each additional forty-three and one-half
18 average annual full-time equivalent students;

19 (iii) Districts receiving staff units under this subsection shall
20 add students enrolled in a district alternative high school and any
21 grades nine through twelve alternative learning experience programs
22 with the small high school enrollment for calculations under this
23 subsection;

24 (d) For each nonhigh school district having an enrollment of more
25 than seventy annual average full-time equivalent students and less than
26 one hundred eighty students, operating a grades K-8 program or a grades
27 1-8 program, an additional one-half of a certificated instructional
28 staff unit;

29 (e) For each nonhigh school district having an enrollment of more
30 than fifty annual average full-time equivalent students and less than
31 one hundred eighty students, operating a grades K-6 program or a grades
32 1-6 program, an additional one-half of a certificated instructional
33 staff unit;

34 (f)(i) For enrollments generating certificated staff unit
35 allocations under (a) through (e) of this subsection, one classified
36 staff unit for each 2.94 certificated staff units allocated under such
37 subsections;

1 (ii) For each nonhigh school district with an enrollment of more
2 than fifty annual average full-time equivalent students and less than
3 one hundred eighty students, an additional one-half of a classified
4 staff unit; and

5 (g) School districts receiving additional staff units to support
6 small student enrollments and remote and necessary plants under this
7 subsection (12) shall generate additional MSOC allocations consistent
8 with the nonemployee related costs (NERC) allocation formula in place
9 for the 2010-11 school year as provided section 502, chapter 37, Laws
10 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for
11 inflation.

12 (13) Any school district board of directors may petition the
13 superintendent of public instruction by submission of a resolution
14 adopted in a public meeting to reduce or delay any portion of its basic
15 education allocation for any school year. The superintendent of public
16 instruction shall approve such reduction or delay if it does not impair
17 the district's financial condition. Any delay shall not be for more
18 than two school years. Any reduction or delay shall have no impact on
19 levy authority pursuant to RCW 84.52.0531 and local effort assistance
20 pursuant to chapter 28A.500 RCW.

21 (14) The superintendent may distribute funding for the following
22 programs outside the basic education formula during fiscal years 2014
23 and 2015 as follows:

24 (a) \$607,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$617,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for fire protection for school
27 districts located in a fire protection district as now or hereafter
28 established pursuant to chapter 52.04 RCW.

29 (b) \$436,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$436,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for programs providing skills
32 training for secondary students who are enrolled in extended day
33 school-to-work programs, as approved by the superintendent of public
34 instruction. The funds shall be allocated at a rate not to exceed \$500
35 per full-time equivalent student enrolled in those programs.

36 (15) \$214,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$218,000 of the general fund--state appropriation for
38 fiscal year 2015 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) Students participating in running start programs may be funded
10 up to a combined maximum enrollment of 1.2 FTE including school
11 district and institution of higher education enrollment. In
12 calculating the combined 1.2 FTE, the office of the superintendent of
13 public instruction may average the participating student's September
14 through June enrollment to account for differences in the start and end
15 dates for courses provided by the high school and higher education
16 institution. Additionally, the office of the superintendent of public
17 instruction, in consultation with the state board for community and
18 technical colleges, the higher education coordinating board, and the
19 education data center, shall annually track and report to the fiscal
20 committees of the legislature on the combined FTE experience of
21 students participating in the running start program, including course
22 load analyses at both the high school and community and technical
23 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 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
13 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

14 (1) The following calculations determine the salaries used in the
15 state allocations for certificated instructional, certificated
16 administrative, and classified staff units as provided in RCW
17 28A.150.280 and under section 502 of this act:

18 (a) Salary allocations for certificated instructional staff units
19 are determined for each district by multiplying the district's
20 certificated instructional total base salary shown on LEAP Document 2
21 by the district's average staff mix factor for certificated
22 instructional staff in that school year, computed using LEAP document
23 1; and

24 (b) Salary allocations for certificated administrative staff units
25 and classified staff units for each district are determined based on
26 the district's certificated administrative and classified salary
27 allocation amounts shown on LEAP Document 2.

28 (2) For the purposes of this section:

29 (a) "LEAP Document 1" means the staff mix factors for certificated
30 instructional staff according to education and years of experience, as
31 developed by the legislative evaluation and accountability program
32 committee on June 1, 2013 at 08:06 hours; and

33 (b) "LEAP Document 2" means the school year salary allocations for
34 certificated administrative staff and classified staff and derived and
35 total base salaries for certificated instructional staff as developed
36 by the legislative evaluation and accountability program committee on
37 June 1, 2013 at 01:29 hours.

1 (3) Incremental fringe benefit factors are applied to salary
 2 adjustments at a rate of 18.04 percent for school year 2013-14 and
 3 18.04 percent for school year 2014-15 for certificated instructional
 4 and certificated administrative staff and 17.45 percent for school year
 5 2013-14 and 17.45 percent for the 2014-15 school year for classified
 6 staff.

7 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
 8 allocation schedules for certificated instructional staff are
 9 established for basic education salary allocations:

10
 11 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2013-14
 12 *** Education Experience ***

13	Years										MA+90
14	of										OR
15	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.	
16	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860	
17	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332	
18	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802	
19	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276	
20	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765	
21	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256	
22	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723	
23	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713	
24	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228	
25	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788	
26	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390	
27	11				46,772	50,121	52,557	50,249	53,599	56,034	
28	12				48,249	51,761	54,269	51,835	55,238	57,748	
29	13					53,440	56,024	53,476	56,918	59,501	
30	14					55,128	57,844	55,165	58,716	61,322	
31	15					56,563	59,349	56,599	60,242	62,917	
32	16 or					57,693	60,535	57,731	61,447	64,174	
33	more										

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2014-15

*** 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	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
11				46,772	50,121	52,557	50,249	53,599	56,034
12				48,249	51,761	54,269	51,835	55,238	57,748
13					53,440	56,024	53,476	56,918	59,501
14					55,128	57,844	55,165	58,716	61,322
15					56,563	59,349	56,599	60,242	62,917
16 or more					57,693	60,535	57,731	61,447	64,174

(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 in-
7 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 NEW SECTION. **Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

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

23 (1)(a) Additional salary adjustments as necessary to fund the base
24 salaries for certificated instructional staff as listed for each
25 district in LEAP Document 2, defined in section 503(2)(b) of this act.
26 Allocations for these salary adjustments shall be provided to all
27 districts that are not grandfathered to receive salary allocations
28 above the statewide salary allocation schedule, and to certain
29 grandfathered districts to the extent necessary to ensure that salary
30 allocations for districts that are currently grandfathered do not fall
31 below the statewide salary allocation schedule.

32 (b) Additional salary adjustments to certain districts as necessary
33 to fund the per full-time-equivalent salary allocations for
34 certificated administrative staff as listed for each district in LEAP
35 Document 2, defined in section 503(2)(b) of this act.

36 (c) Additional salary adjustments to certain districts as necessary

1 to fund the per full-time-equivalent salary allocations for classified
2 staff as listed for each district in LEAP Document 2, defined in
3 section 503(2)(b) of this act.

4 (d) The appropriations in this subsection (1) include associated
5 incremental fringe benefit allocations at 18.04 percent for the 2013-14
6 school year and 18.04 percent for the 2014-15 school year for
7 certificated instructional and certificated administrative staff and
8 17.45 percent for the 2013-14 school year and 17.45 percent for the
9 2014-15 school year for classified staff.

10 (e) The appropriations in this section include the increased or
11 decreased portion of salaries and incremental fringe benefits for all
12 relevant state-funded school programs in part V of this act. Changes
13 for general apportionment (basic education) are based on the salary
14 allocation schedules and methodology in sections 502 and 503 of this
15 act. Changes for special education result from changes in each
16 district's basic education allocation per student. Changes for
17 educational service districts and institutional education programs are
18 determined by the superintendent of public instruction using the
19 methodology for general apportionment salaries and benefits in sections
20 502 and 503 of this act.

21 (f) The appropriations in this section include no salary
22 adjustments for substitute teachers.

23 (2) The maintenance rate for insurance benefit allocations is
24 \$768.00 per month for the 2013-14 and 2014-15 school years. The
25 appropriations in this section reflect the incremental change in cost
26 of allocating rates of \$768.00 per month for the 2013-14 school year
27 and \$768.00 per month for the 2014-15 school year.

28 (3) The rates specified in this section are subject to revision
29 each year by the legislature.

30 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

32	General Fund--State Appropriation (FY 2014)	\$325,402,000
33	General Fund--State Appropriation (FY 2015)	\$417,877,000
34	TOTAL APPROPRIATION	\$743,279,000

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 2013-14 and 2014-15 school years, the superintendent
5 shall allocate funding to school district programs for the
6 transportation of students as provided in RCW 28A.160.192.

7 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
8 allocate funding to school districts programs for the transportation of
9 students as provided in section 505, chapter 50, Laws of 2011 1st sp.
10 sess., as amended through section 505 of the 2013 omnibus supplemental
11 operating appropriations act.

12 (3) A maximum of \$892,000 of this fiscal year 2014 appropriation
13 and a maximum of \$892,000 of the fiscal year 2015 appropriation may be
14 expended for regional transportation coordinators and related
15 activities. The transportation coordinators shall ensure that data
16 submitted by school districts for state transportation funding shall,
17 to the greatest extent practical, reflect the actual transportation
18 activity of each district.

19 (4) The office of the superintendent of public instruction shall
20 provide reimbursement funding to a school district for school bus
21 purchases only after the superintendent of public instruction
22 determines that the school bus was purchased from the list established
23 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
24 based on the lowest price quote based on similar bus categories to
25 those used to establish the list pursuant to RCW 28A.160.195.

26 (5) The superintendent of public instruction shall base
27 depreciation payments for school district buses on the pre-sales tax
28 five-year average of lowest bids in the appropriate category of bus.
29 In the final year on the depreciation schedule, the depreciation
30 payment shall be based on the lowest bid in the appropriate bus
31 category for that school year.

32 (6) Funding levels in this section reflect waivers granted by the
33 state board of education for four-day school weeks as allowed under RCW
34 28A.305.141.

35 (7) The office of the superintendent of public instruction shall
36 annually disburse payments for bus depreciation in August.

1 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

3	General Fund--State Appropriation (FY 2014)	\$7,111,000
4	General Fund--State Appropriation (FY 2015)	\$7,111,000
5	General Fund--Federal Appropriation	\$473,326,000
6	TOTAL APPROPRIATION	\$487,548,000

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

9 (1) \$7,111,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$7,111,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for state matching money for
12 federal child nutrition programs, and may support the meals for kids
13 program through the following allowable uses:

14 (a) Elimination of breakfast copays for eligible public school
15 students and lunch copays for eligible public school students in grades
16 kindergarten through third grade who are eligible for reduced price
17 lunch;

18 (b) Assistance to school districts and authorized public and
19 private nonprofit organizations for supporting summer food service
20 programs, and initiating new summer food service programs in low-income
21 areas;

22 (c) Reimbursements to school districts for school breakfasts served
23 to students eligible for free and reduced price lunch, pursuant to
24 chapter 287, Laws of 2005; and

25 (d) Assistance to school districts in initiating and expanding
26 school breakfast programs.

27 The office of the superintendent of public instruction shall report
28 annually to the fiscal committees of the legislature on annual
29 expenditures in (a), (b), and (c) of this subsection.

30 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

32	General Fund--State Appropriation (FY 2014)	\$727,748,000
33	General Fund--State Appropriation (FY 2015)	\$764,041,000
34	General Fund--Federal Appropriation	\$462,020,000
35	Education Legacy Trust Account--State Appropriation	\$756,000
36	TOTAL APPROPRIATION	\$1,954,565,000

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

3 (1) Funding for special education programs is provided on an excess
4 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
5 that special education students as a class receive their full share of
6 the general apportionment allocation accruing through sections 502 and
7 504 of this act. To the extent a school district cannot provide an
8 appropriate education for special education students under chapter
9 28A.155 RCW through the general apportionment allocation, it shall
10 provide services through the special education excess cost allocation
11 funded in this section.

12 (2)(a) The superintendent of public instruction shall ensure that:

13 (i) Special education students are basic education students first;

14 (ii) As a class, special education students are entitled to the
15 full basic education allocation; and

16 (iii) Special education students are basic education students for
17 the entire school day.

18 (b) The superintendent of public instruction shall continue to
19 implement the full cost method of excess cost accounting, as designed
20 by the committee and recommended by the superintendent, pursuant to
21 section 501(1)(k), chapter 372, Laws of 2006.

22 (3) Each fiscal year appropriation includes such funds as are
23 necessary to complete the school year ending in the fiscal year and for
24 prior fiscal year adjustments.

25 (4)(a) For the 2013-14 and 2014-15 school years, the superintendent
26 shall allocate funding to school district programs for special
27 education students as provided in RCW 28A.150.390.

28 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
29 allocate funding to school district programs for special education
30 students as provided in section 507, chapter 50, Laws of 2011 1st sp.
31 sess., as amended through section 507 of the 2013 omnibus supplemental
32 operating appropriations act.

33 (5) The following applies throughout this section: The definitions
34 for enrollment and enrollment percent are as specified in RCW
35 28A.150.390(3). Each district's general fund--state funded special
36 education enrollment shall be the lesser of the district's actual
37 enrollment percent or 12.7 percent.

1 (6) At the request of any interdistrict cooperative of at least 15
2 districts in which all excess cost services for special education
3 students of the districts are provided by the cooperative, the maximum
4 enrollment percent shall be calculated in accordance with RCW
5 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
6 rather than individual district units. For purposes of this
7 subsection, the average basic education allocation per full-time
8 equivalent student shall be calculated in the aggregate rather than
9 individual district units.

10 (7) \$34,227,000 of the general fund--state appropriation for fiscal
11 year 2014, \$35,592,000 of the general fund--state appropriation for
12 fiscal year 2015, and \$29,574,000 of the general fund--federal
13 appropriation are provided solely for safety net awards for districts
14 with demonstrated needs for special education funding beyond the
15 amounts provided in subsection (4) of this section. If the federal
16 safety net awards based on the federal eligibility threshold exceed the
17 federal appropriation in this subsection (7) in any fiscal year, the
18 superintendent shall expend all available federal discretionary funds
19 necessary to meet this need. At the conclusion of each school year,
20 the superintendent shall recover safety net funds that were distributed
21 prospectively but for which districts were not subsequently eligible.

22 (a) For the 2013-14 and 2014-15 school years, safety net funds
23 shall be awarded by the state safety net oversight committee as
24 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

25 (b) The office of the superintendent of public instruction shall
26 make award determinations for state safety net funding in August of
27 each school year. Determinations on school district eligibility for
28 state safety net awards shall be based on analysis of actual
29 expenditure data from the current school year.

30 (8) A maximum of \$678,000 may be expended from the general fund--
31 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
32 full-time equivalent aides at children's orthopedic hospital and
33 medical center. This amount is in lieu of money provided through the
34 home and hospital allocation and the special education program.

35 (9) The superintendent shall maintain the percentage of federal
36 flow-through to school districts at 85 percent. In addition to other
37 purposes, school districts may use increased federal funds for high-

1 cost students, for purchasing regional special education services from
2 educational service districts, and for staff development activities
3 particularly relating to inclusion issues.

4 (10) A school district may carry over from one year to the next
5 year up to 10 percent of the general fund--state funds allocated under
6 this program; however, carryover funds shall be expended in the special
7 education program.

8 (11) \$252,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$252,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for two additional full-time
11 equivalent staff to support the work of the safety net committee and to
12 provide training and support to districts applying for safety net
13 awards.

14 (12) \$50,000 of the general fund--state appropriation for fiscal
15 year 2014, \$50,000 of the general fund--state appropriation for fiscal
16 year 2015, and \$100,000 of the general fund--federal appropriation
17 shall be expended to support a special education ombudsman program
18 within the office of superintendent of public instruction.

19 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

21	General Fund--State Appropriation (FY 2014)	\$8,142,000
22	General Fund--State Appropriation (FY 2015)	\$8,150,000
23	TOTAL APPROPRIATION	\$16,292,000

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

26 (1) The educational service districts shall continue to furnish
27 financial services required by the superintendent of public instruction
28 and RCW 28A.310.190 (3) and (4).

29 (2) Funding within this section is provided for regional
30 professional development related to mathematics and science curriculum
31 and instructional strategies. Funding shall be distributed among the
32 educational service districts in the same proportion as distributions
33 in the 2007-2009 biennium. Each educational service district shall use
34 this funding solely for salary and benefits for a certificated
35 instructional staff with expertise in the appropriate subject matter
36 and in professional development delivery, and for travel, materials,

1 and other expenditures related to providing regional professional
2 development support.

3 (3) The educational service districts, at the request of the state
4 board of education pursuant to RCW 28A.310.010 and 28A.305.130, may
5 receive and screen applications for school accreditation, conduct
6 school accreditation site visits pursuant to state board of education
7 rules, and submit to the state board of education post-site visit
8 recommendations for school accreditation. The educational service
9 districts may assess a cooperative service fee to recover actual plus
10 reasonable indirect costs for the purposes of this subsection.

11 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
12 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

13	General Fund--State Appropriation (FY 2014)	\$309,436,000
14	General Fund--State Appropriation (FY 2015)	\$334,289,000
15	TOTAL APPROPRIATION	\$643,725,000

16 The appropriations in this section are subject to the following
17 conditions and limitations: For purposes of RCW 84.52.0531, the
18 increase per full-time equivalent student is 5.0 percent from the 2012-
19 13 school year to the 2013-14 school year and 5.0 percent from the
20 2013-14 school year to the 2014-15 school year.

21 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
22 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

23	General Fund--State Appropriation (FY 2014)	\$14,982,000
24	General Fund--State Appropriation (FY 2015)	\$15,496,000
25	TOTAL APPROPRIATION	\$30,478,000

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

28 (1) Each general fund--state fiscal year appropriation includes
29 such funds as are necessary to complete the school year ending in the
30 fiscal year and for prior fiscal year adjustments.

31 (2) State funding provided under this section is based on salaries
32 and other expenditures for a 220-day school year. The superintendent
33 of public instruction shall monitor school district expenditure plans
34 for institutional education programs to ensure that districts plan for
35 a full-time summer program.

1 (3) State funding for each institutional education program shall be
2 based on the institution's annual average full-time equivalent student
3 enrollment. Staffing ratios for each category of institution shall
4 remain the same as those funded in the 1995-97 biennium.

5 (4) The funded staffing ratios for education programs for juveniles
6 age 18 or less in department of corrections facilities shall be the
7 same as those provided in the 1997-99 biennium.

8 (5) \$1,070,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$1,070,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely to maintain at least one
11 certificated instructional staff and related support services at an
12 institution whenever the K-12 enrollment is not sufficient to support
13 one full-time equivalent certificated instructional staff to furnish
14 the educational program. The following types of institutions are
15 included: Residential programs under the department of social and
16 health services for developmentally disabled juveniles, programs for
17 juveniles under the department of corrections, programs for juveniles
18 under the juvenile rehabilitation administration, and programs for
19 juveniles operated by city and county jails.

20 (6) Ten percent of the funds allocated for each institution may be
21 carried over from one year to the next.

22 **NEW SECTION. Sec. 511. FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

23	General Fund--State Appropriation (FY 2014)	\$9,377,000
24	General Fund--State Appropriation (FY 2015)	\$9,696,000
25	TOTAL APPROPRIATION	\$19,073,000

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

28 (1) Each general fund fiscal year appropriation includes such funds
29 as are necessary to complete the school year ending in the fiscal year
30 and for prior fiscal year adjustments.

31 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
32 shall allocate funding to school district programs for highly capable
33 students as provided in RCW 28A.150.260(10)(c). In calculating the
34 allocations, the superintendent shall assume the following: (i)
35 Additional instruction of 2.1590 hours per week per funded highly
36 capable program student; (ii) fifteen highly capable program students
37 per teacher; (iii) 36 instructional weeks per year; (iv) 900

1 instructional hours per teacher; and (v) the district's average staff
2 mix and compensation rates as provided in sections 503 and 504 of this
3 act.

4 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
5 allocate funding to school districts programs for highly capable
6 students as provided in section 511, chapter 50, Laws of 2011 1st sp.
7 sess., as amended through section 511 of the 2013 omnibus supplemental
8 operating appropriations act.

9 (3) \$85,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$85,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the centrum program at Fort
12 Worden state park.

13 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

15 General Fund--Federal Appropriation \$4,052,000

16 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
17 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

18 General Fund--State Appropriation (FY 2014) \$124,845,000

19 General Fund--State Appropriation (FY 2015) \$115,027,000

20 General Fund--Federal Appropriation \$206,242,000

21 General Fund--Private/Local Appropriation \$4,002,000

22 Education Legacy Trust Account--State Appropriation \$1,599,000

23 TOTAL APPROPRIATION \$451,715,000

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

26 (1)(a) \$45,484,000 of the general fund--state appropriation for
27 fiscal year 2014, \$30,098,000 of the general fund--state appropriation
28 for fiscal year 2015, \$1,350,000 of the education legacy trust
29 account--state appropriation, and \$15,868,000 of the general fund--
30 federal appropriation are provided solely for development and
31 implementation of the Washington state assessment system, including:

32 (a) Development and implementation of retake assessments for high
33 school students who are not successful in one or more content areas and

34 (b) development and implementation of alternative assessments or
35 appeals procedures to implement the certificate of academic
36 achievement. The superintendent of public instruction shall report

1 quarterly on the progress on development and implementation of
2 alternative assessments or appeals procedures. Within these amounts,
3 the superintendent of public instruction shall contract for the early
4 return of 10th grade student assessment results, on or around June 10th
5 of each year. State funding to districts shall be limited to one
6 collection of evidence payment per student, per content-area
7 assessment.

8 (b) The superintendent of public instruction shall modify the
9 statewide student assessment system and implement assessments developed
10 with a multistate consortium beginning in the 2014-15 school year to
11 assess student proficiency on the standards adopted under RCW
12 28A.655.071.

13 (2) \$356,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$356,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the Washington state
16 leadership and assistance for science education reform (LASER) regional
17 partnership activities coordinated at the Pacific science center,
18 including instructional material purchases, teacher and principal
19 professional development, and school and community engagement events.

20 (3) \$980,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$980,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for improving technology
23 infrastructure, monitoring and reporting on school district technology
24 development, promoting standards for school district technology,
25 promoting statewide coordination and planning for technology
26 development, and providing regional educational technology support
27 centers, including state support activities, under chapter 28A.650 RCW.

28 (4) \$5,851,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$3,935,000 of the general fund--state appropriation for
30 fiscal year 2014 are provided solely for implementation of a new
31 performance-based evaluation for certificated educators and other
32 activities as provided in chapter 235, Laws of 2010 (education reform)
33 and chapter 35, Laws of 2012 (certificated employee evaluations).

34 (5)(a) \$45,263,000 of the general fund--state appropriation for
35 fiscal year 2014 and \$49,673,000 of the general fund--state
36 appropriation for fiscal year 2015 are provided solely for the
37 following bonuses for teachers who hold valid, unexpired certification

1 from the national board for professional teaching standards and who are
2 teaching in a Washington public school, subject to the following
3 conditions and limitations:

4 (i) For national board certified teachers, a bonus of \$5,090 per
5 teacher in the 2013-14 and 2014-15 school years;

6 (ii) An additional \$5,000 annual bonus shall be paid to national
7 board certified teachers who teach in either: (A) High schools where
8 at least 50 percent of student headcount enrollment is eligible for
9 federal free or reduced price lunch, (B) middle schools where at least
10 60 percent of student headcount enrollment is eligible for federal free
11 or reduced price lunch, or (C) elementary schools where at least 70
12 percent of student headcount enrollment is eligible for federal free or
13 reduced price lunch;

14 (iii) The superintendent of public instruction shall adopt rules to
15 ensure that national board certified teachers meet the qualifications
16 for bonuses under (a)(ii) of this subsection for less than one full
17 school year receive bonuses in a pro-rated manner. All bonuses in
18 (a)(i) and (ii) of this subsection will be paid in July of each school
19 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced
20 by a factor of 40 percent for first year NBPTS certified teachers, to
21 reflect the portion of the instructional school year they are
22 certified; and

23 (iv) During the 2013-14 and 2014-15 school years, and within
24 available funds, certificated instructional staff who have met the
25 eligibility requirements and have applied for certification from the
26 national board for professional teaching standards may receive a
27 conditional loan of two thousand dollars or the amount set by the
28 office of the superintendent of public instruction to contribute toward
29 the current assessment fee, not including the initial up-front
30 candidacy payment. The fee shall be an advance on the first annual
31 bonus under RCW 28A.405.415. The conditional loan is provided in
32 addition to compensation received under a district's salary schedule
33 and shall not be included in calculations of a district's average
34 salary and associated salary limitation under RCW 28A.400.200.
35 Recipients who fail to receive certification after three years are
36 required to repay the conditional loan. The office of the
37 superintendent of public instruction shall adopt rules to define the
38 terms for initial grant of the assessment fee and repayment, including

1 applicable fees. To the extent necessary, the superintendent may use
2 revenues from the repayment of conditional loan scholarships to ensure
3 payment of all national board bonus payments required by this section
4 in each school year.

5 (6) \$477,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$477,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for the leadership internship
8 program for superintendents, principals, and program administrators.

9 (7) \$950,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$950,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the Washington reading corps.
12 The superintendent shall allocate reading corps members to low-
13 performing schools and school districts that are implementing
14 comprehensive, proven, research-based reading programs. Two or more
15 schools may combine their Washington reading corps programs.

16 (8) \$810,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$810,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the development of a
19 leadership academy for school principals and administrators. The
20 superintendent of public instruction shall contract with an independent
21 organization to operate a state-of-the-art education leadership academy
22 that will be accessible throughout the state. Semiannually the
23 independent organization shall report on amounts committed by
24 foundations and others to support the development and implementation of
25 this program. Leadership academy partners shall include the state
26 level organizations for school administrators and principals, the
27 superintendent of public instruction, the professional educator
28 standards board, and others as the independent organization shall
29 identify.

30 (9) \$3,234,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$3,234,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for grants to school districts to
33 provide a continuum of care for children and families to help children
34 become ready to learn. Grant proposals from school districts shall
35 contain local plans designed collaboratively with community service
36 providers. If a continuum of care program exists in the area in which
37 the school district is located, the local plan shall provide for
38 coordination with existing programs to the greatest extent possible.

1 (10) \$1,500,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$1,500,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the implementation of chapter
4 288, Laws of 2011 (actual student success program), including
5 allocations to the opportunity internship program, the jobs for
6 America's graduates program, the building bridges program, services
7 provided by a college scholarship organization. Funding shall not be
8 used in the 2013-15 fiscal biennium to provide awards for schools and
9 school districts.

10 (11) \$2,000,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$2,000,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for a statewide information
13 technology (IT) academy program. This public-private partnership will
14 provide educational software, as well as IT certification and software
15 training opportunities for students and staff in public schools.

16 (12) \$1,277,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$1,277,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for secondary career and technical
19 education grants pursuant to chapter 170, Laws of 2008. If equally
20 matched by private donations, \$300,000 of the 2014 appropriation and
21 \$300,000 of the 2015 appropriation shall be used to support FIRST
22 robotics programs. Of the amounts in this subsection, \$100,000 of the
23 fiscal year 2014 appropriation and \$100,000 of the fiscal year 2015
24 appropriation are provided solely for the purpose of statewide
25 supervision activities for career and technical education student
26 leadership organizations.

27 (13) \$125,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$125,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for (a) staff at the office of the
30 superintendent of public instruction to coordinate and promote efforts
31 to develop integrated math, science, technology, and engineering
32 programs in schools and districts across the state; and (b) grants of
33 \$2,500 to provide twenty middle and high school teachers each year with
34 professional development training for implementing integrated math,
35 science, technology, and engineering programs in their schools.

36 (14) \$135,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$135,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for science, technology,
2 engineering and mathematics lighthouse projects, consistent with
3 chapter 238, Laws of 2010.

4 (15) \$1,000,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$1,000,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for a beginning educator support
7 program. School districts and/or regional consortia may apply for
8 grant funding. The superintendent shall implement this program in 5 to
9 15 school districts and/or regional consortia. The program provided by
10 a district and/or regional consortia shall include: A paid
11 orientation; assignment of a qualified mentor; development of a
12 professional growth plan for each beginning teacher aligned with
13 professional certification; release time for mentors and new teachers
14 to work together; and teacher observation time with accomplished peers.
15 \$250,000 may be used to provide statewide professional development
16 opportunities for mentors and beginning educators.

17 (16) \$250,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$250,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for advanced project lead the way
20 courses at ten high schools. To be eligible for funding in 2014, a
21 high school must have offered a foundational project lead the way
22 course during the 2012-13 school year. The 2014 funding must be used
23 for one-time start-up course costs for an advanced project lead the way
24 course, to be offered to students beginning in the 2013-14 school year.
25 To be eligible for funding in 2015, a high school must have offered a
26 foundational project lead the way course during the 2013-14 school
27 year. The 2015 funding must be used for one-time start-up course costs
28 for an advanced project lead the way course, to be offered to students
29 beginning in the 2014-15 school year. The office of the superintendent
30 of public instruction and the education research and data center at the
31 office of financial management shall track student participation and
32 long-term outcome data.

33 (17) \$300,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$300,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for annual start-up grants for
36 aerospace and manufacturing technical programs housed at four skill
37 centers. The grants are provided for start-up equipment and curriculum
38 purchases. To be eligible for funding, the skill center must agree to

1 provide regional high schools with access to a technology laboratory,
2 expand manufacturing certificate and course offerings at the skill
3 center, and provide a laboratory space for local high school teachers
4 to engage in professional development in the instruction of courses
5 leading to student employment certification in the aerospace and
6 manufacturing industries. Once a skill center receives a start-up
7 grant, it is ineligible for additional start-up funding in the
8 following school year. The office of the superintendent of public
9 instruction shall administer the grants in consultation with the center
10 for excellence for aerospace and advanced materials manufacturing.

11 (18) \$150,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$150,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for annual start-up grants to six
14 high schools to implement the aerospace assembler program.
15 Participating high schools must agree to offer the aerospace assembler
16 training program to students by spring semester of school year 2013-14.
17 Once a high school receives a start-up grant, it is ineligible for
18 additional start-up funding in the following school year. The office
19 of the superintendent of public instruction and the education research
20 and data center at the office of financial management shall track
21 student participation and long-term outcome data.

22 (19) \$10,000,000 of the general fund--state appropriation for
23 fiscal year 2014 and \$10,000,000 of the general fund--state
24 appropriation for fiscal year 2015 are provided solely for the
25 provision of training for teachers in the performance-based teacher
26 principal evaluation program. Of the amounts appropriated in this
27 subsection, \$5,000,000 for fiscal year 2014 and \$5,000,000 for fiscal
28 year 2015 are one-time appropriations.

29 (20) \$3,600,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$6,681,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the implementation of
32 Engrossed Second Substitute Senate Bill No. 5329 (persistently failing
33 schools). If the bill is not enacted by June 30, 2013, the amounts
34 provided in this subsection shall lapse.

35 (21) \$100,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$100,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely to promote the financial literacy

1 of students. The effort will be coordinated through the financial
2 literacy public-private partnership.

3 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
4 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

5	General Fund--State Appropriation (FY 2014)	\$89,123,000
6	General Fund--State Appropriation (FY 2015)	\$95,248,000
7	General Fund--Federal Appropriation	\$71,016,000
8	TOTAL APPROPRIATION	\$255,387,000

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

11 (1) Each general fund fiscal year appropriation includes such funds
12 as are necessary to complete the school year ending in the fiscal year
13 and for prior fiscal year adjustments.

14 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
15 shall allocate funding to school districts for transitional bilingual
16 programs as provided in RCW 28A.150.260(10)(b). In calculating the
17 allocations, the superintendent shall assume the following averages:

18 (i) Additional instruction of 4.7780 hours per week per transitional
19 bilingual program student in grades kindergarten through six in school
20 years 2013-14 and 2014-15; (ii) additional instruction of 4.7780 hours
21 per week in school year 2013-14 and 4.7780 hours per week in school
22 year 2014-15 per transitional bilingual program student in grades seven
23 through eight; (iii) additional instruction of 4.7780 hours per week in
24 school year 2013-14 and 4.7780 hours per week in school year 2014-15
25 per transitional bilingual program student in grades nine through
26 twelve; (iv) fifteen transitional bilingual program students per
27 teacher; (v) 36 instructional weeks per year; (vi) 900 instructional
28 hours per teacher; and (vii) the district's average staff mix and
29 compensation rates as provided in sections 503 and 504 of this act.

30 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
31 allocate funding to school districts for transitional bilingual
32 instruction programs as provided in section 514, chapter 50, Laws of
33 2011 1st sp. sess., as amended through section 512 of the 2013 omnibus
34 supplemental operating appropriations act.

35 (3) The superintendent may withhold allocations to school districts
36 in subsection (2) of this section solely for the central provision of

1 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
2 following amounts: 1.86 percent for school year 2013-14 and 1.79
3 percent for school year 2014-15.

4 (4) The general fund--federal appropriation in this section is for
5 migrant education under Title I Part C and English language
6 acquisition, and language enhancement grants under Title III of the
7 elementary and secondary education act.

8 (5) \$35,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$35,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely to track current and former
11 transitional bilingual program students.

12 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
13 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

14	General Fund--State Appropriation (FY 2014)	\$158,963,000
15	General Fund--State Appropriation (FY 2015)	\$175,003,000
16	General Fund--Federal Appropriation	\$448,434,000
17	TOTAL APPROPRIATION	\$782,400,000

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

20 (1) The general fund--state appropriations in this section are
21 subject to the following conditions and limitations:

22 (a) The appropriations include such funds as are necessary to
23 complete the school year ending in the fiscal year and for prior fiscal
24 year adjustments.

25 (b)(i) For the 2013-14 and 2014-15 school years, the superintendent
26 shall allocate funding to school districts for learning assistance
27 programs as provided in RCW 28A.150.260(10)(a). In calculating the
28 allocations, the superintendent shall assume the following averages:

29 (A) Additional instruction of 1.9200 hours per week per funded learning
30 assistance program student for the 2013-14 school year and the 2014-15
31 school year; (B) fifteen learning assistance program students per
32 teacher; (C) 36 instructional weeks per year; (D) 900 instructional
33 hours per teacher; and (E) the district's average staff mix and
34 compensation rates as provided in sections 503 and 504 of this act.

35 (ii) From July 1, 2013, to August 31, 2013, the superintendent
36 shall allocate funding to school districts for learning assistance

1 programs as provided in section 515, chapter 50, Laws of 2011 1st sp.
2 sess., as amended through section 513 of the 2013 omnibus supplemental
3 operating appropriations act.

4 (c) A school district's funded students for the learning assistance
5 program shall be the sum of the district's full-time equivalent
6 enrollment in grades K-12 for the prior school year multiplied by the
7 district's percentage of October headcount enrollment in grades K-12
8 eligible for free or reduced price lunch in the prior school year.

9 (2) Allocations made pursuant to subsection (1) of this section
10 shall be adjusted to reflect ineligible applications identified through
11 the annual income verification process required by the national school
12 lunch program, as recommended in the report of the state auditor on the
13 learning assistance program dated February, 2010.

14 (3) The general fund--federal appropriation in this section is
15 provided for Title I Part A allocations of the no child left behind act
16 of 2001.

17 (4) A school district may carry over from one year to the next up
18 to 10 percent of the general fund--state funds allocated under this
19 program; however, carryover funds shall be expended for the learning
20 assistance program.

21 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
22 **INSTRUCTION**

23 (1) Amounts distributed to districts by the superintendent through
24 part V of this act are for allocations purposes only, unless specified
25 by part V of this act, and do not entitle a particular district,
26 district employee, or student to a specific service, beyond what has
27 been expressly provided in statute. Part V of this act restates the
28 requirements of various sections of Title 28A RCW. If any conflict
29 exists, the provisions of Title 28A RCW control unless this act
30 explicitly states that it is providing an enhancement. Any amounts
31 provided in part V of this act in excess of the amounts required by
32 Title 28A RCW provided in statute, are not within the program of basic
33 education unless clearly stated by this act.

34 (2) To the maximum extent practicable, when adopting new or revised
35 rules or policies relating to the administration of allocations in part
36 V of this act that result in fiscal impact, the office of the

1 superintendent of public instruction shall attempt to seek legislative
2 approval through the budget request process.

3 (3) Appropriations made in this act to the office of the
4 superintendent of public instruction shall initially be allotted as
5 required by this act. Subsequent allotment modifications shall not
6 include transfers of moneys between sections of this act.

(End of part)

PART VI
HIGHER EDUCATION

1
2
3 NEW SECTION. **Sec. 601.** The appropriations in sections 605
4 through 611 of this act are subject to the following conditions and
5 limitations:

6 (1) "Institutions" means the institutions of higher education
7 receiving appropriations under sections 605 through 611 of this act.

8 (2) The legislature, the office of financial management, and other
9 state agencies need consistent and accurate personnel data from
10 institutions of higher education for policy planning purposes.
11 Institutions of higher education shall report personnel data to the
12 department of personnel for inclusion in the department's data
13 warehouse. Uniform reporting procedures shall be established by the
14 office of financial management's office of the state human resources
15 director for use by the reporting institutions, including provisions
16 for common job classifications and common definitions of full-time
17 equivalent staff. Annual contract amounts, number of contract months,
18 and funding sources shall be consistently reported for employees under
19 contract.

20 (3) In addition to waivers granted under the authority of RCW
21 28B.15.910, the governing boards and the state board may waive all or
22 a portion of operating fees for any student. State general fund
23 appropriations shall not be provided to replace tuition and fee revenue
24 foregone as a result of waivers granted under this subsection.

25 (4) The institutions of higher education receiving state
26 appropriations under sections 605 through 611 of this act shall allot
27 anticipated state and tuition expenditures by budget program and fiscal
28 year.

29 (5)(a) For institutions receiving appropriations in section 605 of
30 this act, the only allowable salary increases provided are those with
31 normally occurring promotions and increases related to faculty and
32 staff retention, except as provided in section 604(4) of this act. In
33 fiscal year 2014 and fiscal year 2015, the state board for community
34 and technical colleges may use salary and benefit savings from faculty
35 turnover to provide salary increments and associated benefits for
36 faculty who qualify through professional development and training.

1 (b) For employees under the jurisdiction of chapter 41.56 RCW,
2 salary increases will be in accordance with the applicable collective
3 bargaining agreement. However, an increase shall not be provided to
4 any classified employee whose salary is above the approved salary range
5 maximum for the class to which the employee's position is allocated.

6 (c) For each institution of higher education receiving
7 appropriations under sections 606 through 611 of this act:

8 (i) The only allowable salary increases are those associated with
9 normally occurring promotions and increases related to faculty and
10 staff retention; and

11 (ii) Institutions may provide salary increases from other sources
12 to instructional and research faculty at the universities and The
13 Evergreen State College, exempt professional staff, teaching and
14 research assistants, as classified by the office of financial
15 management, and all other nonclassified staff, but not including
16 employees under chapter 41.80 RCW. Any salary increase granted under
17 the authority of this subsection (4)(c)(ii) shall not be included in an
18 institution's salary base for future state funding. It is the intent
19 of the legislature that state general fund support for an institution
20 shall not increase during the current or any future biennium as a
21 result of any salary increases authorized under this subsection
22 (4)(c)(ii).

23 NEW SECTION. **Sec. 602.** (1) Within the amounts appropriated in
24 this act, each institution of higher education is expected to enroll
25 and educate at least the following numbers of full-time equivalent
26 state- supported students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
29 University of Washington	37,162	37,162
30 Washington State University	22,228	22,228
31 Central Washington University	8,808	8,808
32 Eastern Washington University	8,734	8,734
33 The Evergreen State College	4,213	4,213
34 Western Washington University	11,762	11,762

1	State Board for Community &		
2	Technical Colleges		
3	Adult Students	139,237	139,237
4	Running Start Students	11,558	11,558

5 (2) In achieving or exceeding these enrollment targets, each
6 institution shall seek to:

7 (a) Maintain and to the extent possible increase enrollment
8 opportunities at branch campuses;

9 (b) Maintain and to the extent possible increase enrollment
10 opportunities at university centers and other partnership programs that
11 enable students to earn baccalaureate degrees on community college
12 campuses; and

13 (c) Eliminate and consolidate programs of study for which there is
14 limited student or employer demand, or that are not areas of core
15 academic strength for the institution, particularly when such programs
16 duplicate offerings by other in-state institutions.

17 (3) For purposes of monitoring and reporting statewide enrollment,
18 the University of Washington and Washington State University shall
19 notify the office of financial management of the number of full-time
20 student equivalent enrollments budgeted for each of their campuses.

21 **NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

22 (1) In order to operate within the state funds appropriated in this
23 act, the governing boards of the state research universities, the state
24 regional universities, and The Evergreen State College are authorized
25 to adopt and adjust tuition and fees for the 2013-14 and 2014-15
26 academic years as provided in this section.

27 (2) For the purposes of chapter 28B.15 RCW, the omnibus
28 appropriations act assumes increases of tuition levels for resident
29 undergraduate students over the amounts charged to resident
30 undergraduate students for the prior year, as follows:

31	University of Washington	3%
32	Washington State University	3%
33	Central Washington University	3%

1	Eastern Washington University	3%
2	The Evergreen State College	3%
3	Western Washington University	3%

4 (3) The governing boards of the state research universities, the
5 state regional universities, and The Evergreen State College may exceed
6 the tuition levels assumed in subsection (2) of this section. However,
7 to the extent that tuition levels exceed the tuition levels assumed in
8 subsection (2) of this section, the institution shall be subject to the
9 conditions and limitations provided in chapter 28B.15 RCW as amended by
10 chapter 10, Laws of 2011 sp. sess. (higher education opportunity act).
11 In order to facilitate the full implementation of chapter 10, Laws of
12 2011 sp. sess., the institutions of higher education are authorized to
13 adopt tuition levels that are less than, equal to, or greater than the
14 tuition levels assumed in subsection (2) of this section.

15 (4) Each governing board is authorized to increase tuition charges
16 to graduate and professional students, and to nonresident undergraduate
17 students, by amounts judged reasonable and necessary by the governing
18 board.

19 (5) Each governing board is authorized to increase summer quarter
20 or semester tuition fees for resident and nonresident undergraduate,
21 graduate, and professional students pursuant to RCW 28B.15.067.

22 (6) Each governing board is authorized to adopt or increase charges
23 for fee-based, self-sustaining degree programs, credit courses,
24 noncredit workshops and courses, and special contract courses by
25 amounts judged reasonable and necessary by the governing board.

26 (7) Each governing board is authorized to adopt or increase
27 services and activities fees for all categories of students as provided
28 in RCW 28B.15.069.

29 (8) Each governing board is authorized to adopt or increase
30 technology fees as provided in RCW 28B.15.069.

31 (9) Each governing board is authorized to adopt or increase special
32 course and lab fees, and health and counseling fees, to the extent
33 necessary to cover the reasonable and necessary exceptional cost of the
34 course or service.

35 (10) Each governing board is authorized to adopt or increase
36 administrative fees such as, but not limited to, those charged for

1 application, matriculation, special testing, and transcripts by amounts
2 judged reasonable and necessary by the governing board.

3 (11) The state universities, the regional universities, and The
4 Evergreen State College must accept the transfer of college-level
5 courses taken by running start students if a student seeking a transfer
6 of the college-level courses has been admitted to the state university,
7 the regional university, or The Evergreen State College, and if the
8 college-level courses are recognized as transferrable by the admitting
9 institution of higher education.

10 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
11 **COLLEGES**

12 (1) In order to operate within the state funds appropriated in this
13 act, the state board is authorized to adopt and adjust tuition and fees
14 for the 2013-14 and 2014-15 academic years as provided in this section.

15 (2) The state board may increase the tuition fees charged to
16 resident undergraduate students by no more than three percent over the
17 amounts charged to resident undergraduates during the prior academic
18 year. The board may increase tuition fees under this subsection
19 differentially based on student credit hour load, provided that the
20 overall increase in average tuition revenue per student does not exceed
21 three percent.

22 (3) For the 2013-14 and 2014-15 academic years, the state board may
23 increase tuition fees charged to resident undergraduates enrolled in
24 upper division applied baccalaureate programs by no more than three
25 percent over the amounts charged during the prior academic year.

26 (4) Appropriations in section 605 include the restoration of the
27 three percent reduction in compensation costs taken in the 2011-2013
28 fiscal biennium. This funding is sufficient to implement 2013-2015
29 collective bargaining agreements at institutions of higher education
30 negotiated under chapter 41.80 RCW. The colleges may also use the
31 restored funds for any other purpose including restoring prior
32 compensation reductions, increasing compensation, and implementing
33 other collective bargaining agreements.

34 (5) The state board may increase the tuition fees charged to
35 nonresident students by amounts judged reasonable and necessary by the
36 board.

1 (6) The trustees of the technical colleges are authorized to either
2 (a) increase operating fees for resident undergraduates by no more than
3 three percent over the amounts charged to resident undergraduates
4 during the prior academic year; or (b) fully adopt the tuition fee
5 charge schedule adopted by the state board for community colleges.

6 (7) For academic years 2013-14 and 2014-15, the trustees of the
7 technical colleges are authorized to increase building fees by an
8 amount judged reasonable in order to progress toward parity with the
9 building fees charged students attending the community colleges.

10 (8) The state board is authorized to increase the maximum allowable
11 services and activities fees as provided in RCW 28B.15.069. The
12 trustees of the community and technical colleges are authorized to
13 increase services and activities fees up to the maximum level
14 authorized by the state board.

15 (9) The trustees of the community and technical colleges are
16 authorized to adopt or increase charges for fee-based, self-sustaining
17 programs such as summer session, international student contracts, and
18 special contract courses by amounts judged reasonable and necessary by
19 the trustees.

20 (10) The trustees of the community and technical colleges are
21 authorized to adopt or increase special course and lab fees to the
22 extent necessary to cover the reasonable and necessary exceptional cost
23 of the course or service.

24 (11) The trustees of the community and technical colleges are
25 authorized to adopt or increase administrative fees such as but not
26 limited to those charged for application, matriculation, special
27 testing, and transcripts by amounts judged reasonable and necessary by
28 the trustees.

29 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
30 **TECHNICAL COLLEGES**

31	General Fund--State Appropriation (FY 2014)	\$546,347,000
32	General Fund--State Appropriation (FY 2015)	\$548,382,000
33	Community/Technical College Capital Projects	
34	Account--State Appropriation	\$17,548,000
35	Education Legacy Trust Account--State	
36	Appropriation	\$107,922,000
37	TOTAL APPROPRIATION	\$1,220,199,000

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

3 (1) When implementing the appropriations in this section, the state
4 board and the trustees of the individual community and technical
5 colleges shall minimize impact on academic programs, maximize
6 reductions in administration, and shall at least maintain, and endeavor
7 to increase, enrollment opportunities and degree and certificate
8 production in high employer-demand fields of study at their academic
9 year 2008-09 levels.

10 (2) \$33,261,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$33,261,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely as special funds for training and
13 related support services, including financial aid, as specified in RCW
14 28C.04.390. Funding is provided to support at least 6,200 full-time
15 equivalent students in fiscal year 2014 and at least 6,200 full-time
16 equivalent students in fiscal year 2015.

17 (3) \$5,450,000 of the education legacy trust account--state
18 appropriation is provided solely for administration and customized
19 training contracts through the job skills program.

20 (4) \$3,928,000 of the education legacy trust account appropriation
21 is provided solely for the expansion of enrollment in aerospace and
22 STEM (science, technology, engineering and math) programs. The state
23 board will work with the education research and data center to
24 establish program baselines and demonstrate enrollment increases. By
25 September 1, 2014, and each September 1st thereafter, the state board
26 shall provide a report that provides the specific detail on how these
27 amounts were spent in the preceding fiscal year, any process changes or
28 best-practices implemented by the colleges, and how many students are
29 enrolled in aerospace and STEM programs above the 2012-2013 academic
30 year baseline.

31 (5) \$200,000 of the education legacy trust account appropriation is
32 provided solely for the aerospace center of excellence currently hosted
33 by Everett community college to:

34 (a) Increase statewide communications and outreach between industry
35 sectors, industry organizations, businesses, K-12 schools, colleges,
36 and universities;

37 (b) Enhance information technology to increase business and student
38 accessibility and use of the center's web site; and

1 (c) Act as the information entry point for prospective students and
2 job seekers regarding education, training, and employment in the
3 industry.

4 (6) \$362,000 of the education legacy trust account appropriation is
5 provided solely for the opportunity center for employment and education
6 internet technology integration project at north Seattle community
7 college.

8 (7) \$510,000 of the education legacy trust account appropriation is
9 provided solely for implementation of a maritime industries training
10 program at south Seattle community college.

11 (8) \$200,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$200,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the labor center at the
14 Georgetown south Seattle community college campus. \$50,000 of the
15 amount provided in this subsection for fiscal year 2014 and \$50,000 of
16 the amounts for 2015 are provided solely for the labor center archive
17 project.

18 (9) \$7,500,000 of the education legacy trust account appropriation
19 is provided solely for the student achievement initiative.

20 (10) \$500,000 of the general fund--state appropriation for fiscal
21 year 2014 is provided solely for implementation of Second Substitute
22 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not
23 enacted by June 30, 2013, the amount provided in this subsection shall
24 lapse.

25 (11) Community and technical colleges are not required to send mass
26 mailings of course catalogs to residents of their districts. Community
27 and technical colleges shall consider lower cost alternatives, such as
28 mailing postcards or brochures that direct individuals to online
29 information and other ways of acquiring print catalogs.

30 (12) The state board for community and technical colleges shall not
31 use funds appropriated in this section to support intercollegiate
32 athletics programs.

33 **NEW SECTION. Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

34	General Fund--State Appropriation (FY 2014)	\$223,938,000
35	General Fund--State Appropriation (FY 2015)	\$224,619,000
36	Geoduck Aquaculture Research Account--State	
37	Appropriation	\$300,000

1	Education Legacy Trust Account--State Appropriation	\$20,769,000
2	Economic Development Strategic Reserve Account--	
3	State Appropriation	\$3,000,000
4	Biotoxin Account--State Appropriation	\$390,000
5	Accident Account--State Appropriation	\$6,754,000
6	Medical Aid Account--State Appropriation	\$6,556,000
7	Aquatic Land Enhancement Account--State Appropriation	\$700,000
8	State Toxics Control Account--State Appropriation	\$1,120,000
9	TOTAL APPROPRIATION	\$488,146,000

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

12 (1) In implementing the appropriations in this section, the
13 president and regents shall seek to minimize impacts on student
14 services and instructional programs by maximizing reductions in
15 administration and other noninstructional activities.

16 (2) \$300,000 of the geoduck aquaculture research account--state
17 appropriation is provided solely for the University of Washington sea
18 grant program to commission scientific research studies that examine
19 possible negative and positive effects, including the cumulative
20 effects and the economic contribution, of evolving shellfish
21 aquaculture techniques and practices on Washington's economy and marine
22 ecosystems. The research conducted for the studies is not intended to
23 be a basis for an increase in the number of shellfish harvesting
24 permits available and should be coordinated with any research efforts
25 related to ocean acidification. The University of Washington must
26 submit an annual report detailing any findings and outline the progress
27 of the study, consistent with RCW 43.01.036, to the appropriate
28 legislative committees by December 1st of each year.

29 (3) \$52,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$52,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the center for international
32 trade in forest products in the college of forest resources.

33 (4) \$2,000,000 of the education legacy trust account appropriation
34 is provided solely for the college of engineering to support an
35 increase in the number of engineering graduates by 425 students. By
36 September 1, 2013, and each September 1st thereafter, the university
37 shall provide an updated report that provides the specific detail on

1 how these amounts were spent in the preceding fiscal year, any process
2 changes or best-practices implemented by the college, and how many
3 students are enrolled in engineering programs above the baseline.

4 (5) \$14,491,000 of the education legacy trust account appropriation
5 is provided solely for the expansion of computer science and
6 engineering enrollments. The university will work with the education
7 research and data center to establish program baselines and demonstrate
8 enrollment increases. By September 1, 2014, and each September 1st
9 thereafter, the university shall provide a report that provides the
10 specific detail on how these amounts were spent in the preceding fiscal
11 year, including but not limited to the cost per student, student
12 completion rates, and the number of low-income students enrolled in
13 each program, any process changes or best-practices implemented by the
14 college, and how many students are enrolled in computer science and
15 engineering programs above the 2012-2013 academic year baseline.

16 (6) \$4,500,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$4,500,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for creation of a clean energy
19 institute. The institute shall integrate physical sciences and
20 engineering with a research focus on energy storage and solar energy.

21 (7) \$3,000,000 of the economic development strategic reserve
22 account appropriation is provided solely to support the joint center
23 for aerospace innovation technology.

24 (8) Within existing resources, the University of Washington shall
25 establish a forestry program.

26 (9) \$700,000 of the aquatic lands enhancement account--state
27 appropriation and \$1,120,000 of the state toxics control account--state
28 appropriation are provided solely for the center on ocean acidification
29 and related work necessary to implement the recommendations of the
30 governor's blue ribbon task force on ocean acidification. The
31 university shall provide staffing for this purpose.

32 (10) The University of Washington shall not use funds appropriated
33 in this section to support intercollegiate athletics programs.

34 **NEW SECTION. Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

35	General Fund--State Appropriation (FY 2014)	\$145,725,000
36	General Fund--State Appropriation (FY 2015)	\$147,810,000
37	State Wildlife Account--State Appropriation	\$400,000

1 Education Legacy Trust Account--State Appropriation \$39,377,000
2 TOTAL APPROPRIATION \$333,312,000

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

5 (1) In implementing the appropriations in this section, the
6 president and regents shall seek to minimize impacts on student
7 services and instructional programs by maximizing reductions in
8 administration and other noninstructional activities.

9 (2) \$2,000,000 of the education legacy trust account appropriation
10 is provided solely for the college of engineering to support an
11 increase in the number of engineering graduates by 425 students. By
12 September 1, 2013, and each September 1st thereafter, the university
13 shall provide an updated report that provides the specific detail on
14 how these amounts were spent in the preceding fiscal year, any process
15 changes or best-practices implemented by the college, and how many
16 students are enrolled in engineering programs above the baseline.

17 (3) \$8,389,000 of the education legacy trust account appropriation
18 is provided solely for the expansion of computer science and
19 engineering enrollments. The university will work with the education
20 research and data center to establish program baselines and demonstrate
21 enrollment increases. By September 1, 2014, and each September 1st
22 thereafter, the university shall provide a report that provides the
23 specific detail on how these amounts were spent in the preceding fiscal
24 year, including but not limited to the cost per student, student
25 completion rates, and the number of low-income students enrolled in
26 each program, any process changes or best-practices implemented by the
27 college, and how many students are enrolled in computer science and
28 engineering programs above the 2012-2013 academic year baseline.

29 (4) \$25,000 of the general fund--state appropriation for fiscal
30 year 2014 is provided solely for the Ruckelshaus center to collaborate
31 with local governments, the media, and representatives of the public
32 regarding public record requests made to local government. The center
33 shall facilitate meetings and discussions and report to the appropriate
34 committees of the legislature. The report shall include information
35 on:

36 (a) Recommendations related to balancing open public records with
37 concerns of local governments related to interfering with the work of
38 the local government;

- 1 (b) Resources necessary to accommodate requests;
- 2 (c) Potential harassment of government employees;
- 3 (d) Potential safety concerns of people named in the record;
- 4 (e) Potentially assisting criminal activity; and
- 5 (f) Other issues brought forward by the participants.

6 The center shall report to the appropriate committees of the
7 legislature by December 15, 2013.

8 (5) \$100,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$100,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the Washington State
11 University agricultural research center to conduct public outreach and
12 education related to nonlethal methods of mitigating conflicts between
13 livestock and large wild carnivores. An additional \$400,000 of the
14 state wildlife account--state appropriation is provided solely to the
15 center to conduct a detailed analysis of such methods. The amounts
16 appropriated in this subsection may not be subject to an administrative
17 fee or charge, and must be used for costs directly associated with the
18 research and analysis.

19 (6) \$2,065,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$3,035,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for expansion of medical education
22 and biomedical research in Spokane.

23 (7) Washington State University shall not use funds appropriated in
24 this section to support intercollegiate athletic programs.

25 **NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

26	General Fund--State Appropriation (FY 2014)	\$28,593,000
27	General Fund--State Appropriation (FY 2015)	\$28,702,000
28	Education Legacy Trust Account--State Appropriation	\$16,401,000
29	TOTAL APPROPRIATION	\$73,696,000

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

32 (1) In implementing the appropriations in this section, the
33 president and governing board shall seek to minimize impacts on student
34 services and instructional programs by maximizing reductions in
35 administration and other noninstructional activities.

36 (2) \$2,082,000 of the education legacy trust account appropriation
37 is provided solely for improvements in student completion and retention

1 rates in order to increase the university's four year graduation rate.
2 By September 1, 2014, and each September 1st thereafter, the university
3 shall provide a report that provides the specific details on how these
4 amounts were spent in the preceding fiscal year, any process changes or
5 best-practices implemented by the university, and any changes in
6 completion and retention rates.

7 (3) At least \$200,000 of the general fund--state appropriation for
8 fiscal year 2014 and at least \$200,000 of the general fund--state
9 appropriation for fiscal year 2015 shall be expended on the Northwest
10 autism center.

11 (4) Eastern Washington University shall not use funds appropriated
12 in this section to support intercollegiate athletics programs.

13 NEW SECTION. **Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

14	General Fund--State Appropriation (FY 2014)	\$25,851,000
15	General Fund--State Appropriation (FY 2015)	\$25,962,000
16	Education Legacy Trust Account--State Appropriation	\$19,819,000
17	TOTAL APPROPRIATION	\$71,632,000

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

20 (1) In implementing the appropriations in this section, the
21 president and governing board shall seek to minimize impacts on student
22 services and instructional programs by maximizing reductions in
23 administration and other noninstructional activities.

24 (2) \$2,761,000 of the education legacy trust account appropriation
25 is provided solely for improvements in student completion and retention
26 rates in order to increase the university's four year graduation rate.
27 By September 1, 2014, and each September 1st thereafter, the university
28 shall provide a report that provides the specific details on how these
29 amounts were spent in the preceding fiscal year, any process changes or
30 best-practices implemented by the university, and any changes in
31 completion and retention rates.

32 (3) \$25,000 of the general fund--state appropriation for fiscal
33 year 2014 is provided solely for the college of education to conduct a
34 study identifying the duties encompassed in a state-funded teacher's
35 typical work day. The study must include an estimate of the percent of
36 a teacher's typical day that is spent on teaching related duties and

1 the percentage of the teacher's day that is spent on duties that are
2 not directly related to teaching. The university shall submit a report
3 to the appropriate committees of the legislature by December 1, 2013.

4 (4) Amounts appropriated in this section are sufficient for the
5 university to develop a plan to create an online degree granting entity
6 that awards degrees based on an alternative credit model. The
7 university shall submit a final plan by December 1, 2013, to the higher
8 education committees of the legislature.

9 (5) Central Washington University shall not use funds appropriated
10 in this section to support intercollegiate athletics programs.

11 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

12	General Fund--State Appropriation (FY 2014)	\$16,769,000
13	General Fund--State Appropriation (FY 2015)	\$16,548,000
14	Education Legacy Trust Account--State Appropriation	\$5,855,000
15	TOTAL APPROPRIATION	\$39,172,000

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) \$1,157,000 of the education legacy trust account appropriation
23 is provided solely for instructional support. By September 1, 2014,
24 and each September 1st thereafter, the college shall provide a report
25 that provides the specific details on how these amounts were spent in
26 the preceding fiscal year and any process changes or best-practices
27 implemented by the college.

28 (3) \$75,000 of the general fund--state appropriation for fiscal
29 year 2014 is provided solely for the Washington state institution for
30 public policy to conduct a comprehensive study of the financial
31 incentives promoting distributed generation in Washington. Distributed
32 generation is electric generation, often from renewable resources,
33 connected to a utility's distribution grid and located at or near where
34 the electricity will be used.

35 (a) Specifically, the institute's study shall:

36 (i) Include a review of the costs and benefits of net metering, the
37 renewable energy investment cost recovery program, other tax credits,

1 reductions, and exemptions, and the provisions of double renewable
2 energy credits for renewable resource generation projects under five
3 megawatts as allowed under the energy independence act;

4 (ii) Determine whether the incentives available to distributed
5 generation are consistent with one another and work together in meeting
6 the state's goals for the electric distribution system and promoting
7 cost-effective distributed generation;

8 (iii) Evaluate whether the current incentive structure encourages
9 long-term, sustainable energy and environmental benefits to the
10 ratepayers and the citizens of Washington;

11 (iv) Recommend, as needed, changes to the current incentive
12 structure or new policies based on its findings;

13 (v) Contain both a region specific life-cycle assessment and
14 economic analysis of distributed generation; and

15 (vi) Establish a system to properly assign incentives to
16 distributed generation on a per-technology basis, based on the costs
17 and benefits associated with each technology type.

18 (b) The institute shall provide a final report to the legislature
19 by February 1, 2014.

20 (4) Funding provided in this section is sufficient for The
21 Evergreen State College to continue operations of the Longhouse Center
22 and the Northwest Indian applied research institute.

23 (5) \$250,000 of the general fund--state appropriation for fiscal
24 year 2014 is provided solely for the Washington state institute for
25 public policy to provide primary staff support for a K-12 funding task
26 force established in this subsection.

27 (a) The task force shall be composed of the following members:

28 (i) Two members from each of the largest caucuses of the house of
29 representatives, appointed by the speaker of the house of
30 representatives;

31 (ii) Two members from each of the largest caucuses of the senate,
32 appointed by the president of the senate;

33 (iii) The superintendent of public instruction or designee; and

34 (iv) Three members appointed by the governor.

35 (b) The task force shall be chaired or cochaired by legislative
36 members selected by members of the task force.

37 (c) The purpose of the task force is to examine options and make
38 recommendations to the legislature on the following topics:

1 (i) Revised salary allocation methodologies and models for
2 administrative, classified, and certificated instructional staff in
3 public schools. The salary allocation model for certificated
4 instructional staff must address regional salary differentials;

5 (ii) Policies and funding to support career and technical
6 education, including:

7 (A) A revised funding allocation methodology for career and
8 technical education for middle schools, comprehensive high schools, and
9 skill centers through the prototypical school funding formula;

10 (B) Recommended capital facilities policies related to the siting
11 of skill center campuses, including skill centers colocated on
12 comprehensive high school and higher education campuses; and

13 (C) The feasibility of establishing technical high schools as an
14 alternative delivery model for integrated secondary career and academic
15 education; and

16 (iii) The appropriate use of state and local property taxes to
17 support the financing of public schools, modifications to property tax
18 growth limitations, and strategies for improving the stability and
19 transparency of such use.

20 (d) The task force shall submit an interim report to the education
21 and fiscal committees of the legislature by December 1, 2013, and a
22 final report by December 1, 2014.

23 (e) Additional staff support for the task force shall be provided
24 as needed by the house office of program research, the senate committee
25 services, and the office of financial management.

26 (6) Notwithstanding other provisions in this section, the board of
27 directors for the Washington state institute for public policy may
28 adjust due dates for projects included on the institute's 2013-2015
29 work plan as necessary to efficiently manage workload.

30 (7) The Evergreen State College shall not use funds appropriated in
31 this section to support intercollegiate athletics programs.

32 **NEW SECTION. Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

33	General Fund--State Appropriation (FY 2014)	\$37,815,000
34	General Fund--State Appropriation (FY 2015)	\$37,962,000
35	Education Legacy Trust Account--State	
36	Appropriation	\$14,037,000
37	TOTAL APPROPRIATION	\$89,814,000

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

3 (1) In implementing the appropriations in this section, the
4 president and governing board shall seek to minimize impacts on student
5 services and instructional programs by maximizing reductions in
6 administration and other noninstructional activities.

7 (2) \$5,958,000 of the education legacy trust account appropriation
8 is provided solely for the expansion of computer science and
9 engineering enrollments. The university will work with the education
10 research and data center to establish program baselines and demonstrate
11 enrollment increases. By September 1, 2014, and each September 1st
12 thereafter, the university shall provide a report that provides the
13 specific detail on how these amounts were spent in the preceding fiscal
14 year, including but not limited to the cost per student, student
15 completion rates, and the number of low-income students enrolled in
16 each program, any process changes or best-practices implemented by the
17 college, and how many students are enrolled in computer science and
18 engineering programs above the 2012-2013 academic year baseline.

19 (3) Western Washington University shall not use funds appropriated
20 in this section to support intercollegiate athletics programs.

21 NEW SECTION. **Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL--**
22 **POLICY COORDINATION AND ADMINISTRATION**

23	General Fund--State Appropriation (FY 2014)	\$5,307,000
24	General Fund--State Appropriation (FY 2015)	\$5,331,000
25	General Fund--Federal Appropriation	\$4,818,000
26	TOTAL APPROPRIATION	\$15,456,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: The student achievement council is
29 authorized to increase or establish fees for initial degree
30 authorization, degree authorization renewal, degree authorization
31 reapplication, new program applications, and new site applications
32 pursuant to RCW 28B.85.060.

33 NEW SECTION. **Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL--**
34 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

35	General Fund--State Appropriation (FY 2014)	\$256,728,000
36	General Fund--State Appropriation (FY 2015)	\$266,017,000

1	General Fund--Federal Appropriation	\$11,653,000
2	General Fund--Private/Local Appropriation	\$34,000
3	Education Legacy Trust Account--State Appropriation	\$18,677,000
4	Washington Opportunity Pathways Account--State	
5	Appropriation	\$167,000,000
6	TOTAL APPROPRIATION	\$720,109,000

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

9 (1) \$246,550,000 of the general fund--state appropriation for
10 fiscal year 2014, \$256,390,000 of the general fund--state
11 appropriation, and \$147,000,000 of the opportunity pathways account--
12 state appropriation are provided solely for student financial aid
13 payments under the state need grant and state work study programs
14 including up to four percent administrative allowance for the state
15 work study program.

16 (2) Changes made to the state need grant program in the 2011-2013
17 fiscal biennium are continued in the 2013-2015 fiscal biennium
18 including aligning increases in awards given to private institutions
19 with the annual tuition increases for public research institutions or
20 the private institution's average annual tuition increase experience of
21 3.5 percent per year, whichever is less, and reducing the awards for
22 students who first enrolled as a new student in for-profit institutions
23 as of the 2011-2012 academic year or thereafter by fifty percent.

24 (3) Changes made to the state work study program in the 2009-2011
25 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal
26 biennium including maintaining the increased required employer share of
27 wages; adjusted employer match rates; discontinuation of nonresident
28 student eligibility for the program; and revising distribution methods
29 to institutions by taking into consideration other factors such as off-
30 campus job development, historical utilization trends, and student
31 need.

32 (4) Within the funds appropriated in this section, eligibility for
33 the state need grant shall include students with family incomes at or
34 below 70 percent of the state median family income (MFI), adjusted for
35 family size, and shall include students enrolled in three to five
36 credit-bearing quarter credits, or the equivalent semester credits.
37 The student achievement council shall report to the legislature by
38 December 1, 2014, regarding the number of students enrolled in three to

1 five credit-bearing quarter credits, or the equivalent semester
2 credits, and their academic progress including degree completion.
3 Awards for all students shall be adjusted by the estimated amount by
4 which Pell grant increases exceed projected increases in the
5 noninstructional costs of attendance. Awards for students with incomes
6 between 51 and 70 percent of the state median shall be prorated at the
7 following percentages of the award amount granted to those with incomes
8 below 51 percent of the MFI: 70 percent for students with family
9 incomes between 51 and 55 percent MFI; 65 percent for students with
10 family incomes between 56 and 60 percent MFI; 60 percent for students
11 with family incomes between 61 and 65 percent MFI; and 50 percent for
12 students with family incomes between 66 and 70 percent MFI.

13 (5) Students who are eligible for the college bound scholarship
14 shall be given priority for the state need grant program if the
15 students have applied by the institution's priority financial aid
16 deadline and have completed their financial aid file in a timely
17 manner. These eligible college bound students whose family incomes are
18 in the 0-65 median family income ranges shall be awarded the maximum
19 state need grant for which they are eligible under state policies and
20 may not be denied maximum state need grant funding due to institutional
21 policies or delayed awarding of college bound scholarship students.

22 (6) \$38,677,000 of the education legacy trust account--state
23 appropriation is provided solely for the college bound scholarship
24 program. This amount assumes that college bound scholarship recipients
25 will receive priority for state need grant awards in fiscal year 2014
26 and fiscal year 2015. If this policy of prioritization is not fully
27 achieved, it is the intent of this legislation to provide supplemental
28 appropriations in the 2014 supplemental operating budget.

29 (7) Students who meet the qualifications pursuant to section 952 of
30 this act are eligible to receive state need grant awards.

31 (8) \$100,000 of the general fund--state appropriation for fiscal
32 year 2014 is provided solely for the council to develop an alternative
33 financial aid application for students without a nine digit federal
34 identification number.

35 (9) \$2,236,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$2,236,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for the passport to college
38 program. The maximum scholarship award shall be \$5,000. The board

1 shall contract with a nonprofit organization to provide support
2 services to increase student completion in their postsecondary program
3 and shall, under this contract, provide a minimum of \$500,000 in fiscal
4 years 2014 and 2015 for this purpose.

5 (10) In developing the skilled and educated workforce report
6 pursuant to RCW 28B.77.080(3), the council shall use the bureau of
7 labor statistics analysis of the education and training requirements of
8 occupations, in addition to any other method the council may choose to
9 use, to assess the number and type of higher education and training
10 credentials required to match employer demand for a skilled and
11 educated workforce.

12 **NEW SECTION. Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**
13 **COORDINATING BOARD**

14	General Fund--State Appropriation (FY 2014)	\$1,582,000
15	General Fund--State Appropriation (FY 2015)	\$1,484,000
16	General Fund--Federal Appropriation	\$54,264,000
17	TOTAL APPROPRIATION	\$57,330,000

18 The appropriations in this section are subject to the following
19 conditions and limitations: For the 2013-2015 fiscal biennium the
20 board shall not designate recipients of the Washington award for
21 vocational excellence or recognize them at award ceremonies as provided
22 in RCW 28C.04.535.

23 **NEW SECTION. Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

24	General Fund--State Appropriation (FY 2014)	\$36,781,000
25	General Fund--State Appropriation (FY 2015)	\$52,796,000
26	General Fund--Federal Appropriation	\$293,727,000
27	Opportunity Pathways Account--State Appropriation	\$80,000,000
28	Home Visiting Services Account--State Appropriation	\$2,868,000
29	Home Visiting Services Account--Federal Appropriation	\$22,757,000
30	Children's Trust Account--State Appropriation	\$180,000
31	TOTAL APPROPRIATION	\$489,082,000

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

34 (1) \$22,197,000 of the general fund--state appropriation for fiscal
35 year 2014, \$40,538,000 of the general fund--state appropriation for
36 fiscal year 2015, and \$80,000,000 of the opportunity pathways account

1 appropriation are provided solely for the early childhood education
2 assistance program services. Of these amounts, \$10,284,000 is a
3 portion of the biennial amount of state maintenance of effort dollars
4 required to receive federal child care and development fund grant
5 dollars.

6 (2) \$638,000 of the general fund--state appropriation for fiscal
7 year 2014, and \$638,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for child care resource and
9 referral network services.

10 (3) \$200,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$200,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely to develop and provide culturally
13 relevant supports for parents, family, and other caregivers.

14 (4) 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 (5) \$1,434,000 of the general fund--state appropriation for fiscal
23 year 2014, \$1,434,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for expenditure into the home
25 visiting services account. This funding is intended to meet federal
26 maintenance of effort requirements and to secure private matching
27 funds.

28 (6)(a) \$153,717,000 of the general fund--federal appropriation is
29 provided solely for the working connections child care program under
30 RCW 43.215.135.

31 (b) In addition to groups that were given prioritized access to the
32 working connections child care program effective March 1, 2011, the
33 department shall also give prioritized access into the program to
34 families in which a parent of a child in care is a minor who is not
35 living with a parent or guardian and who is a full-time student in a
36 high school that has a school-sponsored on-site child care center.

37 (7) Within available amounts, the department in consultation with
38 the office of financial management and the department of social and

1 health services shall report quarterly enrollments and active caseload
2 for the working connections child care program to the legislative
3 fiscal committees and the legislative-executive WorkFirst oversight
4 task force. The report shall also identify the number of cases
5 participating in both temporary assistance for needy families and
6 working connections child care.

7 (8) \$1,025,000 of the general fund--state appropriation for fiscal
8 year 2014, \$1,025,000 of the general fund--state appropriation for
9 fiscal year 2015, and \$13,424,000 of the general fund--federal
10 appropriation are provided solely for the seasonal child care program.
11 If federal sequestration cuts are realized, cuts to the seasonal child
12 care program must be proportional to other federal reductions made
13 within the department.

14 (9) \$4,122,000 of the general fund--state appropriation for fiscal
15 year 2014, \$2,522,000 of the general fund--state appropriation for
16 fiscal year 2015, and \$4,304,000 of the general fund--federal
17 appropriation are provided solely for the medicaid treatment child care
18 (MTCC) program. The department shall contract for MTCC services to
19 provide therapeutic child care and other specialized treatment services
20 to abused, neglected, at-risk, and/or drug-affected children. Priority
21 for services shall be given to children referred from the department of
22 social and health services children's administration. In addition to
23 referrals made by children's administration, the department shall
24 authorize services for children referred to the MTCC program, as long
25 as the children meet the eligibility requirements as outlined in the
26 Washington state plan for the MTCC program.

27 (a) Of the amounts appropriated in this subsection, \$60,000 per
28 fiscal year may be used by the department for administering the MTCC
29 program, if needed.

30 (b) Of the amounts provided in this subsection, \$1,600,000 of the
31 general fund--state appropriation for fiscal year 2014 is provided
32 solely to continue providing services in the event of losing federal
33 funding for the MTCC program. To the extent that the moneys provided
34 in this subsection (9)(b) are not necessary for this purpose, the
35 amounts provided shall lapse.

36 (10) \$150,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$150,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for a contract with a nonprofit
2 entity experienced in the provision of promoting early literacy for
3 children through pediatric office visits.

4 (11) \$721,000 of the general fund--state appropriation for fiscal
5 year 2014 is provided solely for the department to complete development
6 work of the electronic benefits transfer system.

7 (12) \$793,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$796,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for implementation of an
10 electronic benefits transfer system. To the maximum extent possible,
11 the department shall work to integrate this system with the department
12 of social and health services payment system. The amounts provided in
13 this subsection are conditioned on the department satisfying the
14 requirements of the project management oversight standards and policies
15 established by the office of the chief information officer and the
16 provisions of section 943 of this act, information systems projects.

17 (13) \$32,000 of the general fund--state appropriation for fiscal
18 year 2014 is provided solely for implementation of Second Substitute
19 Senate Bill No. 5595 (child care reform). If the bill is not enacted
20 by June 30, 2013, the amounts provided in this subsection shall lapse.

21 (14)(a)(i) The department of early learning is required to provide
22 to the education research and data center, housed at the office of
23 financial management, data on all state-funded early childhood
24 programs. These programs include the early support for infants and
25 toddlers, early childhood education and assistance program (ECEAP), and
26 the working connections and seasonal subsidized childcare programs
27 including license exempt facilities or family, friend, and neighbor
28 care. The data provided by the department to the education research
29 data center must include information on children who participate in
30 these programs, including their name and date of birth, and dates the
31 child received services at a particular facility.

32 (ii) The ECEAP early learning professionals must enter
33 qualifications into the department's professional development registry
34 during the 2013-14 school year. By October 2015, the department must
35 provide ECEAP early learning professional data to the education
36 research data center.

37 (iii) The department must request federally funded head start

1 programs to voluntarily provide data to the department and the
2 education research data center that is equivalent to what is being
3 provided for state-funded programs.

4 (iv) The education research and data center must provide a report
5 on early childhood program participation and K-12 outcomes to the house
6 of representatives appropriations committee and the senate ways and
7 means committee using available data by November 2013 for the school
8 year ending in 2012 and again in March 2014 for the school year ending
9 in 2013.

10 (b) The department, in consultation with the department of social
11 and health services, must withhold payment for services to early
12 childhood programs that do not report on the name, date of birth, and
13 the dates a child received services at a particular facility.

14 NEW SECTION. **Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

15	General Fund--State Appropriation (FY 2014)	\$6,032,000
16	General Fund--State Appropriation (FY 2015)	\$5,832,000
17	General Fund--Private/Local Appropriation	\$17,000
18	TOTAL APPROPRIATION	\$11,881,000

19 NEW SECTION. **Sec. 617. FOR THE WASHINGTON STATE CENTER FOR**
20 **CHILDHOOD DEAFNESS AND HEARING LOSS**

21	General Fund--State Appropriation (FY 2014)	\$8,615,000
22	General Fund--State Appropriation (FY 2015)	\$8,628,000
23	TOTAL APPROPRIATION	\$17,243,000

24 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

25	General Fund--State Appropriation (FY 2014)	\$1,125,000
26	General Fund--State Appropriation (FY 2015)	\$1,104,000
27	General Fund--Federal Appropriation	\$2,075,000
28	General Fund--Private/Local Appropriation	\$12,000
29	TOTAL APPROPRIATION	\$4,316,000

30 NEW SECTION. **Sec. 619. FOR THE WASHINGTON STATE HISTORICAL**
31 **SOCIETY**

32	General Fund--State Appropriation (FY 2014)	\$2,123,000
33	General Fund--State Appropriation (FY 2015)	\$2,158,000
34	TOTAL APPROPRIATION	\$4,281,000

1	<u>NEW SECTION.</u>	Sec. 620.	FOR THE EASTERN WASHINGTON STATE
2	HISTORICAL SOCIETY		
3	General Fund--State Appropriation (FY 2014)	. . . . .	\$1,600,000
4	General Fund--State Appropriation (FY 2015)	. . . . .	\$1,537,000
5	TOTAL APPROPRIATION	. . . . .	\$3,137,000

(End of part)

PART VII
SPECIAL APPROPRIATIONS

NEW SECTION. **Sec. 701. 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 2014)	\$973,839,000
General Fund--State Appropriation (FY 2015)	\$1,051,513,000
State Building Construction Account--State Appropriation	\$4,297,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$269,000
State Taxable Building Construction Account--State Appropriation	\$211,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation	\$2,320,000
TOTAL APPROPRIATION	\$2,032,449,000

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 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

Accident Account--State Appropriation	\$4,138,000
Medical Aid Account--State Appropriation	\$4,138,000
TOTAL APPROPRIATION	\$8,276,000

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2014)	\$25,636,000
General Fund--State Appropriation (FY 2015)	\$16,102,000
Nondebt-Limit Reimbursable Bond Retirement Account--State	

1 Appropriation \$140,215,000
 2 TOTAL APPROPRIATION \$181,953,000

3 The appropriations in this section are subject to the following
 4 conditions and limitations: The general fund appropriation is for
 5 expenditure into the nondebt-limit general fund bond retirement
 6 account. The entire general fund--state appropriation for fiscal year
 7 2014 shall be expended into the nondebt-limit general fund bond
 8 retirement account by June 30, 2014.

9 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
 10 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
 11 **BOND SALE EXPENSES**

12 General Fund--State Appropriation (FY 2014) \$1,726,000
 13 General Fund--State Appropriation (FY 2015) \$1,726,000
 14 State Building Construction Account--State Appropriation . . . \$867,000
 15 Columbia River Basin Water Supply Development
 16 Account--State Appropriation \$57,000
 17 State Taxable Building Construction Account--State
 18 Appropriation \$45,000
 19 TOTAL APPROPRIATION \$4,421,000

20 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 21 **FIRE CONTINGENCY**

22 General Fund--State Appropriation (FY 2014) \$4,000,000
 23 General Fund--State Appropriation (FY 2015) \$4,000,000
 24 TOTAL APPROPRIATION \$8,000,000

25 The appropriations in this section are subject to the following
 26 conditions and limitations: The appropriations are provided solely for
 27 expenditure into the disaster response account to be used for any
 28 Washington state fire service resource mobilization costs incurred by
 29 the Washington state patrol in response to an emergency or disaster
 30 authorized under RCW 43.43.960 and 43.43.964.

31 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 32 **DISASTER RESPONSE ACCOUNT**

33 General Fund--State Appropriation (FY 2014) \$5,100,000
 34 General Fund--State Appropriation (FY 2015) \$2,500,000
 35 TOTAL APPROPRIATION \$7,600,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations are provided solely for
3 expenditure into the disaster response account for emergency fire
4 suppression by the department of natural resources and to complete
5 projects necessary to recover from previously declared disasters.

6 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
7 **EMERGENCY FUND**

8	General Fund--State Appropriation (FY 2014)	\$850,000
9	General Fund--State Appropriation (FY 2015)	\$850,000
10	TOTAL APPROPRIATION	\$1,700,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: The appropriations in this section are for
13 the governor's emergency fund for the critically necessary work of any
14 agency.

15 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
16 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

17	General Fund--State Appropriation (FY 2014)	\$8,000,000
18	General Fund--State Appropriation (FY 2015)	\$8,000,000
19	TOTAL APPROPRIATION	\$16,000,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: The appropriations in this section are
22 provided solely for expenditure into the education technology revolving
23 account for the purpose of covering ongoing operational and equipment
24 replacement costs incurred by the K-20 educational network program in
25 providing telecommunication services to network participants.

26 NEW SECTION. **Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
27 **O'BRIEN BUILDING IMPROVEMENT**

28	General Fund--State Appropriation (FY 2014)	\$2,948,000
29	General Fund--State Appropriation (FY 2015)	\$2,942,000
30	TOTAL APPROPRIATION	\$5,890,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: The appropriations are provided solely for
33 expenditure into the general administration services account for

1 payment of principal, interest, and financing expenses associated with
 2 the certificate of participation for the O'Brien building improvement,
 3 project number 20081007.

4 NEW SECTION. **Sec. 710. FOR THE STATE TREASURER--COUNTY PUBLIC**
 5 **HEALTH ASSISTANCE**

6	General Fund--State Appropriation (FY 2014)	\$36,386,000
7	General Fund--State Appropriation (FY 2015)	\$36,386,000
8	TOTAL APPROPRIATION	\$72,772,000

9 The appropriations in this section are subject to the following
 10 conditions and limitations: The state treasurer shall distribute the
 11 appropriations to the following counties and health districts in the
 12 amounts designated to support public health services, including public
 13 health nursing:

14

15	Health District	FY 2014	FY 2015	2013-15
16				Biennium
17	Adams County Health District	\$121,213	\$121,213	\$242,426
18	Asotin County Health District	\$159,890	\$159,890	\$319,780
19	Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
20	Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
21	Clallam County Health and Human Services	\$291,401	\$291,401	\$582,802
22	Department			
23	Clark County Health District	\$1,767,341	\$1,767,341	\$3,534,682
24	Skamania County Health Department	\$111,327	\$111,327	\$222,654
25	Columbia County Health District	\$119,991	\$119,991	\$239,982
26	Cowlitz County Health Department	\$477,981	\$477,981	\$955,962
27	Garfield County Health District	\$93,154	\$93,154	\$186,308
28	Grant County Health District	\$297,761	\$297,762	\$595,523
29	Grays Harbor Health Department	\$335,666	\$335,666	\$671,332
30	Island County Health Department	\$255,224	\$225,224	\$510,448
31	Jefferson County Health and Human Services	\$184,080	\$184,080	\$368,160
32	Seattle-King County Department of Public Health	\$10,558,598	\$10,558,598	\$21,117,196
33	Bremerton-Kitsap County Health District	\$997,476	\$997,476	\$1,994,952
34	Kittitas County Health Department	\$198,979	\$198,979	\$397,958
35	Klickitat County Health Department	\$153,784	\$153,784	\$307,568

1	Lewis County Health Department	\$263,134	\$263,134	\$526,268
2	Lincoln County Health Department	\$113,917	\$113,917	\$227,834
3	Mason County Department of Health Services	\$227,448	\$227,448	\$454,896
4	Okanogan County Health District	\$169,882	\$169,882	\$339,764
5	Pacific County Health Department	\$169,075	\$169,075	\$338,150
6	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
7	San Juan County Health and Community Services	\$2,253,493	\$2,253,493	\$4,506,986
8	Skagit County Health Department	\$449,745	\$449,745	\$899,490
9	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
10	Spokane County Health District	\$2,877,318	\$2,877,318	\$5,574,636
11	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
12	Thurston County Health Department	\$1,046,897	\$1,046,897	\$2,093,794
13	Wahkiakum County Health Department	\$93,181	\$9,180	\$186,361
14	Walla Walla County-City Health Department	\$302,173	\$302,173	\$604,346
15	Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
16	Whitman County Health Department	\$189,355	\$189,355	\$378,710
17	Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
18				
19	TOTAL APPROPRIATIONS	\$36,386,001	\$36,386,001	\$72,772,002

20 NEW SECTION. **Sec. 711. BELATED CLAIMS**

21 The agencies and institutions of the state may expend moneys
22 appropriated in this act, upon approval of the office of financial
23 management, for the payment of supplies and services furnished to the
24 agency or institution in prior fiscal biennia.

25 NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF RETIREMENT**
26 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

27 The appropriations in this section are subject to the following
28 conditions and limitations: The appropriations for the law enforcement
29 officers' and firefighters' retirement system shall be made on a
30 monthly basis consistent with chapter 41.45 RCW, and the appropriations
31 for the judges and judicial retirement systems shall be made on a
32 quarterly basis consistent with chapters 2.10 and 2.12 RCW.

33 (1) There is appropriated for state contributions to the law
34 enforcement officers' and firefighters' retirement system:
35 General Fund--State Appropriation (FY 2014) \$58,700,000
36 General Fund--State Appropriation (FY 2015) \$61,600,000

1 TOTAL APPROPRIATION \$120,300,000
 2 (2) There is appropriated for contributions to the judicial
 3 retirement system:
 4 General Fund--State Appropriation (FY 2014) \$10,600,000
 5 General Fund--State Appropriation (FY 2015) \$10,600,000
 6 TOTAL APPROPRIATION \$21,200,000

7 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 8 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

9 General Fund--State Appropriation (FY 2014) \$4,981,000
 10 General Fund--State Appropriation (FY 2015) \$4,981,000
 11 TOTAL APPROPRIATION \$9,962,000

12 The appropriations in this section are subject to the following
 13 conditions and limitations: The appropriations in this section are
 14 provided solely for expenditure into the cleanup settlement account on
 15 July 1, 2013, and July 1, 2014, as repayment of moneys that were
 16 transferred to the state efficiency and restructuring account.

17 NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 18 **LEAN MANAGEMENT STRATEGIES EFFICIENCY SAVINGS**

19 General Fund--State Appropriation (FY 2015) (\$20,000,000)

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

22 (1) The legislature is committed to promoting a state government
 23 culture that makes sustained improvement a habitual behavior from
 24 front-line staff to agency leadership.

25 (2) The office of financial management must develop a strategic
 26 lean management action plan to drive efficiencies in state spending and
 27 to increase productivity of state employees while improving and
 28 increasing state services for taxpayers. The action plan must
 29 determine the specific agencies and programs that would benefit most
 30 from application of the action plan, and the plan must target resources
 31 accordingly.

32 (3) The office of financial management must integrate lean
 33 principles into all performance management efforts.

34 (4) The office of financial management and the office of the chief

1 information officer must integrate lean principles into all major
2 information technology initiatives.

3 (5) The office of financial management must develop and implement
4 a lean practitioner fellowship program to train state agency staff.
5 Agency staff participating in the fellowship will be assigned to work
6 on statewide efforts that streamline and improve processes across
7 agencies.

8 (6) Agencies must report to the office of financial management at
9 least twice per fiscal year process improvements and efficiencies
10 gained through tools such as the lean strategy. The office of
11 financial management must compile and transmit these reports to the
12 appropriate fiscal committees of the legislature at least every six
13 months, beginning January 1, 2014.

14 (7) The office of financial management must report to the
15 legislature by December 2014 on the viability of the lean/performance
16 management program becoming a self-funding program.

17 (8) The office of financial management must reduce allotments for
18 affected state agencies by \$20,000,000 from the state general fund for
19 fiscal year 2015 in this act to reflect fiscal year 2015 savings
20 resulting from application of the lean management and performance
21 management strategies required by this section.

22 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
23 **INFORMATION TECHNOLOGY EXPENDITURES**

24	General Fund--State Appropriation (FY 2014)	(\$2,500,000)
25	General Fund--State Appropriation (FY 2015)	(\$2,500,000)
26	TOTAL APPROPRIATION	(\$5,000,000)

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

29 (1) The office of the chief information officer and the office of
30 financial management shall work to drive efficiency in state
31 procurement, maintenance, and operations of information technology.

32 (2) Agencies must report to the office of the chief information
33 officer and the office of financial management at least annually on
34 efficiencies gained through these efforts. The office of financial
35 management must compile and transmit these reports to the appropriate
36 fiscal committees of the legislature at least every year, beginning
37 January 1, 2014.

1 (3) The office of financial management shall reduce allotments for
2 all affected state agencies by \$2,500,000 from fiscal year 2014 general
3 fund--state appropriations and \$2,500,000 from fiscal year 2015 general
4 fund--state appropriations in this act to reflect savings resulting
5 from efficiencies in information technology expenditures statewide.

6 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
7 **ELECTRONIC MEDICAL RECORD STUDY**

8	General Fund--State Appropriation (FY 2014)	\$2,068,000
9	General Fund--State Appropriation (FY 2015)	\$2,066,000
10	General Fund--Federal Appropriation	\$240,000
11	TOTAL APPROPRIATION	\$4,374,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: The appropriations in this section are
14 provided solely for the state psychiatric hospitals to plan, procure,
15 and implement the core elements of an electronic medical record system
16 that is compliant with the international classification of diseases
17 (ICD-10) by October 1, 2014. These funds must only be used for an
18 electronic medical record system that meets federal criteria for
19 electronic sharing of patient information and clinical care summaries
20 with doctors' offices, hospitals, and health systems which use
21 federally certified electronic health record systems. The procurement
22 and implementation shall be conducted to allow for these services to be
23 expanded to the department of corrections. The amounts provided in
24 this subsection are conditioned on the department satisfying the
25 requirements of the project management oversight standards and policies
26 established by the office of the chief information officer.

27 NEW SECTION. **Sec. 717. FOR THE OFFICE OF THE INSURANCE**
28 **COMMISSIONER--HEALTH BENEFIT EXCHANGE ACCOUNT**

29	General Fund--State Appropriation (FY 2014)	\$676,000
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30 The appropriations in this section are subject to the following
31 conditions and limitations: The amounts in this section are provided
32 solely for expenditure into the health benefit exchange account--state
33 and are provided as a loan to be repaid with amounts from the health
34 benefit exchange account--state by July 30, 2015.

1 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
2 **COMMUNICATION SERVICES REFORM**

3	General Fund--State Appropriation (FY 2014)	\$47,000
4	General Fund--State Appropriation (FY 2015)	\$4,953,000
5	TOTAL APPROPRIATION	\$5,000,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: The appropriations in this section are
8 provided solely for expenditure into the universal communications
9 services fund to implement Substitute House Bill No. 1971
10 (communications services). If the bill is not enacted by June 30,
11 2013, the appropriations provided in this section shall lapse.

12 NEW SECTION. **Sec. 719. LEGISLATIVE TASK FORCE ON CAREER**
13 **EDUCATION OPPORTUNITIES**

14 (1) The legislature finds that for too long, there has been a
15 perception that career readiness and college readiness represent two
16 separate and unequal tracks. The importance of providing high quality
17 opportunities for applied learning, cross-disciplinary curriculum, and
18 career and technical equivalence often appears subsumed by an emphasis
19 on theoretical academics. The legislature intends to create a vision
20 for the integration of career education alongside academic education.

21 (2)(a) A legislative task force on career education opportunities
22 is established with the following members:

23 (i) Two members from each of the largest caucuses of the house of
24 representatives, appointed by the speaker of the house of
25 representatives;

26 (ii) Two members from each of the largest caucuses of the senate,
27 appointed by the president of the senate;

28 (iii) The superintendent of public instruction or a designee; and

29 (iv) One representative each from the workforce training and
30 education coordinating board, the student achievement council, and the
31 Washington association of career and technical education.

32 (b) The task force shall be cochaired by one house and one senate
33 member, selected by the members of the task force.

34 (3) The purpose of the task force is to identify strategies to
35 improve the integration of career education into secondary education
36 opportunities for all students. The strategies to be considered by the
37 task force include state laws and policies, graduation requirements,

1 and state funding for instructional programs and capital facilities.
2 The task force must examine the barriers, incentives and disincentives,
3 costs, and cost-effectiveness of current policies and practices.

4 (4) The office of the superintendent of public instruction shall
5 identify a recommended list of course equivalencies for career and
6 technical education courses and submit the list to the task force under
7 this section by September 1, 2013.

8 (5) A report from the task force is due December 15, 2013, to
9 include at least the following:

10 (a) An analysis of the career and college ready graduation
11 requirements proposed by the state board of education and any
12 recommendations regarding graduation requirements;

13 (b) Recommended policies that both support and provide appropriate
14 state oversight and strategic planning for career and technical
15 education offered in middle schools, comprehensive high schools, and
16 skill centers;

17 (c) Recommendations for how to maximize statewide use of the list
18 of career and technical education course equivalencies identified by
19 the office of the superintendent of public instruction; and

20 (d) Analysis of the feasibility of establishing technical high
21 schools as an alternative delivery model for integrated secondary
22 career and academic education.

23 (6) Staff support for the task force must be provided by senate
24 committee services and the house of representatives office of program
25 research, with assistance from the office of the superintendent of
26 public instruction, the student achievement council, and the workforce
27 training and education coordinating board as necessary.

28 (7) Legislative members of the task force may be reimbursed for
29 travel expenses in accordance with RCW 44.04.120. The expenses of the
30 task force must be paid jointly by the senate and the house of
31 representatives. Task force expenditures are subject to approval by
32 the senate facilities and operations committee and the house of
33 representatives executive rules committee.

34 (8) The task force expires December 31, 2013.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include: General Fund Appropriation for fire insurance premium distributions (\$8,248,000); General Fund Appropriation for public utility district excise tax distributions (\$50,894,000); General Fund Appropriation for prosecuting attorney distributions (\$6,068,000); General Fund Appropriation for boating safety and education distributions (\$4,000,000); General Fund Appropriation for other tax distributions (\$65,000); General Fund Appropriation for habitat conservation program distributions (\$3,000,000); Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$3,158,000); Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$146,000); Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$72,120,000); County Criminal Justice Assistance Appropriation (\$78,983,000); Municipal Criminal Justice Assistance Appropriation (\$30,550,000); City-County Assistance Account Appropriation for local government financial assistance distribution (\$17,134,000); Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$49,487,000); Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes (\$50,488,000); Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville.

1	Reservation	\$7,760,000
2	Columbia River Water Delivery Account Appropriation for	
3	the Spokane Tribe of Indians	\$5,025,000
4	Liquor Revolving Account Appropriation for liquor	
5	profits distribution	\$98,876,000
6	TOTAL APPROPRIATION	\$459,002,000

7 The total expenditures from the state treasury under the
8 appropriations in this section shall not exceed the funds available
9 under statutory distributions for the stated purposes.

10 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
11 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

12	Impaired Driver Safety Account Appropriation	\$2,469,000
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13 The appropriation in this section is subject to the following
14 conditions and limitations: The amount appropriated in this section
15 shall be distributed quarterly during the 2013-2015 fiscal biennium in
16 accordance with RCW 82.14.310. This funding is provided to counties
17 for the costs of implementing criminal justice legislation including,
18 but not limited to: Chapter 206, Laws of 1998 (drunk driving
19 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
20 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
21 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
22 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
23 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
24 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
25 215, Laws of 1998 (DUI provisions).

26 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**
27 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

28	Impaired Driver Safety Account Appropriation	\$1,646,000
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29 The appropriation in this section is subject to the following
30 conditions and limitations: The amount appropriated in this section
31 shall be distributed quarterly during the 2013-2015 fiscal biennium to
32 all cities ratably based on population as last determined by the office
33 of financial management. The distributions to any city that
34 substantially decriminalizes or repeals its criminal code after July 1,
35 1990, and that does not reimburse the county for costs associated with

1 criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the
2 county in which the city is located. This funding is provided to
3 cities for the costs of implementing criminal justice legislation
4 including, but not limited to: Chapter 206, Laws of 1998 (drunk
5 driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter
6 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
7 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
8 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
9 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
10 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
11 215, Laws of 1998 (DUI provisions).

12 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
13 **FOR DISTRIBUTION**

14 General Fund Appropriation for federal flood control
15 funds distribution \$66,000
16 General Fund Appropriation for federal grazing fees
17 distribution \$1,706,000
18 Forest Reserve Fund Appropriation for federal forest
19 reserve fund distribution \$5,636,000
20 TOTAL APPROPRIATION \$7,408,000

21 The total expenditures from the state treasury under the
22 appropriations in this section shall not exceed the funds available
23 under statutory distributions for the stated purposes.

24 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

25 State Treasurer's Service Account: For transfer to
26 the state general fund, \$10,000,000 for fiscal
27 year 2014 and \$10,000,000 for fiscal year 2015 \$20,000,000
28 Waste Reduction, Recycling, and Litter Control
29 Account: For transfer to the state general
30 fund, \$5,850,000 for fiscal year 2014 and
31 \$5,850,000 for fiscal year 2015 \$11,700,000
32 Drinking Water Assistance Account: For transfer to
33 the drinking water assistance repayment account \$32,000,000
34 General Fund: For transfer to the streamlined sales
35 and use tax account, \$25,284,000 for fiscal
36 year 2014 and \$25,204,000 for fiscal year 2015 \$50,488,000

1 Public Facility Construction Loan Revolving Account:
2 For transfer to the state general fund, \$8,000,000
3 for fiscal year 2014 and \$8,000,000 for fiscal
4 year 2015 \$16,000,000
5 Public Works Assistance Account: For transfer to the
6 state general fund, \$197,000,000 for fiscal year 2014
7 and \$197,000,000 for fiscal year 2015 \$394,000,000
8 Local Toxics Control Account: For transfer to the
9 state general fund, \$10,000,000 for fiscal year 2014
10 and \$11,000,000 for fiscal year 2015 \$21,000,000
11 State Taxable Building Construction Account: For
12 transfer to the Columbia River basin taxable bond
13 water supply development account, an amount not to
14 exceed \$32,000,000
15 General Fund: For transfer to the child and family
16 reinvestment account, \$3,928,421 for fiscal year
17 2014 and \$3,743,404 for fiscal year 2015 \$7,671,825
18 Flood Control Assistance Account: For transfer to the
19 state general fund, \$1,000,000 for fiscal year 2014
20 and \$1,000,000 for fiscal year 2015 \$2,000,000
21 Tobacco Settlement Account: For transfer to the state
22 general fund, in an amount not to exceed the actual
23 amount of the annual base payment to the tobacco
24 settlement account \$157,221,000
25 Tobacco Settlement Account: For transfer to the state
26 general fund from the amounts deposited in the
27 account that are attributable to the annual
28 strategic contribution payment received in
29 fiscal year 2014 \$14,000,000
30 Tobacco Settlement Account: For transfer to the state
31 general fund from the amounts deposited in the
32 account that are attributable to the annual
33 strategic contribution payment received in fiscal
34 year 2015 \$14,000,000
35 Tobacco Settlement Account: For transfer to the life
36 sciences discovery fund, in an amount not to exceed
37 the actual remaining amount of the annual strategic
38 contribution payment to the tobacco settlement account

1 for fiscal year 2014 \$12,515,000
2 Tobacco Settlement Account: For transfer to the life
3 sciences discovery fund, in an amount not to exceed
4 the actual remaining amount of the annual strategic
5 contribution payment to the tobacco settlement account
6 for fiscal year 2015 \$12,515,000

7 The transfer to the life sciences discovery fund is subject to the
8 condition that \$250,000 of the appropriation in fiscal year 2014 and
9 \$250,000 of the appropriation in fiscal year 2015 are provided solely
10 to promote the development and delivery of global health technologies
11 and products.

12 (a) The life sciences discovery fund authority must either
13 administer a grant application, review, and reward process, or contract
14 with a qualified nonprofit organization for these services. State
15 moneys must be provided for grants to entities for the development,
16 production, promotion, and delivery of global health technologies and
17 products. Grant award criteria must include:

18 (i) The quality of the proposed research or the proposed technical
19 assistance in product development or production process design. Any
20 grant funds awarded for research activities must be awarded for
21 nonbasic research that will assist in the commercialization or
22 manufacture of global health technologies;

23 (ii) The potential for the grant recipient to improve global health
24 outcomes;

25 (iii) The potential for the grant to leverage additional funding
26 for the development of global health technologies and products;

27 (iv) The potential for the grant to stimulate, or promote technical
28 skills training for, employment in the development of global health
29 technologies in the state; and

30 (v) The willingness of the grant recipient, when appropriate, to
31 enter into royalty or licensing income agreements with the authority.

32 (b) The authority, or the contractor of the authority, must report
33 information including the types of products and research funded, the
34 funding leveraged by the grants, and the number and types of jobs
35 created as a result of the grants, to the economic development
36 committees of the legislature by December 1, 2014.

37 Aquatic Lands Enhancement Account: For transfer to the
38 geoduck aquaculture research account, \$150,000 for

1 fiscal year 2014 and \$150,000 for fiscal year 2015 \$300,000
 2 Health Benefit Exchange Account: For transfer to the
 3 state general fund for fiscal year 2015 \$676,000
 4 Criminal Justice Treatment Account: For transfer to the
 5 state general fund, \$437,000 for fiscal year 2014
 6 and \$2,746,000 for fiscal year 2015 \$3,183,000
 7 Aquatic Lands Enhancement Account: For transfer to the
 8 marine resources stewardship trust account, \$1,850,000
 9 for fiscal year 2014 and \$1,850,000 for fiscal year
 10 2015 \$3,700,000
 11 Legal Services Revolving Account: For transfer to the
 12 state general fund, \$1,476,000 for fiscal year 2014
 13 and \$1,477,000 for fiscal year 2015 \$2,953,000
 14 Personnel Service Account: For transfer to the state
 15 general fund, \$733,000 for fiscal year 2014 and
 16 \$733,000 for fiscal year 2015 \$1,466,000
 17 Data Processing Revolving Account: For transfer to the
 18 state general fund, \$8,069,000 for fiscal year 2014
 19 and \$8,070,000 for fiscal year 2015 \$16,139,000
 20 Home Security Fund Account: For transfer to the
 21 transitional housing operating and rent account \$7,500,000

(End of part)

1 NEW SECTION. **Sec. 905. VOLUNTARY RETIREMENT, SEPARATION, AND**
2 **DOWNSHIFTING INCENTIVES**

3 As a management tool to reduce costs and make more effective use of
4 resources, while improving employee productivity and morale, agencies
5 may implement a voluntary retirement and/or separation, program that is
6 cost neutral or results in cost savings (including costs to the state
7 pension systems) over a two-year period following the commencement of
8 the program, provided that such a program is approved by the director
9 of financial management. Agencies participating in this authorization
10 may offer voluntary retirement and/or separation incentives and options
11 according to procedures and guidelines established by the office of
12 financial management, in consultation with the office of the state
13 human resources director and the department of retirement systems. The
14 options may include, but are not limited to, financial incentives for
15 voluntary separation or retirement. An employee does not have a
16 contractual right to a financial incentive offered under this section.
17 Offers shall be reviewed and monitored jointly by the office of the
18 state human resources director and the department of retirement
19 systems. Agencies are required to submit a report by July 30, 2015, to
20 the legislature and the office of financial management on the outcome
21 of their approved incentive program. The report should include
22 information on the details of the program including the incentive
23 payment amount for each participant, the total cost to the state, and
24 the projected or actual net dollar savings over the two year period.

25 The department of retirement systems may collect from employers the
26 actuarial cost of any incentive provided under this program, or any
27 other incentive to retire provided by employers to members of the
28 state's pension systems, for deposit in the appropriate pension
29 account.

30 NEW SECTION. **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**
31 **IMPAIRED**

32 Nothing in this act prohibits the expenditure of any funds by an
33 agency or institution of the state for benefits guaranteed by any
34 collective bargaining agreement in effect on the effective date of this
35 section.

1 NEW SECTION. **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

2 The following sections represent the results of the 2013-2015
3 collective bargaining process required under the provisions of chapters
4 41.80, 41.56 and 74.39A RCW. Provisions of the collective bargaining
5 agreements contained in sections 908 through 935 of this act are
6 described in general terms. Only major economic terms are included in
7 the descriptions. These descriptions do not contain the complete
8 contents of the agreements. The collective bargaining agreements or
9 the continuation of terms and conditions of the 2011-2013 agreements
10 contained in Part IX of this act may also be funded by expenditures
11 from nonappropriated accounts. If positions are funded with lidded
12 grants or dedicated fund sources with insufficient revenue, additional
13 funding from other sources is not provided.

14 NEW SECTION. **Sec. 908. COLLECTIVE BARGAINING AGREEMENT--WFSE**

15 An agreement has been reached between the governor and the
16 Washington federation of state employees general government under the
17 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
18 Funding is provided to add a longevity step and for backfill costs for
19 a personal leave day. The agreement also includes a one percent salary
20 increase for all bargaining unit members effective July 1, 2014,
21 through June 30, 2015, contingent on the state collecting \$200,000,000
22 or more in unanticipated general fund-state revenue from increased
23 economic activity.

24 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENT--WPEA**

25 An agreement has been reached between the governor and the
26 Washington public employees association general government under the
27 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
28 Funding is provided to add a longevity step. The agreement also
29 includes a one percent salary increase for all bargaining unit members
30 effective July 1, 2014, through June 30, 2015, contingent on the state
31 collecting \$200,000,000 or more in unanticipated general fund-state
32 revenue from increased economic activity.

33 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENT--**
34 **COALITION OF UNIONS**

1 An agreement has been reached between the governor and the
2 coalition of unions under the provisions of chapter 41.80 RCW for the
3 2013-2015 fiscal biennium. Funding is provided to add a longevity
4 step. The agreement also includes a one percent salary increase for
5 all bargaining unit members effective July 1, 2014, through June 30,
6 2015, contingent on the state collecting \$200,000,000 or more in
7 unanticipated general fund-state revenue from increased economic
8 activity.

9 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT--WAFWP**

10 An agreement has been reached between the governor and the
11 Washington association of fish and wildlife professionals under the
12 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
13 Funding is provided to add a longevity step. The agreement also
14 includes a one percent salary increase for all bargaining unit members
15 effective July 1, 2014, through June 30, 2015, contingent on the state
16 collecting \$200,000,000 or more in unanticipated general fund-state
17 revenue from increased economic activity.

18 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--PTE**
19 **LOCAL 17**

20 An agreement has been reached between the governor and the
21 professional and technical employees local 17 under the provisions of
22 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
23 provided to add a longevity step. The agreement also includes a one
24 percent salary increase for all bargaining unit members effective July
25 1, 2014, through June 30, 2015, contingent on the state collecting
26 \$200,000,000 or more in unanticipated general fund-state revenue from
27 increased economic activity.

28 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT--SEIU**
29 **1199NW**

30 An agreement has been reached between the governor and the service
31 employees international union healthcare 1199nw under the provisions of
32 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
33 provided to add a longevity step and for backfill costs for a personal
34 leave day. The agreement also includes a one percent salary increase
35 for all bargaining unit members effective July 1, 2014, through June

1 30, 2015, contingent on the state collecting \$200,000,000 or more in
2 unanticipated general fund-state revenue from increased economic
3 activity.

4 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT--**
5 **TEAMSTERS LOCAL 117**

6 An agreement has been reached between the governor and the
7 international brotherhood of teamsters local 117 under the provisions
8 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
9 provided to add a longevity step. The agreement also includes a one
10 percent salary increase for all bargaining unit members effective July
11 1, 2014, through June 30, 2015, contingent on the state collecting
12 \$200,000,000 or more in unanticipated general fund-state revenue from
13 increased economic activity.

14 NEW SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT--WFSE**
15 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

16 An agreement has been reached between the governor and the
17 Washington federation of state employees community college coalition
18 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
19 biennium. Funding is provided to add a longevity step. The agreement
20 also includes a one percent salary increase for all bargaining unit
21 members effective July 1, 2014, through June 30, 2015, contingent on
22 the state collecting \$200,000,000 or more in unanticipated general
23 fund-state revenue from increased economic activity.

24 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT--WPEA**
25 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

26 An agreement has been reached between the governor and the
27 Washington public employees association community college coalition
28 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
29 biennium. Funding is provided to add a longevity step. The agreement
30 also includes a one percent salary increase for all bargaining unit
31 members effective July 1, 2014, through June 30, 2015, contingent on
32 the state collecting \$200,000,000 or more in unanticipated general
33 fund-state revenue from increased economic activity.

1 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT FOR**
2 **NONSTATE EMPLOYEES--LANGUAGE ACCESS PROVIDERS WFSE**

3 An agreement has been reached between the governor and the
4 Washington federation of state employees for the language access
5 providers under the provisions of chapter 41.56 RCW for the 2013-2015
6 fiscal biennium. Funding is provided for a rate increase of 50 cents
7 per hour effective July 1, 2013, and rate increase of 50 cents per hour
8 effective July 1, 2014. Funding is also provided to accommodate a
9 change to the no-show payment rules.

10 NEW SECTION. **Sec. 918. COLLECTIVE BARGAINING AGREEMENT FOR**
11 **NONSTATE EMPLOYEES--SEIU HEALTHCARE 775NW HOMECARE WORKERS**

12 An agreement has been reached between the governor and the service
13 employees international union healthcare 775nw through an interest
14 arbitration decision under the provisions of chapter 74.39A and 41.56
15 RCW for the 2013-2015 fiscal biennium. Funding is provided for
16 increases to wages and pay differentials, mileage allowance, and
17 healthcare contributions. Funding is also provided for a paid holiday
18 and payment of certification and testing fees.

19 NEW SECTION. **Sec. 919. COLLECTIVE BARGAINING AGREEMENT FOR**
20 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

21 An agreement has been reached between the governor and the service
22 employees international union local 925 under the provisions of chapter
23 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for
24 increases to health care, scholarship funding and non-standard hours
25 bonus.

26 NEW SECTION. **Sec. 920. COLLECTIVE BARGAINING AGREEMENT FOR**
27 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

28 An agreement has been reached between the governor and the
29 Washington state residential care council under the provisions of
30 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is
31 provided for a specialty adult family home contract for community
32 placement of clients currently in western state hospital and an
33 increase in the daily bed hold rate (days eight through twenty).

34 NEW SECTION. **Sec. 921. COLLECTIVE BARGAINING AGREEMENT--WSP**

1 **TROOPERS ASSOCIATION**

2 An agreement has been reached between the governor and the
3 Washington state patrol troopers association through an interest
4 arbitration decision under the provisions of chapter 41.56 RCW for the
5 2013-2015 fiscal biennium. Funding is provided for the awarded three
6 percent salary increase for all bargaining unit members effective July
7 1, 2013, and a one percent increase to longevity pay for years five
8 through nine effective July 1, 2014.

9 NEW SECTION. **Sec. 922. COLLECTIVE BARGAINING AGREEMENT--WSP**
10 **LIEUTENANTS ASSOCIATION**

11 An agreement has been reached between the governor and the
12 Washington state patrol lieutenants association through an interest
13 arbitration decision under the provisions of chapter 41.56 RCW for the
14 2013-2015 fiscal biennium. Funding is provided for the awarded three
15 percent salary increase for all bargaining unit members effective July
16 1, 2014, and for parking of department issued vehicles for employees
17 assigned vehicles at the general administration building or capital
18 campus.

19 NEW SECTION. **Sec. 923. COLLECTIVE BARGAINING AGREEMENT--YAKIMA**
20 **VALLEY COMMUNITY COLLEGE--WPEA**

21 An agreement has been reached between Yakima Valley Community
22 College and the Washington public employees association under the
23 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
24 Funding is provided to add a longevity step. The agreement also
25 includes that economic terms and conditions replicate those specified
26 in the agreement executed by and between the Washington state higher
27 education coalition and the Washington public employees association
28 under RCW 41.80.010 for the term July 1, 2013, to June 30, 2015.

29 NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENT--THE**
30 **EVERGREEN STATE COLLEGE--WFSE**

31 An agreement has been reached between The Evergreen State College
32 and the Washington federation of state employees under the provisions
33 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
34 provided to add a longevity step and a personal leave day. Funding is

1 also provided for a one percent salary increase for all bargaining unit
2 members beginning July 1, 2014.

3 NEW SECTION. **Sec. 925. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
4 **WASHINGTON UNIVERSITY--WFSE**

5 An agreement has been reached between the Western Washington
6 University and the Washington federation of state employees under the
7 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
8 Funding is provided to add a longevity step. The agreement also
9 includes compensation equal to any compensation increase approved,
10 implemented, and funded by the state for general government classified
11 represented staff through the general service salary schedule.

12 NEW SECTION. **Sec. 926. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
13 **WASHINGTON UNIVERSITY--PSE**

14 An agreement has been reached between the Western Washington
15 University and the public schools employees under the provisions of
16 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
17 provided to add a longevity step. The agreement also includes
18 compensation equal to any compensation increase approved, implemented,
19 and funded by the state for general government classified represented
20 staff through the general service salary schedule.

21 NEW SECTION. **Sec. 927. COLLECTIVE BARGAINING AGREEMENT--EASTERN**
22 **WASHINGTON UNIVERSITY--WFSE**

23 An agreement has been reached between Eastern Washington University
24 and the Washington federation of state employees under the provisions
25 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
26 provided to add a longevity step. Funding is also provided for a one
27 percent salary increase for all bargaining unit members beginning July
28 1, 2013, and a one percent salary increase for all bargaining unit
29 members beginning July 1, 2014.

30 NEW SECTION. **Sec. 928. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
31 **WASHINGTON UNIVERSITY--WFSE**

32 An agreement has been reached between Central Washington University
33 and the Washington federation of state employees under the provisions
34 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is

1 provided to add a longevity step and for a one percent salary increase
2 for all bargaining unit members beginning July 1, 2014. The agreement
3 also includes additional one-time payments each November of each fiscal
4 year for members continually employed during the preceding twelve
5 months in an amount up to three percent of member's gross wages
6 contingent on the university's achievement of the goals contained in
7 its student success incentive program.

8 NEW SECTION. **Sec. 929. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
9 **WASHINGTON UNIVERSITY--PSE**

10 An agreement has been reached between Central Washington University
11 and the public schools employees under the provisions of chapter 41.80
12 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a
13 longevity step. The agreement includes a one percent salary increase
14 for all bargaining unit members beginning July 1, 2014, and in the
15 event classified employees bargaining at the general government's
16 higher education tables receive a general wage increase greater than
17 one percent, salary ranges will increase by the higher amount. The
18 agreement also includes additional one-time payments each November each
19 fiscal year for members continually employed during the preceding
20 twelve months in an amount up to three percent of member's gross wages
21 contingent on the university's achievement of the goals contained in
22 its student success incentive program.

23 NEW SECTION. **Sec. 930. COLLECTIVE BARGAINING AGREEMENT--**
24 **UNIVERSITY OF WASHINGTON--WFSE**

25 An agreement has been reached between the University of Washington
26 and the Washington federation of state employees under the provisions
27 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
28 provided for additional premium pay, preceptor pay, and professional
29 development increases. Funding is also provided for a two percent wage
30 increase for all bargaining unit members beginning July 1, 2013, a two
31 percent wage increase for all bargaining unit members beginning July 1,
32 2014. The agreement also provides that if the university agrees to
33 across-the-board salary increases for any SEIU 925 bargaining unit that
34 are more favorable than those negotiated with WFSE, the university will
35 grant the same salary increase to WFSE-represented employees.

1 NEW SECTION. **Sec. 931. COLLECTIVE BARGAINING AGREEMENT--**
2 **UNIVERSITY OF WASHINGTON--SEIU 925**

3 An agreement has been reached between the University of Washington
4 and the service employees international union local 925 under the
5 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
6 Funding is provided for additional step increases, a two percent salary
7 increase for all bargaining unit members beginning July 1, 2013, and a
8 two percent salary increase for all bargaining unit members beginning
9 July 1, 2014. The agreement also provides that if the university
10 agrees to across-the-board salary increases or general increases for a
11 SEIU 1199 or Washington state nurse association bargaining unit that
12 are more favorable than those negotiated with SEIU 925, the university
13 will grant the same salary increase to SEIU 925-represented employees.

14 NEW SECTION. **Sec. 932. COLLECTIVE BARGAINING AGREEMENT--**
15 **UNIVERSITY OF WASHINGTON--TEAMSTERS 117 (UW POLICE OFFICERS)**

16 An agreement has been reached between the University of Washington
17 and the teamsters 117 under the provisions of chapter 41.80 RCW for the
18 2013-2015 fiscal biennium. Funding is provided for a two percent
19 salary increase for all bargaining unit members beginning July 1, 2013,
20 and a two percent salary increase for all bargaining unit members
21 beginning July 1, 2014.

22 NEW SECTION. **Sec. 933. COLLECTIVE BARGAINING AGREEMENT--**
23 **WASHINGTON STATE UNIVERSITY--WFSE**

24 An agreement has been reached between the Washington State
25 University and the Washington federation of state employees under the
26 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. The
27 agreement provides that if a general salary increase, implementation of
28 a salary survey, or a longevity step (Step M) is approved and funded by
29 the state for university nonbargaining unit covered classified staff,
30 WFSE bargaining unit members will receive the same.

31 NEW SECTION. **Sec. 934. COLLECTIVE BARGAINING AGREEMENT--**
32 **WASHINGTON STATE UNIVERSITY--PSE**

33 An agreement has been reached between the Washington State
34 University and the public school employees of Washington under the
35 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. The

1 agreement provides that the bargaining unit members have a "me-too"
2 agreement regarding cost of living increases with university classified
3 staff utilizing the general service higher education salary schedule
4 should the university request and receive funding to provide an across-
5 the- board salary increase for classified staff.

6 NEW SECTION. **Sec. 935. COLLECTIVE BARGAINING AGREEMENT--**
7 **WASHINGTON STATE UNIVERSITY--WSU POLICE GUILD**

8 An agreement has been reached between the Washington State
9 University and the Washington State University Police Guild under the
10 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
11 Funding is provided to add a longevity step.

12 NEW SECTION. **Sec. 936. COMPENSATION--REPRESENTED EMPLOYEES--**
13 **SUPER COALITION--INSURANCE BENEFITS**

14 No agreement was reached between the governor and the health care
15 super coalition under the provisions of chapter 41.80 RCW for the
16 2013-2015 fiscal biennium. Appropriations in this act for state
17 agencies, including institutions of higher education are sufficient to
18 continue the provisions of the 2011-2013 collective bargaining
19 agreement, and are subject to the 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 \$782 per eligible employee for
23 fiscal year 2014. For fiscal year 2015 the monthly employer funding
24 rate shall not exceed \$791 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 or make
27 any or all of the following: Employee premium copayments, increases in
28 point-of-service cost sharing, the implementation of managed
29 competition, or other changes to benefits consistent with RCW
30 41.05.065.

31 (c) The health care authority shall deposit any moneys received on
32 behalf of the uniform medical plan as a result of rebates on
33 prescription drugs, audits of hospitals, subrogation payments, or any
34 other moneys recovered as a result of prior uniform medical plan claims
35 payments, into the public employees' and retirees' insurance account to

1 be used for insurance benefits. Such receipts shall not be used for
2 administrative expenditures.

3 (2) The health care authority, subject to the approval of the
4 public employees' benefits board, shall provide subsidies for health
5 benefit premiums to eligible retired or disabled public employees and
6 school district employees who are eligible for medicare, pursuant to
7 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy shall be
8 up to \$150.00 per month.

9 NEW SECTION. **Sec. 937. COMPENSATION--REPRESENTED EMPLOYEES**
10 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

11 Appropriations for state agencies in this act are sufficient for
12 represented employees outside the super coalition for health benefits,
13 and are subject to the following conditions and limitations:

14 (1)(a) The monthly employer funding rate for insurance benefit
15 premiums, public employees' benefits board administration, and the
16 uniform medical plan, shall not exceed \$782 per eligible employee for
17 fiscal year 2014. For fiscal year 2015 the monthly employer funding
18 rate shall not exceed \$791 per eligible employee.

19 (b) In order to achieve the level of funding provided for health
20 benefits, the public employees' benefits board shall require or make
21 any or all of the following: Employee premium copayments, increases in
22 point-of-service cost sharing, the implementation of managed
23 competition, or other changes to benefits consistent with RCW
24 41.05.065.

25 (c) The health care authority shall deposit any moneys received on
26 behalf of the uniform medical plan as a result of rebates on
27 prescription drugs, audits of hospitals, subrogation payments, or any
28 other moneys recovered as a result of prior uniform medical plan claims
29 payments, into the public employees' and retirees' insurance account to
30 be used for insurance benefits. Such receipts shall not be used for
31 administrative expenditures.

32 (2) The health care authority, subject to the approval of the
33 public employees' benefits board, shall provide subsidies for health
34 benefit premiums to eligible retired or disabled public employees and
35 school district employees who are eligible for medicare, pursuant to
36 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy shall be
37 up to \$150.00 per month.

1 NEW SECTION. **Sec. 938. COMPENSATION--NONREPRESENTED EMPLOYEES--**
2 **INSURANCE BENEFITS**

3 Appropriations for state agencies in this act are sufficient for
4 nonrepresented state employee health benefits for state agencies,
5 including institutions of higher education, and are subject to the
6 following conditions and limitations:

7 (1)(a) The monthly employer funding rate for insurance benefit
8 premiums, public employees' benefits board administration, and the
9 uniform medical plan, shall not exceed \$782 per eligible employee for
10 fiscal year 2014. For fiscal year 2015 the monthly employer funding
11 rate shall not exceed \$791 per eligible employee.

12 (b) In order to achieve the level of funding provided for health
13 benefits, the public employees' benefits board shall require or make
14 any or all of the following: Employee premium copayments, increases in
15 point-of-service cost sharing, the implementation of managed
16 competition, or other changes to benefits consistent with RCW
17 41.05.065.

18 (c) The health care authority shall deposit any moneys received on
19 behalf of the uniform medical plan as a result of rebates on
20 prescription drugs, audits of hospitals, subrogation payments, or any
21 other moneys recovered as a result of prior uniform medical plan claims
22 payments, into the public employees' and retirees' insurance account to
23 be used for insurance benefits. Such receipts shall not be used for
24 administrative expenditures.

25 (2) The health care authority, subject to the approval of the
26 public employees' benefits board, shall provide subsidies for health
27 benefit premiums to eligible retired or disabled public employees and
28 school district employees who are eligible for medicare, pursuant to
29 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy shall be
30 up to \$150.00 per month.

31 (3) Technical colleges, school districts, and educational service
32 districts shall remit to the health care authority for deposit into the
33 public employees' and retirees' insurance account established in RCW
34 41.05.120 the following amounts:

35 (a) For each full-time employee, \$64.40 per month beginning
36 September 1, 2013, and \$70.39 beginning September 1, 2014; and

37 (b) For each part-time employee, who at the time of the remittance
38 is employed in an eligible position as defined in RCW 41.32.010 or

1 41.40.010 and is eligible for employer fringe benefit contributions for
2 basic benefits, \$64.40 each month beginning September 1, 2013, and
3 \$70.39 beginning September 1, 2014, prorated by the proportion of
4 employer fringe benefit contributions for a full-time employee that the
5 part-time employee receives. The remittance requirements specified in
6 this subsection (3) shall not apply to employees of a technical
7 college, school district, or educational service district who purchase
8 insurance benefits through contracts with the health care authority.

9 NEW SECTION. **Sec. 939. COMPENSATION--REVISE PENSION CONTRIBUTION**
10 **RATES**

11 The appropriations for school districts and state agencies,
12 including institutions of higher education are subject to the following
13 conditions and limitations: Appropriations are adjusted to reflect
14 changes to agency appropriations to reflect pension contribution rates
15 adopted by the pension funding council and the law enforcement
16 officers' and firefighters' retirement system plan 2 board.

17 NEW SECTION. **Sec. 940. NONREPRESENTED EMPLOYEE LONGEVITY STEP**

18 For classified state employees, except those within the Washington
19 management service and except those represented by a bargaining unit
20 under chapters 41.80, 41.56, or 47.64 RCW, funding is provided within
21 agency appropriations for implementation of a longevity step, in
22 accordance with rules adopted under RCW 41.06.133.

23 NEW SECTION. **Sec. 941. COLLECTIVE BARGAINING AGREEMENTS**

24 For collective bargaining agreements negotiated with the state for
25 the 2013-2015 fiscal biennium under chapter 41.80 RCW, the governor may
26 request funds to implement the terms and conditions of any agreement
27 negotiated by an institution of higher education and submitted to the
28 office of financial management after October 1, 2012, but before
29 December 20, 2012, if that agreement is determined to be financially
30 feasible to the state by the director of financial management.

31 NEW SECTION. **Sec. 942. COMPENSATION - CONTINGENT INCREASE IN**
32 **SALARIES AND WAGES**

33 (1) If the director of the office of financial management
34 determines that the February 2014 economic and revenue forecast council

1 forecast for general fund--state revenues for fiscal year 2015 is
2 \$200,000,000 or more than the September 2012 economic and revenue
3 forecast council forecast for general fund--state revenues for fiscal
4 year 2015 as a result of increased economic activity, effective July 1,
5 2014, appropriations to state agencies will increase in the amounts
6 specified in LEAP Document 2013-H01 to fund a one percent salary
7 increase effective July 1, 2014, through June 30, 2015, for the
8 following state employees:

9 (a) All classified employees;

10 (b) Employees in the Washington management service;

11 (c) Except as provided in subsection (2) of this section, employees
12 exempt from merit system rules in the legislative, executive, and
13 judicial branches;

14 (d) Employees of the marine division of the department of
15 transportation represented by the office and professional employees
16 international union local eight and service employees international
17 union local six.

18 (2) The salary increase in this section is not provided to the
19 following state employees:

20 (a) Commissioned officers of the Washington state patrol
21 represented by the Washington state patrol troopers association and the
22 Washington state patrol lieutenants association;

23 (b) Employees of the marine division of the department of
24 transportation represented by:

25 (i) The ferry agents, supervisors, project administrators
26 association;

27 (ii) The Pacific northwest regional council of carpenters;

28 (iii) The Puget Sound metal trades council;

29 (iv) The marine engineers' beneficial association unlicensed engine
30 room employees;

31 (v) The marine engineers' beneficial association licensed engineer
32 officers;

33 (vi) The masters, mates and pilots - mates;

34 (vii) The masters, mates and pilots - masters;

35 (viii) The masters, mates and pilots - watch supervisors; and

36 (ix) The inlandboatmen's union of the pacific.

37 (c) Employees whose maximum salaries are set by the commission on
38 salaries for elected officials; and

1 (d) Faculty employees and employees exempt from merit system rules
2 at institutions of higher education.

3 (3) For purposes of this section, "increased economic activity"
4 means additional revenue derived from taxable business and consumer
5 activity and does not include revenue changes from changes in state or
6 federal law or revenue changes characterized by the economic and
7 revenue forecast council as a noneconomic change.

8 NEW SECTION. **Sec. 943. ACQUISITION OF INFORMATION TECHNOLOGY**
9 **PROJECTS THROUGH FINANCIAL CONTRACTS**

10 (1) Financial contracts for the acquisition of the information
11 technology projects authorized in this section must be approved jointly
12 by the office of the financial management and the office of the chief
13 information officer. Information technology projects funded under this
14 section shall meet the following requirements:

15 (a) The project reduces costs and achieves economies of scale by
16 leveraging statewide investments in systems and data and other common
17 or enterprise-wide solutions within and across state agencies;

18 (b) The project begins or continues replacement of legacy
19 information technology systems and replacing these systems with modern
20 and more efficient information technology systems;

21 (c) The project improves the ability of an agency to recover from
22 major disaster;

23 (d) The project provides future savings and efficiencies for an
24 agency through reduced operating costs, improved customer service, or
25 increased revenue collections; and

26 (e) Preference for project approval must be given to an agency that
27 has prior approval from the office of the chief information officer, an
28 approved business plan, and where the primary hurdle to project funding
29 is the lack of funding capacity.

30 (2) The following state agencies may enter into financial contracts
31 to finance expenditures for the acquisition and implementation of the
32 following information technology projects for up to the respective
33 amounts indicated, plus financing expenses and required reserves
34 pursuant to chapter 39.94 RCW:

35 (a) Subject to subsection (4) of this section, \$10,000,000 for the
36 department of enterprise services time, leave, and attendance pilot
37 project;

1 (b) \$3,867,000 for the Washington state patrol for continuation of
2 the mobile office platform;

3 (c) \$8,500,000 for the department of social and health services
4 conversion to the tenth version of the world health organization's
5 international classification of diseases;

6 (d) \$5,558,343 for the department of early learning system
7 implementation of electronic benefit transfers;

8 (e) \$9,404,000 for the employment security department to modernize
9 the unemployment insurance benefit system; and

10 (f) \$4,323,000 for the department of corrections for radio
11 infrastructure upgrades.

12 (3) The office of financial management with assistance from the
13 office of the chief information officer will report to the governor and
14 fiscal committees of the legislature by November 1st of each year on
15 the status of distributions and expenditures on information technology
16 projects and improved statewide or agency performance results achieved
17 by project funding.

18 (4) If the Washington state department of transportation enters
19 into financial contracts pursuant to chapter 39.94 RCW for the
20 acquisition and implementation of a time, leave, and labor distribution
21 system, the authorization provided to the department of enterprise
22 services in subsection (2)(a) of this section expires.

23 **NEW SECTION. Sec. 944. INFORMATION TECHNOLOGY PROJECTS**

24 (1) The office of the chief information officer, in coordination
25 with the technology services board, must evaluate existing state
26 technology policies on technology investment planning and project
27 implementation to determine whether these policies reflect current
28 industry leading practices. Where necessary, the office of the chief
29 information officer shall develop revisions to these policies designed
30 to incorporate leading practices, and to incorporate appropriate
31 reporting mechanisms designed to improve the transparency of agency
32 compliance with these policies. All revisions must be submitted to the
33 technology services board for approval no later than September 30,
34 2013. The technology services board may create a subcommittee
35 responsible for the ongoing review and oversight of state technology
36 policy development.

1 (2) The office of the chief information officer shall improve the
2 transparency of agency technology planning and development activities
3 by implementing a publicly facing web-based reporting tool for
4 centralized reporting and posting of these documents. The office of
5 the chief information officer shall develop and implement a policy
6 requiring that all critical planning documents, including but not
7 limited to feasibility studies, project management plans, and quality
8 assurance plans for all major projects, and all quality assurance
9 status reports. The reporting tool should be in place no later than
10 September 30, 2013.

11 NEW SECTION. **Sec. 945. PERSONAL COMPUTER ACQUISITION AND**
12 **REPLACEMENT**

13 (1) The legislature finds that the state must achieve reduced costs
14 in the acquisition and deployment of new and replacement personal
15 computers. The office of the chief information officer of the state
16 must develop a policy on the procurement of personal computers with the
17 goal of reducing the total life cycle cost of ownership. The policy
18 must be effective no later than September 1, 2013.

19 (2) At a minimum, the policy must address frequency of replacement,
20 identify a preferred financing method, and identify one or more
21 preferred equipment configurations. Financing methods examined in
22 developing the policy must include leasing, lease purchasing,
23 purchasing using certificates of participation and cash purchase. In
24 determining total life cycle costs, the office of the chief information
25 officer must consider the cost of acquisition, deployment, financing,
26 maintenance, and decommissioning of personal computers including any
27 residual software licensing costs. The office of the chief information
28 officer may include any other criteria deemed appropriate in developing
29 the policy.

30 (3) The office of the attorney general shall participate in a pilot
31 acquisition program. Key elements of the pilot will include a regular
32 replacement cycle that ensures reliable equipment and is acquired by
33 lease. Deployment of the replacement computer and decommissioning of
34 the old computer must also be part of the acquisition contract. The
35 office of the attorney general must work with the office of the chief
36 information officer to determine the costs and benefits of this

1 approach relative to cash procurement and agency deployment and
2 decommissioning. The office of the chief information officer shall
3 report on the findings of the pilot not later than January 1, 2015.

4 (4) While judicial, legislative, and higher education agencies are
5 exempt from this policy, they are encouraged to adhere to the policy to
6 the maximum extent practicable in meeting the goal of lowering the
7 total life cycle cost of ownership for personal computers.

8 NEW SECTION. **Sec. 946. INFORMATION TECHNOLOGY SECURITY PROGRAMS**
9 **AND TRAINING**

10 (1) The office of the chief information officer has developed
11 information technology security policies to assist state agencies in
12 implementing an information technology security program. Before any
13 agency may expend amounts appropriated in this act on information
14 technology equipment, the agency must adopt the information technology
15 security guidelines or the state chief information officer must approve
16 an agency's information technology security program.

17 (2) Every agency shall submit to the office of the chief
18 information officer a schedule for employee information technology
19 security training, in accordance with technology security policies, no
20 later than September 1, 2013. In the event an agency has not complied
21 with this requirement, the chief information officer may request the
22 office of financial management to embargo all or part of the amounts
23 appropriated to the agency in this act for information technology
24 equipment purchases until the agency training schedule is received.

25 **Sec. 947.** RCW 2.28.170 and 2009 c 445 s 2 are each amended to read
26 as follows:

- 27 (1) Counties may establish and operate drug courts.
- 28 (2) For the purposes of this section, "drug court" means a court
29 that has special calendars or dockets designed to achieve a reduction
30 in recidivism and substance abuse among nonviolent, substance abusing
31 felony and nonfelony offenders, whether adult or juvenile, by
32 increasing their likelihood for successful rehabilitation through
33 early, continuous, and intense judicially supervised treatment;
34 mandatory periodic drug testing; and the use of appropriate sanctions
35 and other rehabilitation services.

1 (3)(a) Any jurisdiction that seeks a state appropriation to fund a
2 drug court program must first:

3 (i) Exhaust all federal funding that is available to support the
4 operations of its drug court and associated services; and

5 (ii) Match, on a dollar-for-dollar basis, state moneys allocated
6 for drug court programs with local cash or in-kind resources. Moneys
7 allocated by the state must be used to supplement, not supplant, other
8 federal, state, and local funds for drug court operations and
9 associated services. However, from July 26, 2009, until June 30,
10 ((2013)) 2015, no match is required for state moneys expended for the
11 administrative and overhead costs associated with the operation of a
12 drug court pursuant to RCW 70.96A.350.

13 (b) Any county that establishes a drug court pursuant to this
14 section shall establish minimum requirements for the participation of
15 offenders in the program. The drug court may adopt local requirements
16 that are more stringent than the minimum. The minimum requirements
17 are:

18 (i) The offender would benefit from substance abuse treatment;

19 (ii) The offender has not previously been convicted of a serious
20 violent offense or sex offense as defined in RCW 9.94A.030; and

21 (iii) Without regard to whether proof of any of these elements is
22 required to convict, the offender is not currently charged with or
23 convicted of an offense:

24 (A) That is a sex offense;

25 (B) That is a serious violent offense;

26 (C) During which the defendant used a firearm; or

27 (D) During which the defendant caused substantial or great bodily
28 harm or death to another person.

29 **Sec. 948.** RCW 2.28.170 and 2013 c 257 s 5 are each amended to read
30 as follows:

31 (1) Jurisdictions may establish and operate drug courts.

32 (2) For the purposes of this section, "drug court" means a court
33 that has special calendars or dockets designed to achieve a reduction
34 in recidivism and substance abuse among nonviolent, substance abusing
35 felony and nonfelony offenders, whether adult or juvenile, by
36 increasing their likelihood for successful rehabilitation through

1 early, continuous, and intense judicially supervised treatment;
2 mandatory periodic drug testing; and the use of appropriate sanctions
3 and other rehabilitation services.

4 (3)(a) Any jurisdiction that seeks a state appropriation to fund a
5 drug court program must first:

6 (i) Exhaust all federal funding that is available to support the
7 operations of its drug court and associated services; and

8 (ii) Match, on a dollar-for-dollar basis, state moneys allocated
9 for drug court programs with local cash or in-kind resources. Moneys
10 allocated by the state must be used to supplement, not supplant, other
11 federal, state, and local funds for drug court operations and
12 associated services. However, from July 26, 2009, until June 30,
13 ((2013)) 2015, no match is required for state moneys expended for the
14 administrative and overhead costs associated with the operation of a
15 drug court pursuant to RCW 70.96A.350.

16 (b) Any jurisdiction that establishes a drug court pursuant to this
17 section shall establish minimum requirements for the participation of
18 offenders in the program. The drug court may adopt local requirements
19 that are more stringent than the minimum. The minimum requirements
20 are:

21 (i) The offender would benefit from substance abuse treatment;

22 (ii) The offender has not previously been convicted of a serious
23 violent offense or sex offense as defined in RCW 9.94A.030; and

24 (iii) Without regard to whether proof of any of these elements is
25 required to convict, the offender is not currently charged with or
26 convicted of an offense:

27 (A) That is a sex offense;

28 (B) That is a serious violent offense;

29 (C) During which the defendant used a firearm; or

30 (D) During which the defendant caused substantial or great bodily
31 harm or death to another person.

32 **Sec. 949.** RCW 13.40.466 and 2006 c 304 s 4 are each amended to
33 read as follows:

34 (1) The reinvesting in youth account is created in the state
35 treasury. Moneys in the account shall be spent only after
36 appropriation. Expenditures from the account may be used to reimburse
37 local governments for the implementation of the reinvesting in youth

1 program established in RCW 13.40.462 and 13.40.464. During the
2 2013-2015 fiscal biennium, the legislature may appropriate moneys from
3 the reinvesting in youth account for juvenile rehabilitation purposes.

4 (2) Revenues to the reinvesting in youth account consist of
5 revenues appropriated to or deposited in the account.

6 (3) The department of social and health services juvenile
7 rehabilitation administration shall review and monitor the expenditures
8 made by any county or group of counties that is funded, in whole or in
9 part, with funds provided through the reinvesting in youth account.
10 Counties shall repay any funds that are not spent in accordance with
11 RCW 13.40.462 and 13.40.464.

12 **Sec. 950.** RCW 28A.500.020 and 2010 c 237 s 5 are each amended to
13 read as follows:

14 (1) Unless the context clearly requires otherwise, the definitions
15 in this section apply throughout this chapter.

16 (a) "Prior tax collection year" means the year immediately
17 preceding the year in which the local effort assistance shall be
18 allocated.

19 (b) "Statewide average fourteen percent levy rate" means fourteen
20 percent of the total levy bases as defined in RCW 84.52.0531 (3)
21 through (5) for calendar years 2014 and 2015, and as defined in RCW
22 84.52.0531 (3) and (4) in calendar years 2016 and thereafter, summed
23 for all school districts, and divided by the total assessed valuation
24 for excess levy purposes in the prior tax collection year for all
25 districts as adjusted to one hundred percent by the county indicated
26 ratio established in RCW 84.48.075.

27 (c) The "district's fourteen percent levy amount" means the school
28 district's maximum levy authority after transfers determined under RCW
29 84.52.0531(2) (a) through (c) divided by the district's maximum levy
30 percentage determined under RCW 84.52.0531(~~(+5)~~) (6) multiplied by
31 fourteen percent.

32 (d) The "district's fourteen percent levy rate" means the
33 district's fourteen percent levy amount divided by the district's
34 assessed valuation for excess levy purposes for the prior tax
35 collection year as adjusted to one hundred percent by the county
36 indicated ratio.

1 (e) "Districts eligible for local effort assistance" means those
2 districts with a fourteen percent levy rate that exceeds the statewide
3 average fourteen percent levy rate.

4 (2) Unless otherwise stated all rates, percents, and amounts are
5 for the calendar year for which local effort assistance is being
6 calculated under this chapter.

7 **Sec. 951.** RCW 28B.15.067 and 2012 2nd sp.s. c 7 s 914 are each
8 amended to read as follows:

9 (1) Tuition fees shall be established under the provisions of this
10 chapter.

11 (2) Beginning in the 2011-12 academic year, reductions or increases
12 in full-time tuition fees shall be as provided in the omnibus
13 appropriations act for resident undergraduate students at community and
14 technical colleges. The governing boards of the state universities,
15 regional universities, and The Evergreen State College; and the state
16 board for community and technical colleges may reduce or increase full-
17 time tuition fees for all students other than resident undergraduates,
18 including nonresident students, summer school students, and students in
19 other self-supporting degree programs. Percentage increases in full-
20 time tuition may exceed the fiscal growth factor. Except during the
21 ((2011-2013)) 2013-2015 fiscal biennium, the state board for community
22 and technical colleges may pilot or institute differential tuition
23 models. The board may define scale, scope, and rationale for the
24 models.

25 (3)(a) Beginning with the 2011-12 academic year and through the end
26 of the 2014-15 academic year, the governing boards of the state
27 universities, the regional universities, and The Evergreen State
28 College may reduce or increase full-time tuition fees for all students,
29 including summer school students and students in other self-supporting
30 degree programs. Percentage increases in full-time tuition fees may
31 exceed the fiscal growth factor. Reductions or increases may be made
32 for all or portions of an institution's programs, campuses, courses, or
33 students; however, during the ((2011-2013)) 2013-2015 fiscal biennium,
34 reductions or increases in tuition must be uniform among resident
35 undergraduate students.

36 (b) Prior to reducing or increasing tuition for each academic year,
37 the governing boards of the state universities, the regional

1 universities, and The Evergreen State College shall consult with
2 existing student associations or organizations with student
3 undergraduate and graduate representatives regarding the impacts of
4 potential tuition increases. Each governing board shall make public
5 its proposal for tuition and fee increases twenty-one days before the
6 governing board of the institution considers adoption and allow
7 opportunity for public comment. However, the requirement to make
8 public a proposal for tuition and fee increases twenty-one days before
9 the governing board considers adoption shall not apply if the omnibus
10 appropriations act has not passed the legislature by May 15th.
11 Governing boards shall be required to provide data regarding the
12 percentage of students receiving financial aid, the sources of aid, and
13 the percentage of total costs of attendance paid for by aid.

14 (c) Prior to reducing or increasing tuition for each academic year,
15 the state board for community and technical college system shall
16 consult with existing student associations or organizations with
17 undergraduate student representation regarding the impacts of potential
18 tuition increases. The state board for community and technical
19 colleges shall provide data regarding the percentage of students
20 receiving financial aid, the sources of aid, and the percentage of
21 total costs of attendance paid for by aid.

22 (4) Beginning with the 2015-16 academic year through the 2018-19
23 academic year, the governing boards of the state universities, regional
24 universities, and The Evergreen State College may set tuition for
25 resident undergraduates as follows:

26 (a) If state funding for a college or university falls below the
27 state funding provided in the operating budget for fiscal year 2011,
28 the governing board may increase tuition up to the limits set in (d) of
29 this subsection, reduce enrollments, or both;

30 (b) If state funding for a college or university is at least at the
31 level of state funding provided in the operating budget for fiscal year
32 2011, the governing board may increase tuition up to the limits set in
33 (d) of this subsection and shall continue to at least maintain the
34 actual enrollment levels for fiscal year 2011 or increase enrollments
35 as required in the omnibus appropriations act;

36 (c) If state funding is increased so that combined with resident
37 undergraduate tuition the sixtieth percentile of the total per-student
38 funding at similar public institutions of higher education in the

1 global challenge states under RCW 28B.15.068 is exceeded, the governing
2 board shall decrease tuition by the amount needed for the total per-
3 student funding to be at the sixtieth percentile under RCW 28B.15.068;
4 and

5 (d) The amount of tuition set by the governing board for an
6 institution under this subsection (4) may not exceed the sixtieth
7 percentile of the resident undergraduate tuition of similar public
8 institutions of higher education in the global challenge states.

9 (5) The tuition fees established under this chapter shall not apply
10 to high school students enrolling in participating institutions of
11 higher education under RCW 28A.600.300 through 28A.600.400.

12 (6) The tuition fees established under this chapter shall not apply
13 to eligible students enrolling in a dropout reengagement program
14 through an interlocal agreement between a school district and a
15 community or technical college under RCW 28A.175.100 through
16 28A.175.110.

17 (7) The tuition fees established under this chapter shall not apply
18 to eligible students enrolling in a community or technical college
19 participating in the pilot program under RCW 28B.50.534 for the purpose
20 of obtaining a high school diploma.

21 (8) Beginning in the 2019-20 academic year, reductions or increases
22 in full-time tuition fees for resident undergraduates at four-year
23 institutions of higher education shall be as provided in the omnibus
24 appropriations act.

25 (9) The legislative advisory committee to the committee on advanced
26 tuition payment established in RCW 28B.95.170 shall:

27 (a) Review the impact of differential tuition rates on the funded
28 status and future unit price of the Washington advanced college tuition
29 payment program; and

30 (b) No later than January 14, 2013, make a recommendation to the
31 appropriate policy and fiscal committees of the legislature regarding
32 how differential tuition should be addressed in order to maintain the
33 ongoing solvency of the Washington advanced college tuition payment
34 program.

35 **Sec. 952.** RCW 28B.20.476 and 2007 c 216 s 2 are each amended to
36 read as follows:

37 The geoduck aquaculture research account is created in the custody

1 of the state treasurer. All receipts from any legislative
2 appropriations, the aquaculture industry, or any other private or
3 public source directed to the account must be deposited in the account.
4 Expenditures from the account may only be used by the sea grant program
5 for the geoduck research projects identified by RCW 28B.20.475. Only
6 the president of the University of Washington or the president's
7 designee may authorize expenditures from the account. The account is
8 subject to the allotment procedures under chapter 43.88 RCW, but an
9 appropriation is not required for expenditures. During the 2013-2015
10 fiscal biennium, amounts available in the geoduck aquaculture research
11 account may also be appropriated for the sea grant program at the
12 University of Washington to conduct research examining the possible
13 negative and positive effects of evolving shellfish aquaculture
14 techniques and practices on Washington's economy and marine ecosystems.

15 **Sec. 953.** RCW 28B.92.010 and 2004 c 275 s 34 are each amended to
16 read as follows:

17 The purposes of this chapter are to establish the principles upon
18 which the state financial aid programs will be based and to establish
19 the state of Washington state need grant program, thus assisting
20 financially needy or disadvantaged students domiciled in Washington to
21 obtain the opportunity of attending an accredited institution of higher
22 education. State need grants under this chapter are available only to
23 students who are resident students as defined in RCW 28B.15.012(2) (a)
24 through ~~((d))~~ (e) or any person who has completed the full senior
25 year of high school and obtained a high school diploma, either at a
26 Washington public high school or private high school approved under
27 chapter 28A.195 RCW, or a person who has received the equivalent of a
28 diploma; who has lived in Washington state for at least three years
29 immediately before receiving the diploma or its equivalent; who has
30 continuously lived in the state of Washington after receiving the
31 diploma or its equivalent and until such time as the individual is
32 admitted to an eligible institution of higher education and has been
33 granted deferred action for childhood arrival status pursuant to the
34 rules and regulations adopted by the United States citizenship and
35 immigration services.

1 **Sec. 954.** RCW 28C.04.535 and 2011 1st sp.s. c 50 s 930 are each
2 amended to read as follows:

3 Except for the ((~~2011-12 and 2012-13~~)) 2013-14 and 2014-15 school
4 years, the Washington award for vocational excellence shall be granted
5 annually. The workforce training and education coordinating board
6 shall notify the students receiving the award, their vocational
7 instructors, local chambers of commerce, the legislators of their
8 respective districts, and the governor, after final selections have
9 been made. The workforce training and education coordinating board, in
10 conjunction with the governor's office, shall prepare appropriate
11 certificates to be presented to the selected students. Awards shall be
12 presented in public ceremonies at times and places determined by the
13 workforce training and education coordinating board in cooperation with
14 the office of the governor.

15 **Sec. 955.** RCW 38.52.540 and 2012 2nd sp.s. c 7 s 915 are each
16 amended to read as follows:

17 (1) The enhanced 911 account is created in the state treasury. All
18 receipts from the state enhanced 911 excise taxes imposed by RCW
19 82.14B.030 must be deposited into the account. Moneys in the account
20 must be used only to support the statewide coordination and management
21 of the enhanced 911 system, for the implementation of wireless enhanced
22 911 statewide, for the modernization of enhanced 911 emergency
23 communications systems statewide, and to help supplement, within
24 available funds, the operational costs of the system, including
25 adequate funding of counties to enable implementation of wireless
26 enhanced 911 service and reimbursement of radio communications service
27 companies for costs incurred in providing wireless enhanced 911 service
28 pursuant to negotiated contracts between the counties or their agents
29 and the radio communications service companies. For the 2011-2013
30 fiscal biennium, the account may be used for modernizing narrowband
31 radio capability in the department of corrections. For the 2013-2015
32 fiscal biennium, the account may be used for activities and programs in
33 the military department. A county must show just cause, including but
34 not limited to a true and accurate accounting of the funds expended,
35 for any inability to provide reimbursement to radio communications
36 service companies of costs incurred in providing enhanced 911 service.

1 (2) Funds generated by the enhanced 911 excise tax imposed by RCW
2 82.14B.030(5) may not be distributed to any county that has not imposed
3 the maximum county enhanced 911 excise tax allowed under RCW
4 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed
5 by RCW 82.14B.030(6) may not be distributed to any county that has not
6 imposed the maximum county enhanced 911 excise tax allowed under RCW
7 82.14B.030(2).

8 (3) The state enhanced 911 coordinator, with the advice and
9 assistance of the enhanced 911 advisory committee, is authorized to
10 enter into statewide agreements to improve the efficiency of enhanced
11 911 services for all counties and shall specify by rule the additional
12 purposes for which moneys, if available, may be expended from this
13 account.

14 **Sec. 956.** RCW 39.26.210 and 2012 c 224 s 23 are each amended to
15 read as follows:

16 (1) Agencies during the 2013-2015 biennia, must (~~annually~~) submit
17 to the department a list of all contracts that the agency has entered
18 into or renewed within ten days of entering into the contract.
19 "Contracts," for the purposes of this section, does not include
20 purchase orders. The department must maintain a publicly available
21 list of all contracts entered into by agencies (~~during each fiscal~~
22 ~~year~~), except that contracts for the employment of expert witnesses
23 for the purposes of litigation shall not be made publicly available to
24 the extent that information is exempt from disclosure under state law.
25 Except as otherwise exempt, the data must identify the contracting
26 agency, the contractor, the purpose of the contract, effective dates
27 and periods of performance, the cost of the contract and funding
28 source, any substantive modifications to the contract, and whether the
29 contract was competitively procured or awarded on a sole source basis.

30 (2) The department may conduct audits of its master contracts and
31 convenience contracts to ensure that the contractor is in compliance
32 with the contract terms and conditions, including but not limited to
33 providing only the goods and services specified in the contract at the
34 contract price.

35 **Sec. 957.** RCW 41.06.280 and 2011 1st sp.s. c 43 s 419 are each
36 amended to read as follows:

1 There is hereby created a fund within the state treasury,
2 designated as the "personnel service fund," to be used by the office of
3 financial management and the department of enterprise services as a
4 revolving fund for the payment of salaries, wages, and operations
5 required for the administration of the provisions of this chapter,
6 applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An
7 amount not to exceed one and one-half percent of the salaries and wages
8 for all positions in the classified service in each of the agencies
9 subject to this chapter, except the institutions of higher education,
10 shall be charged to the operations appropriations of each agency and
11 credited to the personnel service fund as the allotments are approved
12 pursuant to chapter 43.88 RCW. Subject to the above limitations, the
13 amount shall be charged against the allotments pro rata, at a rate to
14 be fixed by the director from time to time which, together with income
15 derived from services rendered under RCW 41.06.080, will provide the
16 office of financial management and the department of enterprise
17 services with funds to meet its anticipated expenditures during the
18 allotment period, including the training requirements in RCW 41.06.500
19 and 41.06.530.

20 The director shall fix the terms and charges for services rendered
21 by the department of enterprise services and the office of financial
22 management pursuant to RCW 41.06.080, which amounts shall be credited
23 to the personnel service fund and charged against the proper fund or
24 appropriation of the recipient of such services on a monthly basis.
25 Payment for services so rendered under RCW 41.06.080 shall be made on
26 a monthly basis to the state treasurer and deposited in the personnel
27 service fund.

28 Moneys from the personnel service fund shall be disbursed by the
29 state treasurer by warrants on vouchers duly authorized by the office
30 of financial management and the department of enterprise services.

31 During the 2013-2015 fiscal biennium, the legislature may transfer
32 from the personnel service fund to the state general fund such amounts
33 as reflect the excess fund balance of the account.

34 **Sec. 958.** RCW 41.06.280 and 2013 c 251 s 1 are each amended to
35 read as follows:

36 There is hereby created a fund within the state treasury,
37 designated as the "personnel service fund," to be used by the office of

1 financial management as a revolving fund for the payment of salaries,
2 wages, and operations required for the administration of the provisions
3 of this chapter, applicable provisions of chapter 41.04 RCW, and
4 chapter 41.60 RCW. An amount not to exceed one and one-half percent of
5 the salaries and wages for all positions in the classified service in
6 each of the agencies subject to this chapter, except the institutions
7 of higher education, shall be charged to the operations appropriations
8 of each agency and credited to the personnel service fund as the
9 allotments are approved pursuant to chapter 43.88 RCW. Subject to the
10 above limitations, the amount shall be charged against the allotments
11 pro rata, at a rate to be fixed by the director from time to time
12 which, together with income derived from services rendered under RCW
13 41.06.080, will provide the office of financial management with funds
14 to meet its anticipated expenditures during the allotment period,
15 including the training requirements in RCW 41.06.500 and 41.06.530.
16 All revenues, net of expenditures, previously derived from services
17 provided by the department of enterprise services under RCW 41.06.080
18 must be transferred to the enterprise services account.

19 The director shall fix the terms and charges for services rendered
20 by the office of financial management pursuant to RCW 41.06.080, which
21 amounts shall be credited to the personnel service fund and charged
22 against the proper fund or appropriation of the recipient of such
23 services on a monthly basis. Payment for services so rendered under
24 RCW 41.06.080 shall be made on a monthly basis to the state treasurer
25 and deposited in the personnel service fund.

26 Moneys from the personnel service fund shall be disbursed by the
27 state treasurer by warrants on vouchers duly authorized by the office
28 of financial management.

29 During the 2013-2015 fiscal biennium, the legislature may transfer
30 from the personnel service fund to the state general fund such amounts
31 as reflect the excess fund balance of the account.

32 **Sec. 959.** RCW 41.26.802 and 2008 c 99 s 4 are each amended to read
33 as follows:

34 (1) By September 30, 2011, if the prior fiscal biennium's general
35 state revenues exceed the previous fiscal biennium's revenues by more
36 than five percent, subject to appropriation by the legislature, the

1 state treasurer shall transfer five million dollars to the local public
2 safety enhancement account.

3 ~~(2) ((By September 30, 2013, if the prior fiscal biennium's general
4 state revenues exceed the previous fiscal biennium's revenues by more
5 than five percent, subject to appropriation by the legislature, the
6 state treasurer shall transfer ten million dollars to the local public
7 safety enhancement account.~~

8 ~~(3))~~ By September 30, 2015, if the prior fiscal biennium's general
9 state revenues exceed the previous fiscal biennium's revenues by more
10 than five percent, subject to appropriation by the legislature, the
11 state treasurer shall transfer twenty million dollars to the local
12 public safety enhancement account.

13 (4) By September 30, 2017, and by September 30 of each odd-numbered
14 year thereafter, if the prior fiscal biennium's general state revenues
15 exceed the previous fiscal biennium's revenues by more than five
16 percent, subject to appropriation by the legislature, the state
17 treasurer shall transfer the lesser of one-third of the increase, or
18 fifty million dollars, to the local public safety enhancement account.

19 **Sec. 960.** RCW 41.60.050 and 2011 1st sp.s. c 50 s 937 and 2011 1st
20 sp.s. c 43 s 473 are each reenacted and amended to read as follows:

21 The legislature shall appropriate from the personnel service fund
22 for the payment of administrative costs of the productivity board.
23 However, during the 2011-2013 and 2013-2015 fiscal ((biennium))
24 biennia, the operations of the productivity board shall be suspended.

25 **Sec. 961.** RCW 41.80.010 and 2011 1st sp.s. c 50 s 938 and 2011 c
26 344 s 1 are each reenacted and amended to read as follows:

27 (1) For the purpose of negotiating collective bargaining agreements
28 under this chapter, the employer shall be represented by the governor
29 or governor's designee, except as provided for institutions of higher
30 education in subsection (4) of this section.

31 (2)(a) If an exclusive bargaining representative represents more
32 than one bargaining unit, the exclusive bargaining representative shall
33 negotiate with each employer representative as designated in subsection
34 (1) of this section one master collective bargaining agreement on
35 behalf of all the employees in bargaining units that the exclusive
36 bargaining representative represents. For those exclusive bargaining

1 representatives who represent fewer than a total of five hundred
2 employees each, negotiation shall be by a coalition of all those
3 exclusive bargaining representatives. The coalition shall bargain for
4 a master collective bargaining agreement covering all of the employees
5 represented by the coalition. The governor's designee and the
6 exclusive bargaining representative or representatives are authorized
7 to enter into supplemental bargaining of agency-specific issues for
8 inclusion in or as an addendum to the master collective bargaining
9 agreement, subject to the parties' agreement regarding the issues and
10 procedures for supplemental bargaining. This section does not prohibit
11 cooperation and coordination of bargaining between two or more
12 exclusive bargaining representatives.

13 (b) This subsection (2) does not apply to exclusive bargaining
14 representatives who represent employees of institutions of higher
15 education, except when the institution of higher education has elected
16 to exercise its option under subsection (4) of this section to have its
17 negotiations conducted by the governor or governor's designee under the
18 procedures provided for general government agencies in subsections (1)
19 through (3) of this section.

20 (c) If five hundred or more employees of an independent state
21 elected official listed in RCW 43.01.010 are organized in a bargaining
22 unit or bargaining units under RCW 41.80.070, the official shall be
23 consulted by the governor or the governor's designee before any
24 agreement is reached under (a) of this subsection concerning
25 supplemental bargaining of agency specific issues affecting the
26 employees in such bargaining unit.

27 (3) The governor shall submit a request for funds necessary to
28 implement the compensation and fringe benefit provisions in the master
29 collective bargaining agreement or for legislation necessary to
30 implement the agreement. Requests for funds necessary to implement the
31 provisions of bargaining agreements shall not be submitted to the
32 legislature by the governor unless such requests:

33 (a) Have been submitted to the director of the office of financial
34 management by October 1 prior to the legislative session at which the
35 requests are to be considered; and

36 (b) Have been certified by the director of the office of financial
37 management as being feasible financially for the state.

1 The legislature shall approve or reject the submission of the
2 request for funds as a whole. The legislature shall not consider a
3 request for funds to implement a collective bargaining agreement unless
4 the request is transmitted to the legislature as part of the governor's
5 budget document submitted under RCW 43.88.030 and 43.88.060. If the
6 legislature rejects or fails to act on the submission, either party may
7 reopen all or part of the agreement or the exclusive bargaining
8 representative may seek to implement the procedures provided for in RCW
9 41.80.090.

10 (4)(a)(i) For the purpose of negotiating agreements for
11 institutions of higher education, the employer shall be the respective
12 governing board of each of the universities, colleges, or community
13 colleges or a designee chosen by the board to negotiate on its behalf.

14 (ii) A governing board of a university or college may elect to have
15 its negotiations conducted by the governor or governor's designee under
16 the procedures provided for general government agencies in subsections
17 (1) through (3) of this section, except that:

18 (A) The governor or the governor's designee and an exclusive
19 bargaining representative shall negotiate one master collective
20 bargaining agreement for all of the bargaining units of employees of a
21 university or college that the representative represents; or

22 (B) If the parties mutually agree, the governor or the governor's
23 designee and an exclusive bargaining representative shall negotiate one
24 master collective bargaining agreement for all of the bargaining units
25 of employees of more than one university or college that the
26 representative represents.

27 (iii) A governing board of a community college may elect to have
28 its negotiations conducted by the governor or governor's designee under
29 the procedures provided for general government agencies in subsections
30 (1) through (3) of this section.

31 (b) Prior to entering into negotiations under this chapter, the
32 institutions of higher education or their designees shall consult with
33 the director of the office of financial management regarding financial
34 and budgetary issues that are likely to arise in the impending
35 negotiations.

36 (c)(i) In the case of bargaining agreements reached between
37 institutions of higher education other than the University of
38 Washington and exclusive bargaining representatives agreed to under the

1 provisions of this chapter, if appropriations are necessary to
2 implement the compensation and fringe benefit provisions of the
3 bargaining agreements, the governor shall submit a request for such
4 funds to the legislature according to the provisions of subsection (3)
5 of this section, except as provided in (c)(iii) of this subsection.

6 (ii) In the case of bargaining agreements reached between the
7 University of Washington and exclusive bargaining representatives
8 agreed to under the provisions of this chapter, if appropriations are
9 necessary to implement the compensation and fringe benefit provisions
10 of a bargaining agreement, the governor shall submit a request for such
11 funds to the legislature according to the provisions of subsection (3)
12 of this section, except as provided in this subsection (4)(c)(ii) and
13 as provided in (c)(iii) of this subsection.

14 (A) If appropriations of less than ten thousand dollars are
15 necessary to implement the provisions of a bargaining agreement, a
16 request for such funds shall not be submitted to the legislature by the
17 governor unless the request has been submitted to the director of the
18 office of financial management by October 1 prior to the legislative
19 session at which the request is to be considered.

20 (B) If appropriations of ten thousand dollars or more are necessary
21 to implement the provisions of a bargaining agreement, a request for
22 such funds shall not be submitted to the legislature by the governor
23 unless the request:

24 (I) Has been submitted to the director of the office of financial
25 management by October 1 prior to the legislative session at which the
26 request is to be considered; and

27 (II) Has been certified by the director of the office of financial
28 management as being feasible financially for the state.

29 (C) If the director of the office of financial management does not
30 certify a request under (c)(ii)(B) of this subsection as being feasible
31 financially for the state, the parties shall enter into collective
32 bargaining solely for the purpose of reaching a mutually agreed upon
33 modification of the agreement necessary to address the absence of those
34 requested funds. The legislature may act upon the compensation and
35 fringe benefit provisions of the modified collective bargaining
36 agreement if those provisions are agreed upon and submitted to the
37 office of financial management and legislative budget committees before

1 final legislative action on the biennial or supplemental operating
2 budget by the sitting legislature.

3 (iii) In the case of a bargaining unit of employees of institutions
4 of higher education in which the exclusive bargaining representative is
5 certified during or after the conclusion of a legislative session, the
6 legislature may act upon the compensation and fringe benefit provisions
7 of the unit's initial collective bargaining agreement if those
8 provisions are agreed upon and submitted to the office of financial
9 management and legislative budget committees before final legislative
10 action on the biennial or supplemental operating budget by the sitting
11 legislature.

12 (5) There is hereby created a joint committee on employment
13 relations, which consists of two members with leadership positions in
14 the house of representatives, representing each of the two largest
15 caucuses; the chair and ranking minority member of the house
16 appropriations committee, or its successor, representing each of the
17 two largest caucuses; two members with leadership positions in the
18 senate, representing each of the two largest caucuses; and the chair
19 and ranking minority member of the senate ways and means committee, or
20 its successor, representing each of the two largest caucuses. The
21 governor shall periodically consult with the committee regarding
22 appropriations necessary to implement the compensation and fringe
23 benefit provisions in the master collective bargaining agreements, and
24 upon completion of negotiations, advise the committee on the elements
25 of the agreements and on any legislation necessary to implement the
26 agreements.

27 (6) If, after the compensation and fringe benefit provisions of an
28 agreement are approved by the legislature, a significant revenue
29 shortfall occurs resulting in reduced appropriations, as declared by
30 proclamation of the governor or by resolution of the legislature, both
31 parties shall immediately enter into collective bargaining for a
32 mutually agreed upon modification of the agreement.

33 (7) After the expiration date of a collective bargaining agreement
34 negotiated under this chapter, all of the terms and conditions
35 specified in the collective bargaining agreement remain in effect until
36 the effective date of a subsequently negotiated agreement, not to
37 exceed one year from the expiration date stated in the agreement.
38 Thereafter, the employer may unilaterally implement according to law.

1 (8) For the ((2011-2013)) 2013-2015 fiscal biennium, a collective
2 bargaining agreement related to employee health care benefits
3 negotiated between the employer and coalition pursuant to RCW
4 41.80.020(3) regarding the dollar amount expended on behalf of each
5 employee shall be a separate agreement for which the governor may
6 request funds necessary to implement the agreement. ((If such an
7 agreement is negotiated and funded by the legislature, this agreement
8 will supersede any terms and conditions of an expired 2009-2011
9 biennial master collective bargaining agreement under this chapter
10 regarding health care benefits.)) The legislature may act upon a
11 2013-2015 collective bargaining agreement related to employee health
12 care benefits if an agreement is reached and submitted to the office of
13 financial management and legislative budget committees before final
14 legislative action on the biennial or supplemental operating
15 appropriations act by the sitting legislature.

16 **Sec. 962.** RCW 41.80.020 and 2011 1st sp.s. c 50 s 939 and 2011 1st
17 sp.s. c 43 s 445 are each reenacted and amended to read as follows:

18 (1) Except as otherwise provided in this chapter, the matters
19 subject to bargaining include wages, hours, and other terms and
20 conditions of employment, and the negotiation of any question arising
21 under a collective bargaining agreement.

22 (2) The employer is not required to bargain over matters pertaining
23 to:

24 (a) Health care benefits or other employee insurance benefits,
25 except as required in subsection (3) of this section;

26 (b) Any retirement system or retirement benefit; or

27 (c) Rules of the human resources director, the director of
28 enterprise services, or the Washington personnel resources board
29 adopted under RCW 41.06.157.

30 (3) Matters subject to bargaining include the number of names to be
31 certified for vacancies, promotional preferences, and the dollar amount
32 expended on behalf of each employee for health care benefits. However,
33 except as provided otherwise in this subsection for institutions of
34 higher education, negotiations regarding the number of names to be
35 certified for vacancies, promotional preferences, and the dollar amount
36 expended on behalf of each employee for health care benefits shall be
37 conducted between the employer and one coalition of all the exclusive

1 bargaining representatives subject to this chapter. The exclusive
2 bargaining representatives for employees that are subject to chapter
3 47.64 RCW shall bargain the dollar amount expended on behalf of each
4 employee for health care benefits with the employer as part of the
5 coalition under this subsection. Any such provision agreed to by the
6 employer and the coalition shall be included in all master collective
7 bargaining agreements negotiated by the parties. For institutions of
8 higher education, promotional preferences and the number of names to be
9 certified for vacancies shall be bargained under the provisions of RCW
10 41.80.010(4). For agreements covering the ((2011-2013)) 2013-2015
11 fiscal biennium, any agreement between the employer and the coalition
12 regarding the dollar amount expended on behalf of each employee for
13 health care benefits is a separate agreement and shall not be included
14 in the master collective bargaining agreements negotiated by the
15 parties.

16 (4) The employer and the exclusive bargaining representative shall
17 not agree to any proposal that would prevent the implementation of
18 approved affirmative action plans or that would be inconsistent with
19 the comparable worth agreement that provided the basis for the salary
20 changes implemented beginning with the 1983-1985 biennium to achieve
21 comparable worth.

22 (5) The employer and the exclusive bargaining representative shall
23 not bargain over matters pertaining to management rights established in
24 RCW 41.80.040.

25 (6) Except as otherwise provided in this chapter, if a conflict
26 exists between an executive order, administrative rule, or agency
27 policy relating to wages, hours, and terms and conditions of employment
28 and a collective bargaining agreement negotiated under this chapter,
29 the collective bargaining agreement shall prevail. A provision of a
30 collective bargaining agreement that conflicts with the terms of a
31 statute is invalid and unenforceable.

32 (7) This section does not prohibit bargaining that affects
33 contracts authorized by RCW 41.06.142.

34 **Sec. 963.** RCW 43.08.190 and 2011 1st sp.s. c 50 s 941 are each
35 amended to read as follows:

36 There is hereby created a fund within the state treasury to be

1 known as the "state treasurer's service fund." Such fund shall be used
2 solely for the payment of costs and expenses incurred in the operation
3 and administration of the state treasurer's office.

4 Moneys shall be allocated monthly and placed in the state
5 treasurer's service fund equivalent to a maximum of one percent of the
6 trust and treasury average daily cash balances from the earnings
7 generated under the authority of RCW 43.79A.040 and 43.84.080 other
8 than earnings generated from investment of balances in funds and
9 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
10 precede the distribution of the remaining earnings as prescribed under
11 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
12 uniform allocation rate for all funds and accounts; except that the
13 state treasurer may negotiate a different allocation rate with any
14 state agency that has independent authority over funds not statutorily
15 required to be held in the state treasury or in the custody of the
16 state treasurer. In no event shall the rate be less than the actual
17 costs incurred by the state treasurer's office. If no rate is
18 separately negotiated, the default rate for any funds held shall be the
19 rate set for funds held pursuant to statute.

20 During the 2009-2011 fiscal biennium and the 2011-2013 and 2013-
21 2015 fiscal (~~(biennium))~~ biennia, the legislature may transfer from the
22 state treasurer's service fund to the state general fund such amounts
23 as reflect the excess fund balance of the fund.

24 **Sec. 964.** RCW 43.10.150 and 1974 ex.s. c 146 s 1 are each amended
25 to read as follows:

26 A legal services revolving fund is hereby created in the state
27 treasury for the purpose of a centralized funding, accounting, and
28 distribution of the actual costs of the legal services provided to
29 agencies of the state government by the attorney general. During the
30 2013-2015 fiscal biennium, the legislature may transfer from the legal
31 services revolving account to the state general fund such amounts as
32 reflect the excess fund balance of the account.

33 **Sec. 965.** RCW 43.19.791 and 2011 2nd sp.s. c 9 s 906 are each
34 amended to read as follows:

35 There is created a revolving fund to be known as the data
36 processing revolving fund in the custody of the state treasurer. The

1 revolving fund shall be used for the acquisition of equipment,
2 software, supplies, and services and the payment of salaries, wages,
3 and other costs incidental to the acquisition, development, operation,
4 and administration of information services, telecommunications,
5 systems, software, supplies and equipment, including the payment of
6 principal and interest on bonds issued for capital projects, by the
7 department, Washington State University's computer services center, the
8 department of enterprise services' personnel information systems group
9 and financial systems management group, and other users as determined
10 by the office of financial management. The revolving fund is subject
11 to the allotment procedure provided under chapter 43.88 RCW. The chief
12 information officer or the chief information officer's designee, with
13 the approval of the technology services board, is authorized to expend
14 up to one million dollars per fiscal biennium for the technology
15 services board to conduct independent technical and financial analysis
16 of proposed information technology projects, and such an expenditure
17 does not require an appropriation. Disbursements from the revolving
18 fund for the services component of the department are not subject to
19 appropriation. Disbursements for the strategic planning and policy
20 component of the department are subject to appropriation. All
21 disbursements from the fund are subject to the allotment procedures
22 provided under chapter 43.88 RCW. The department shall establish and
23 implement a billing structure to assure all agencies pay an equitable
24 share of the costs.

25 During the 2011-2013 and the 2013-2015 fiscal (~~biennium~~) biennia,
26 the legislature may transfer from the data processing revolving account
27 to the state general fund such amounts as reflect the excess fund
28 balance.

29 As used in this section, the word "supplies" shall not be
30 interpreted to delegate or abrogate the division of purchasing's
31 responsibilities and authority to purchase supplies as described in RCW
32 43.19.190 and 43.19.200.

33 **Sec. 966.** RCW 43.71.030 and 2012 c 87 s 4 are each amended to read
34 as follows:

35 (1) The exchange may, consistent with the purposes of this chapter:
36 (a) Sue and be sued in its own name; (b) make and execute agreements,
37 contracts, and other instruments, with any public or private person or

1 entity; (c) employ, contract with, or engage personnel; (d) pay
2 administrative costs; (e) accept grants, donations, loans of funds, and
3 contributions in money, services, materials or otherwise, from the
4 United States or any of its agencies, from the state of Washington and
5 its agencies or from any other source, and use or expend those moneys,
6 services, materials, or other contributions; (f) aggregate or delegate
7 the aggregation of funds that comprise the premium for a health plan;
8 and (g) complete other duties necessary to begin open enrollment in
9 qualified health plans through the exchange beginning October 1, 2013.

10 (2) The board shall develop a methodology to ensure the exchange is
11 self-sustaining after December 31, 2014. The board shall seek input
12 from health carriers to develop funding mechanisms that fairly and
13 equitably apportion among carriers the reasonable administrative costs
14 and expenses incurred to implement the provisions of this chapter. The
15 board shall submit its recommendations to the legislature by December
16 1, 2012. If the legislature does not enact legislation during the 2013
17 regular session to modify or reject the board's recommendations, the
18 board may proceed with implementation of the recommendations. During
19 the 2013-2015 fiscal biennium, revenues to the exchange from charges to
20 enrollees and to the state, as appropriated in section 213 of this act,
21 shall not exceed 3.4 percent of premiums paid.

22 (3) The board shall establish policies that permit city and county
23 governments, Indian tribes, tribal organizations, urban Indian
24 organizations, private foundations, and other entities to pay premiums
25 on behalf of qualified individuals.

26 (4) The employees of the exchange may participate in the public
27 employees' retirement system under chapter 41.40 RCW and the public
28 employees' benefits board under chapter 41.05 RCW.

29 (5) Qualified employers may access coverage for their employees
30 through the exchange for small groups under section 1311 of P.L. 111-
31 148 of 2010, as amended. The exchange shall enable any qualified
32 employer to specify a level of coverage so that any of its employees
33 may enroll in any qualified health plan offered through the small group
34 exchange at the specified level of coverage.

35 (6) The exchange shall report its activities and status to the
36 governor and the legislature as requested, and no less often than
37 annually.

1 NEW SECTION. **Sec. 967.** Section 966 of this act takes effect July
2 1, 2013, only if Engrossed Substitute House Bill No. 1947 (Washington
3 health benefit exchange) is not enacted by June 30, 2013.

4 **Sec. 968.** RCW 43.79.445 and 2005 c 166 s 3 are each amended to
5 read as follows:

6 There is established an account in the state treasury referred to
7 as the "death investigations account" which shall exist for the purpose
8 of receiving, holding, investing, and disbursing funds appropriated or
9 provided in RCW 70.58.107 and any moneys appropriated or otherwise
10 provided thereafter.

11 Moneys in the death investigations account shall be disbursed by
12 the state treasurer once every year on December 31 and at any other
13 time determined by the treasurer. The treasurer shall make
14 disbursements to: The state toxicology laboratory, counties for the
15 cost of autopsies, the state patrol for providing partial funding for
16 the state dental identification system, the criminal justice training
17 commission for training county coroners, medical examiners and their
18 staff, and the state forensic investigations council. (~~Funds from the~~
19 ~~death investigations account may be appropriated during the 1997-99~~
20 ~~biennium for the purposes of statewide child mortality reviews~~
21 ~~administered by the department of health.)) Funds from the death
22 investigations account may be appropriated during the 2013-2015 fiscal
23 biennium for the activities of the state crime laboratory within the
24 Washington state patrol.~~

25 **Sec. 969.** RCW 43.79.480 and 2011 1st sp.s. c 50 s 947 are each
26 amended to read as follows:

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

32 (2) The tobacco settlement account is created in the state
33 treasury. Moneys in the tobacco settlement account may only be
34 transferred to the state general fund, and to the tobacco prevention
35 and control account for purposes set forth in this section. The
36 legislature shall transfer amounts received as strategic contribution

1 payments as defined in RCW 43.350.010 to the life sciences discovery
2 fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013
3 fiscal biennia, the legislature may transfer less than the entire
4 strategic contribution payments, and may transfer amounts attributable
5 to strategic contribution payments into the basic health plan
6 stabilization account. During the 2013-2015 fiscal biennium, the
7 legislature may transfer less than the entire strategic contribution
8 payments, and may transfer amounts attributable to strategic
9 contribution payments into the state general fund.

10 (3) The tobacco prevention and control account is created in the
11 state treasury. The source of revenue for this account is moneys
12 transferred to the account from the tobacco settlement account,
13 investment earnings, donations to the account, and other revenues as
14 directed by law. Expenditures from the account are subject to
15 appropriation. During the 2009-2011 fiscal biennium, the legislature
16 may transfer from the tobacco prevention and control account to the
17 state general fund such amounts as represent the excess fund balance of
18 the account.

19 **Sec. 970.** RCW 43.82.010 and 2007 c 506 s 8 are each amended to
20 read as follows:

21 (1) The director of (~~(general administration)~~) enterprise services,
22 on behalf of the agency involved and after consultation with the office
23 of financial management, shall purchase, lease, lease purchase, rent,
24 or otherwise acquire all real estate, improved or unimproved, as may be
25 required by elected state officials, institutions, departments,
26 commissions, boards, and other state agencies, or federal agencies
27 where joint state and federal activities are undertaken and may grant
28 easements and transfer, exchange, sell, lease, or sublease all or part
29 of any surplus real estate for those state agencies which do not
30 otherwise have the specific authority to dispose of real estate. This
31 section does not transfer financial liability for the acquired property
32 to the department of (~~(general administration)~~) enterprise services.

33 (2) Except for real estate occupied by federal agencies, the
34 director shall determine the location, size, and design of any real
35 estate or improvements thereon acquired or held pursuant to subsection
36 (1) of this section. Facilities acquired or held pursuant to this
37 chapter, and any improvements thereon, shall conform to standards

1 adopted by the director and approved by the office of financial
2 management governing facility efficiency unless a specific exemption
3 from such standards is provided by the director of (~~general~~
4 ~~administration~~) enterprise services. The director of (~~general~~
5 ~~administration~~) enterprise services shall report to the office of
6 financial management and the appropriate committees of the legislature
7 annually on any exemptions granted pursuant to this subsection.

8 (3) The director of (~~general administration~~) enterprise services
9 may fix the terms and conditions of each lease entered into under this
10 chapter, except that no lease shall extend greater than twenty years in
11 duration. The director of (~~general administration~~) enterprise
12 services may enter into a long-term lease greater than ten years in
13 duration upon a determination by the director of the office of
14 financial management that the long-term lease provides a more favorable
15 rate than would otherwise be available, it appears to a substantial
16 certainty that the facility is necessary for use by the state for the
17 full length of the lease term, and the facility meets the standards
18 adopted pursuant to subsection (2) of this section. The director of
19 (~~general administration~~) enterprise services may enter into a long-
20 term lease greater than ten years in duration if an analysis shows that
21 the life-cycle cost of leasing the facility is less than the life-cycle
22 cost of purchasing or constructing a facility in lieu of leasing the
23 facility.

24 (4) Except as permitted under chapter 39.94 RCW, no lease for or on
25 behalf of any state agency may be used or referred to as collateral or
26 security for the payment of securities offered for sale through a
27 public offering. Except as permitted under chapter 39.94 RCW, no lease
28 for or on behalf of any state agency may be used or referred to as
29 collateral or security for the payment of securities offered for sale
30 through a private placement without the prior written approval of the
31 state treasurer. However, this limitation shall not prevent a lessor
32 from assigning or encumbering its interest in a lease as security for
33 the repayment of a promissory note provided that the transaction would
34 otherwise be an exempt transaction under RCW 21.20.320. The state
35 treasurer shall adopt rules that establish the criteria under which any
36 such approval may be granted. In establishing such criteria the state
37 treasurer shall give primary consideration to the protection of the
38 state's credit rating and the integrity of the state's debt management

1 program. If it appears to the state treasurer that any lease has been
2 used or referred to in violation of this subsection or rules adopted
3 under this subsection, then he or she may recommend that the governor
4 cause such lease to be terminated. The department of (~~general
5 administration~~) enterprise services shall promptly notify the state
6 treasurer whenever it may appear to the department that any lease has
7 been used or referred to in violation of this subsection or rules
8 adopted under this subsection.

9 (5) It is the policy of the state to encourage the colocation and
10 consolidation of state services into single or adjacent facilities,
11 whenever appropriate, to improve public service delivery, minimize
12 duplication of facilities, increase efficiency of operations, and
13 promote sound growth management planning.

14 (6) The director of (~~general administration~~) enterprise services
15 shall provide coordinated long-range planning services to identify and
16 evaluate opportunities for collocating and consolidating state
17 facilities. Upon the renewal of any lease, the inception of a new
18 lease, or the purchase of a facility, the director of (~~general
19 administration~~) enterprise services shall determine whether an
20 opportunity exists for collocating the agency or agencies in a single
21 facility with other agencies located in the same geographic area. If
22 a colocation opportunity exists, the director of (~~general
23 administration~~) enterprise services shall consult with the affected
24 state agencies and the office of financial management to evaluate the
25 impact colocation would have on the cost and delivery of agency
26 programs, including whether program delivery would be enhanced due to
27 the centralization of services. The director of (~~general
28 administration~~) enterprise services, in consultation with the office
29 of financial management, shall develop procedures for implementing
30 colocation and consolidation of state facilities.

31 (7) The director of (~~general administration~~) enterprise services
32 is authorized to purchase, lease, rent, or otherwise acquire improved
33 or unimproved real estate as owner or lessee and to lease or sublet all
34 or a part of such real estate to state or federal agencies. The
35 director of (~~general administration~~) enterprise services shall charge
36 each using agency its proportionate rental which shall include an
37 amount sufficient to pay all costs, including, but not limited to,
38 those for utilities, janitorial and accounting services, and sufficient

1 to provide for contingencies; which shall not exceed five percent of
2 the average annual rental, to meet unforeseen expenses incident to
3 management of the real estate.

4 (8) If the director of (~~general administration~~) enterprise
5 services determines that it is necessary or advisable to undertake any
6 work, construction, alteration, repair, or improvement on any real
7 estate acquired pursuant to subsection (1) or (7) of this section, the
8 director shall cause plans and specifications thereof and an estimate
9 of the cost of such work to be made and filed in his or her office and
10 the state agency benefiting thereby is hereby authorized to pay for
11 such work out of any available funds: PROVIDED, That the cost of
12 executing such work shall not exceed the sum of twenty-five thousand
13 dollars. Work, construction, alteration, repair, or improvement in
14 excess of twenty-five thousand dollars, other than that done by the
15 owner of the property if other than the state, shall be performed in
16 accordance with the public works law of this state.

17 (9) In order to obtain maximum utilization of space, the director
18 of (~~general administration~~) enterprise services shall make space
19 utilization studies, and shall establish standards for use of space by
20 state agencies. Such studies shall include the identification of
21 opportunities for colocation and consolidation of state agency office
22 and support facilities.

23 (10) The director of (~~general administration~~) enterprise services
24 may construct new buildings on, or improve existing facilities, and
25 furnish and equip, all real estate under his or her management. Prior
26 to the construction of new buildings or major improvements to existing
27 facilities or acquisition of facilities using a lease purchase
28 contract, the director of (~~general administration~~) enterprise
29 services shall conduct an evaluation of the facility design and budget
30 using life-cycle cost analysis, value-engineering, and other techniques
31 to maximize the long-term effectiveness and efficiency of the facility
32 or improvement.

33 (11) All conveyances and contracts to purchase, lease, rent,
34 transfer, exchange, or sell real estate and to grant and accept
35 easements shall be approved as to form by the attorney general, signed
36 by the director of (~~general administration~~) enterprise services or
37 the director's designee, and recorded with the county auditor of the
38 county in which the property is located.

1 (12) The director of (~~general administration~~) enterprise services
2 may delegate any or all of the functions specified in this section to
3 any agency upon such terms and conditions as the director deems
4 advisable. By January 1st of each year, beginning January 1, 2008, the
5 department shall submit an annual report to the office of financial
6 management and the appropriate committees of the legislature on all
7 delegated leases.

8 (13) This section does not apply to the acquisition of real estate
9 by:

10 (a) The state college and universities for research or experimental
11 purposes;

12 (b) The state liquor control board for liquor stores and
13 warehouses; (~~and~~)

14 (c) The department of natural resources, the department of fish and
15 wildlife, the department of transportation, and the state parks and
16 recreation commission for purposes other than the leasing of offices,
17 warehouses, and real estate for similar purposes; and

18 (d) The department of commerce for community college health career
19 training programs, offices for the department of commerce or other
20 appropriate state agencies, and other nonprofit community uses,
21 including community meeting and training facilities, where the real
22 estate is acquired during the 2013-2015 fiscal biennium.

23 (14) Notwithstanding any provision in this chapter to the contrary,
24 the department of (~~general administration~~) enterprise services may
25 negotiate ground leases for public lands on which property is to be
26 acquired under a financing contract pursuant to chapter 39.94 RCW under
27 terms approved by the state finance committee.

28 (15) The department of (~~general administration~~) enterprise
29 services shall report annually to the office of financial management
30 and the appropriate fiscal committees of the legislature on facility
31 leases executed for all state agencies for the preceding year, lease
32 terms, and annual lease costs. The report must include leases executed
33 under RCW 43.82.045 and subsection (12) of this section.

34 **Sec. 971.** RCW 43.101.200 and 2011 1st sp.s. c 50 s 949 are each
35 amended to read as follows:

36 (1) All law enforcement personnel, except volunteers, and reserve
37 officers whether paid or unpaid, initially employed on or after January

1 1, 1978, shall engage in basic law enforcement training which complies
2 with standards adopted by the commission pursuant to RCW 43.101.080.
3 For personnel initially employed before January 1, 1990, such training
4 shall be successfully completed during the first fifteen months of
5 employment of such personnel unless otherwise extended or waived by the
6 commission and shall be requisite to the continuation of such
7 employment. Personnel initially employed on or after January 1, 1990,
8 shall commence basic training during the first six months of employment
9 unless the basic training requirement is otherwise waived or extended
10 by the commission. Successful completion of basic training is
11 requisite to the continuation of employment of such personnel initially
12 employed on or after January 1, 1990.

13 (2) Except as otherwise provided in this chapter, the commission
14 shall provide the aforementioned training together with necessary
15 facilities, supplies, materials, and the board and room of noncommuting
16 attendees for seven days per week, except during the ((2011-2013))
17 2013-2015 fiscal biennium when the employing, county, city((+,+)) or
18 state law enforcement agency shall reimburse the commission for twenty-
19 five percent of the cost of training its personnel. Additionally, to
20 the extent funds are provided for this purpose, the commission shall
21 reimburse to participating law enforcement agencies with ten or less
22 full-time commissioned patrol officers the cost of temporary
23 replacement of each officer who is enrolled in basic law enforcement
24 training: PROVIDED, That such reimbursement shall include only the
25 actual cost of temporary replacement not to exceed the total amount of
26 salary and benefits received by the replaced officer during his or her
27 training period.

28 **Sec. 972.** RCW 43.155.050 and 2012 2nd sp.s. c 2 s 6004 are each
29 amended to read as follows:

30 The public works assistance account is hereby established in the
31 state treasury. Money may be placed in the public works assistance
32 account from the proceeds of bonds when authorized by the legislature
33 or from any other lawful source. Money in the public works assistance
34 account shall be used to make loans and to give financial guarantees to
35 local governments for public works projects. Moneys in the account may
36 also be appropriated to provide for state match requirements under
37 federal law for projects and activities conducted and financed by the

1 board under the drinking water assistance account. Not more than
2 fifteen percent of the biennial capital budget appropriation to the
3 public works board from this account may be expended or obligated for
4 preconstruction loans, emergency loans, or loans for capital facility
5 planning under this chapter; of this amount, not more than ten percent
6 of the biennial capital budget appropriation may be expended for
7 emergency loans and not more than one percent of the biennial capital
8 budget appropriation may be expended for capital facility planning
9 loans. During the 2011-2013 and 2013-2015 fiscal (~~(biennium)~~) biennia,
10 the legislature may transfer from the public works assistance account
11 to the general fund, the water pollution control revolving account, and
12 the drinking water assistance account such amounts as reflect the
13 excess fund balance of the account. During the 2011-2013 fiscal
14 biennium, the legislature may appropriate moneys from the account for
15 economic development, innovation, and export grants, including
16 brownfields; main street improvement grants; and the loan program
17 consolidation board. During the 2013-2015 fiscal biennium, the
18 legislature may appropriate moneys from the account for grants to local
19 governments for growth management planning and implementation.

20 **Sec. 973.** RCW 43.160.080 and 2010 1st sp.s. c 36 s 6011 are each
21 amended to read as follows:

22 There shall be a fund in the state treasury known as the public
23 facilities construction loan revolving account, which shall consist of
24 all moneys collected under this chapter and any moneys appropriated to
25 it by law. Disbursements from the revolving account shall be on
26 authorization of the board. In order to maintain an effective
27 expenditure and revenue control, the public facilities construction
28 loan revolving account shall be subject in all respects to chapter
29 43.88 RCW. During the 2009-2011 biennium, sums in the public
30 facilities construction loan revolving account may be used for
31 community economic revitalization board export assistance grants and
32 loans in section 1018, chapter 36, Laws of 2010 1st sp. sess. and for
33 matching funds for the federal energy regional innovation cluster in
34 section 1017, chapter 36, Laws of 2010 1st sp. sess. During the 2013-
35 2015 fiscal biennium, the legislature may transfer from the public
36 facilities construction loan revolving account to the state general
37 fund such amounts as represent the excess fund balance of the account.

1 **Sec. 974.** RCW 43.333.030 and 2011 1st sp.s. c 14 s 4 are each
2 amended to read as follows:

3 The investing in innovation account is created in the custody of
4 the state treasurer to receive state and federal funds, grants, private
5 gifts, or contributions to further the purpose of innovate Washington.
6 Expenditures from the account may be used only for the purposes of the
7 investing in innovation programs established in chapter 70.210 RCW and
8 any other purpose consistent with this chapter. Only the (~~executive~~)
9 director of (~~innovate Washington~~) the department of commerce or the
10 (~~executive~~) director's designee may authorize expenditures from the
11 account during the 2013-2015 biennium. The account is subject to
12 allotment procedures under chapter 43.88 RCW, but an appropriation is
13 not required for expenditures.

14 **Sec. 975.** RCW 46.66.080 and 2011 1st sp.s. c 50 s 958 are each
15 amended to read as follows:

16 (1) The Washington auto theft prevention authority account is
17 created in the state treasury, subject to appropriation. All revenues
18 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all
19 receipts from gifts, grants, bequests, devises, or other funds from
20 public and private sources to support the activities of the auto theft
21 prevention authority must be deposited into the account. Expenditures
22 from the account may be used only for activities relating to motor
23 vehicle theft, including education, prevention, law enforcement,
24 investigation, prosecution, and confinement. During the (~~2009-2011~~
25 ~~and~~) 2011-2013 and 2013-2015 fiscal biennia, the legislature may
26 appropriate moneys from the Washington auto theft prevention authority
27 account for criminal justice purposes and community building (~~and may~~
28 ~~transfer funds to the state general fund such amounts as reflect the~~
29 ~~excess fund balance of the account~~)).

30 (2) The authority shall allocate moneys appropriated from the
31 account to public agencies for the purpose of establishing,
32 maintaining, and supporting programs that are designed to prevent motor
33 vehicle theft, including:

34 (a) Financial support to prosecution agencies to increase the
35 effectiveness of motor vehicle theft prosecution;

36 (b) Financial support to a unit of local government or a team

1 consisting of units of local governments to increase the effectiveness
2 of motor vehicle theft enforcement;

3 (c) Financial support for the procurement of equipment and
4 technologies for use by law enforcement agencies for the purpose of
5 enforcing motor vehicle theft laws; and

6 (d) Financial support for programs that are designed to educate and
7 assist the public in the prevention of motor vehicle theft.

8 (3) The costs of administration shall not exceed ten percent of the
9 moneys in the account in any one year so that the greatest possible
10 portion of the moneys available to the authority is expended on
11 combating motor vehicle theft.

12 (4) Prior to awarding any moneys from the Washington auto theft
13 prevention authority account for motor vehicle theft enforcement, the
14 auto theft prevention authority must verify that the financial award
15 includes sufficient funding to cover proposed activities, which
16 include, but are not limited to: (a) State, municipal, and county
17 offender and juvenile confinement costs; (b) administration costs; (c)
18 law enforcement costs; (d) prosecutor costs; and (e) court costs, with
19 a priority being given to ensuring that sufficient funding is available
20 to cover state, municipal, and county offender and juvenile confinement
21 costs.

22 (5) Moneys expended from the Washington auto theft prevention
23 authority account under subsection (2) of this section shall be used to
24 supplement, not supplant, other moneys that are available for motor
25 vehicle theft prevention.

26 (6) Grants provided under subsection (2) of this section constitute
27 reimbursement for purposes of RCW 43.135.060(1).

28 **Sec. 976.** RCW 46.68.340 and 2008 c 282 s 3 are each amended to
29 read as follows:

30 The ignition interlock device revolving account is created in the
31 state treasury. All receipts from the fee assessed under RCW
32 46.20.385(6) must be deposited into the account. Moneys in the account
33 may be spent only after appropriation. Expenditures from the account
34 may be used only for administering and operating the ignition interlock
35 device revolving account program and during the 2013-2015 fiscal
36 biennium, the legislature may appropriate moneys from the ignition

1 interlock device revolving account for substance abuse programs for
2 offenders.

3 **Sec. 977.** RCW 70.42.090 and 1989 c 386 s 10 are each amended to
4 read as follows:

5 (1) The department shall establish a schedule of fees for license
6 applications, renewals, amendments, and waivers. In fixing said fees,
7 the department shall set the fees at a sufficient level to defray the
8 cost of administering the licensure program. All such fees shall be
9 fixed by rule adopted in accordance with the provisions of the
10 administrative procedure act, chapter 34.05 RCW. In determining the
11 fee schedule, the department shall consider the following: (a)
12 Complexity of the license required; (b) number and type of tests
13 performed at the test site; (c) degree of supervision required from the
14 department staff; (d) whether the license is granted under RCW
15 70.42.040; and (e) general administrative costs of the test site
16 licensing program established under this chapter. For each category of
17 license, fees charged shall be related to program costs.

18 (2) The medical test site licensure account is created in the state
19 treasury. The state treasurer shall transfer into the medical test
20 site licensure account all revenue received from medical test site
21 license fees. Funds for this account may only be appropriated for the
22 support of the activities defined under this chapter. For the 2013-
23 2015 fiscal biennium, moneys in the account may be spent for laboratory
24 services in the department of health.

25 (3) The department may establish separate fees for repeat
26 inspections and repeat audits it performs under RCW 70.42.170.

27 **Sec. 978.** RCW 70.93.180 and 2011 1st sp.s. c 50 s 963 are each
28 amended to read as follows:

29 (1) There is hereby created an account within the state treasury to
30 be known as the "waste reduction, recycling, and litter control
31 account". Moneys in the account may be spent only after appropriation.
32 Expenditures from the waste reduction, recycling, and litter control
33 account shall be used as follows:

34 (a) Fifty percent to the department of ecology, for use by the
35 departments of ecology, natural resources, revenue, transportation, and
36 corrections, and the parks and recreation commission, for use in litter

1 collection programs, to be distributed under RCW 70.93.220. The amount
2 to the department of ecology shall also be used for a central
3 coordination function for litter control efforts statewide, for the
4 biennial litter survey under RCW 70.93.200(8), and for statewide public
5 awareness programs under RCW 70.93.200(7). The amount to the
6 department shall also be used to defray the costs of administering the
7 funding, coordination, and oversight of local government programs for
8 waste reduction, litter control, and recycling, so that local
9 governments can apply one hundred percent of their funding to achieving
10 program goals. The amount to the department of revenue shall be used
11 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

12 (b) Twenty percent to the department for local government funding
13 programs for waste reduction, litter control, and recycling activities
14 by cities and counties under RCW 70.93.250, to be administered by the
15 department of ecology; and

16 (c) Thirty percent to the department of ecology for waste reduction
17 and recycling efforts.

18 (2) All taxes imposed in RCW 82.19.010 and fines and bail
19 forfeitures collected or received pursuant to this chapter shall be
20 deposited in the waste reduction, recycling, and litter control account
21 and used for the programs under subsection (1) of this section.

22 (3) Not less than five percent and no more than ten percent of the
23 amount appropriated into the waste reduction, recycling, and litter
24 control account every biennium shall be reserved for capital needs,
25 including the purchase of vehicles for transporting crews and for
26 collecting litter and solid waste. Capital funds shall be distributed
27 among state agencies and local governments according to the same
28 criteria provided in RCW 70.93.220 for the remainder of the funds, so
29 that the most effective waste reduction, litter control, and recycling
30 programs receive the most funding. The intent of this subsection is to
31 provide funds for the purchase of equipment that will enable the
32 department to account for the greatest return on investment in terms of
33 reaching a zero litter goal.

34 ~~(4) ((During the 2009-2011 fiscal biennium, the legislature may~~
35 ~~transfer from the waste reduction, recycling, and litter control~~
36 ~~account to the state general fund such amounts as reflect the excess~~
37 ~~fund balance of the account. Additionally, during the 2009-2011 fiscal~~
38 ~~biennium, subsection (1)(a), (b), and (c) of this section is suspended.~~

1 ~~(5) During the 2011-2013 fiscal biennium, the legislature may~~
2 ~~transfer from the waste reduction, recycling, and litter control~~
3 ~~account to the state general fund such amounts as reflect the excess~~
4 ~~fund balance of the account. Additionally, during the 2011-2013 fiscal~~
5 ~~biennium, subsection (1)(a), (b), and (c) of this section is~~
6 ~~suspended.))~~ During the 2013-2015 fiscal biennium, the legislature may
7 transfer from the waste reduction, recycling, and litter control
8 account to the state general fund such amounts as reflect the excess
9 fund balance of the account. Additionally, during the 2013-2015 fiscal
10 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

11 **Sec. 979.** RCW 70.96A.350 and 2011 2nd sp.s. c 9 s 910 are each
12 amended to read as follows:

13 (1) The criminal justice treatment account is created in the state
14 treasury. Moneys in the account may be expended solely for: (a)
15 Substance abuse treatment and treatment support services for offenders
16 with an addiction or a substance abuse problem that, if not treated,
17 would result in addiction, against whom charges are filed by a
18 prosecuting attorney in Washington state; (b) the provision of drug and
19 alcohol treatment services and treatment support services for
20 nonviolent offenders within a drug court program; (c) the
21 administrative and overhead costs associated with the operation of a
22 drug court; and (d) during the 2011-2013 biennium, the legislature may
23 appropriate up to three million dollars from the account in order to
24 offset reductions in the state general fund for treatment services
25 provided by counties. This amount is not subject to the requirements
26 of subsections (5) through (9) of this section. During the 2013-2015
27 fiscal biennium, the legislature may transfer from the criminal justice
28 treatment account to the state general fund amounts as reflect the
29 state savings associated with the implementation of the medicaid
30 expansion of the federal affordable care act. Moneys in the account
31 may be spent only after appropriation.

32 (2) For purposes of this section:

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

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

5 (3) Revenues to the criminal justice treatment account consist of:
6 (a) Funds transferred to the account pursuant to this section; and (b)
7 any other revenues appropriated to or deposited in the account.

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

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

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

34 (a) Seventy percent of amounts appropriated to the division from
35 the account shall be distributed to counties pursuant to the
36 distribution formula adopted under this section. The division of
37 alcohol and substance abuse, in consultation with the department of
38 corrections, the Washington state association of counties, the

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

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

24 (6) The county alcohol and drug coordinator, county prosecutor,
25 county sheriff, county superior court, a substance abuse treatment
26 provider appointed by the county legislative authority, a member of the
27 criminal defense bar appointed by the county legislative authority,
28 and, in counties with a drug court, a representative of the drug court
29 shall jointly submit a plan, approved by the county legislative
30 authority or authorities, to the panel established in subsection (5)(b)
31 of this section, for disposition of all the funds provided from the
32 criminal justice treatment account within that county. The funds shall
33 be used solely to provide approved alcohol and substance abuse
34 treatment pursuant to RCW 70.96A.090, treatment support services, and
35 for the administrative and overhead costs associated with the operation
36 of a drug court.

37 (a) No more than ten percent of the total moneys received under
38 subsections (4) and (5) of this section by a county or group of

1 counties participating in a regional agreement shall be spent on the
2 administrative and overhead costs associated with the operation of a
3 drug court.

4 (b) No more than ten percent of the total moneys received under
5 subsections (4) and (5) of this section by a county or group of
6 counties participating in a regional agreement shall be spent for
7 treatment support services.

8 (7) Counties are encouraged to consider regional agreements and
9 submit regional plans for the efficient delivery of treatment under
10 this section.

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

14 (9) Counties must meet the criteria established in RCW
15 2.28.170(3)(b).

16 (10) The authority under this section to use funds from the
17 criminal justice treatment account for the administrative and overhead
18 costs associated with the operation of a drug court expires June 30,
19 ((2013)) 2015.

20 **Sec. 980.** RCW 70.105D.070 and 2012 2nd sp.s. c 7 s 920 and 2012
21 2nd sp.s. c 2 s 6005 are each reenacted and amended to read as follows:

22 (1) The state toxics control account and the local toxics control
23 account are hereby created in the state treasury.

24 (2) The following moneys shall be deposited into the state toxics
25 control account: (a) Those revenues which are raised by the tax
26 imposed under RCW 82.21.030 and which are attributable to that portion
27 of the rate equal to thirty-three one-hundredths of one percent; (b)
28 the costs of remedial actions recovered under this chapter or chapter
29 70.105A RCW; (c) penalties collected or recovered under this chapter;
30 and (d) any other money appropriated or transferred to the account by
31 the legislature. Moneys in the account may be used only to carry out
32 the purposes of this chapter, including but not limited to the
33 following activities:

34 (i) The state's responsibility for hazardous waste planning,
35 management, regulation, enforcement, technical assistance, and public
36 education required under chapter 70.105 RCW;

- 1 (ii) The state's responsibility for solid waste planning,
2 management, regulation, enforcement, technical assistance, and public
3 education required under chapter 70.95 RCW;
- 4 (iii) The hazardous waste cleanup program required under this
5 chapter;
- 6 (iv) State matching funds required under the federal cleanup law;
- 7 (v) Financial assistance for local programs in accordance with
8 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
- 9 (vi) State government programs for the safe reduction, recycling,
10 or disposal of hazardous wastes from households, small businesses, and
11 agriculture;
- 12 (vii) Hazardous materials emergency response training;
- 13 (viii) Water and environmental health protection and monitoring
14 programs;
- 15 (ix) Programs authorized under chapter 70.146 RCW;
- 16 (x) A public participation program, including regional citizen
17 advisory committees;
- 18 (xi) Public funding to assist potentially liable persons to pay for
19 the costs of remedial action in compliance with cleanup standards under
20 RCW 70.105D.030(2)(e) but only when the amount and terms of such
21 funding are established under a settlement agreement under RCW
22 70.105D.040(4) and when the director has found that the funding will
23 achieve both (A) a substantially more expeditious or enhanced cleanup
24 than would otherwise occur, and (B) the prevention or mitigation of
25 unfair economic hardship;
- 26 (xii) Development and demonstration of alternative management
27 technologies designed to carry out the hazardous waste management
28 priorities of RCW 70.105.150;
- 29 (xiii) During the ((2009-2011 and 2011-2013)) 2013-2015 fiscal
30 biennia, shoreline update technical assistance;
- 31 ((-xiv) During the 2009-2011 fiscal biennium, multijurisdictional
32 permitting teams;
- 33 (-xv) During the 2011-2013 fiscal biennium, actions for reducing
34 public exposure to toxic air pollution, and actions taken through the
35 family forest fish passage program to correct barriers to fish passage
36 on privately owned small forest lands; and
- 37 (-xvi) During the 2011-2013 fiscal biennium, the department of

1 ~~ecology's water quality, shorelands and environmental assessment,~~
2 ~~hazardous waste, waste to resources, nuclear waste, and air quality~~
3 ~~programs))~~

4 (xiv) During the 2013-2015 fiscal biennium, the department of
5 ecology's water quality, shorelands, environmental assessment,
6 administration, and air quality programs;

7 (xv) During the 2013-2015 fiscal biennium, solid and hazardous
8 waste compliance at the department of corrections;

9 (xvi) During the 2013-2015 fiscal biennium, activities at the
10 department of fish and wildlife concerning water quality monitoring,
11 hatchery water quality regulatory compliance, and technical assistance
12 to local governments on growth management and shoreline management; and

13 (xvii) During the 2013-2015 fiscal biennium, forest practices
14 regulation at the department of natural resources.

15 (xviii) During the 2013-2015 fiscal biennium, actions at the
16 University of Washington for reducing ocean acidification.

17 (3) The following moneys shall be deposited into the local toxics
18 control account: Those revenues which are raised by the tax imposed
19 under RCW 82.21.030 and which are attributable to that portion of the
20 rate equal to thirty-seven one-hundredths of one percent.

21 (a) Moneys deposited in the local toxics control account shall be
22 used by the department for grants or loans to local governments for the
23 following purposes in descending order of priority:

24 (i) Remedial actions;

25 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

26 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
27 70.95I, and 70.105 RCW;

28 (iv) Funds for a program to assist in the assessment and cleanup of
29 sites of methamphetamine production, but not to be used for the initial
30 containment of such sites, consistent with the responsibilities and
31 intent of RCW 69.50.511; and

32 (v) Cleanup and disposal of hazardous substances from abandoned or
33 derelict vessels, defined for the purposes of this section as vessels
34 that have little or no value and either have no identified owner or
35 have an identified owner lacking financial resources to clean up and
36 dispose of the vessel, that pose a threat to human health or the
37 environment.

1 (b) Funds for plans and programs shall be allocated consistent with
2 the priorities and matching requirements established in chapters
3 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
4 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
5 project that is referenced in the action agenda developed by the Puget
6 Sound partnership under RCW 90.71.310, shall, except as conditioned by
7 RCW 70.105D.120, receive priority for any available funding for any
8 grant or funding programs or sources that use a competitive bidding
9 process. (~~During the 2007-2009 fiscal biennium, moneys in the account
10 may also be used for grants to local governments to retrofit public
11 sector diesel equipment and for storm water planning and implementation
12 activities.~~)

13 (c) To expedite cleanups throughout the state, the department shall
14 partner with local communities and liable parties for cleanups. The
15 department is authorized to use the following additional strategies in
16 order to ensure a healthful environment for future generations:

17 (i) The director may alter grant-matching requirements to create
18 incentives for local governments to expedite cleanups when one of the
19 following conditions exists:

20 (A) Funding would prevent or mitigate unfair economic hardship
21 imposed by the clean-up liability;

22 (B) Funding would create new substantial economic development,
23 public recreational, or habitat restoration opportunities that would
24 not otherwise occur; or

25 (C) Funding would create an opportunity for acquisition and
26 redevelopment of vacant, orphaned, or abandoned property under RCW
27 70.105D.040(5) that would not otherwise occur;

28 (ii) The use of outside contracts to conduct necessary studies;

29 (iii) The purchase of remedial action cost-cap insurance, when
30 necessary to expedite multiparty clean-up efforts.

31 (~~(d) To facilitate and expedite cleanups using funds from the
32 local toxics control account, during the 2009-2011 fiscal biennium the
33 director may establish grant-funded accounts to hold and disperse local
34 toxics control account funds and funds from local governments to be
35 used for remedial actions.~~)

36 (4) Except for unanticipated receipts under RCW 43.79.260 through
37 43.79.282, moneys in the state and local toxics control accounts may be
38 spent only after appropriation by statute.

1 (5) (~~Except during the 2011-2013 fiscal biennium,~~) One percent of
2 the moneys deposited into the state and local toxics control accounts
3 shall be allocated only for public participation grants to persons who
4 may be adversely affected by a release or threatened release of a
5 hazardous substance and to not-for-profit public interest
6 organizations. The primary purpose of these grants is to facilitate
7 the participation by persons and organizations in the investigation and
8 remedying of releases or threatened releases of hazardous substances
9 and to implement the state's solid and hazardous waste management
10 priorities. No grant may exceed sixty thousand dollars. Grants may be
11 renewed annually. Moneys appropriated for public participation from
12 either account which are not expended at the close of any biennium
13 shall revert to the state toxics control account.

14 (6) No moneys deposited into either the state or local toxics
15 control account may be used for solid waste incinerator feasibility
16 studies, construction, maintenance, or operation, or, after January 1,
17 2010, for projects designed to address the restoration of Puget Sound,
18 funded in a competitive grant process, that are in conflict with the
19 action agenda developed by the Puget Sound partnership under RCW
20 90.71.310.

21 (7) The department shall adopt rules for grant or loan issuance and
22 performance.

23 (8) During the 2011-2013 fiscal biennium, the legislature may
24 transfer from the local toxics control account to the state toxics
25 control account such amounts as reflect excess fund balance in the
26 account.

27 (~~During the 2011-2013 fiscal biennium, the local toxics
28 control account may also be used for local government shoreline update
29 grants and actions for reducing public exposure to toxic air pollution;
30 funding to local governments for flood levee improvements; and grants
31 to local governments for brownfield redevelopment.~~) During the 2013-
32 2015 fiscal biennium, the local toxics control account may also be used
33 for local government storm water planning and implementation
34 activities.

35 (10) During the 2013-2015 fiscal biennium, the local toxics control
36 account may also be used for local government shoreline update grants.

37 (11) During the 2013-2015 fiscal biennium, the legislature may

1 transfer from the local toxics control account to the state general
2 fund such amounts as reflect excess fund balance in the account.

3 **Sec. 981.** RCW 74.13.621 and 2009 c 564 s 954 are each amended to
4 read as follows:

5 (1) Within existing resources, the department shall establish an
6 oversight committee to monitor, guide, and report on kinship care
7 recommendations and implementation activities. The committee shall:

8 (a) Draft a kinship care definition that is restricted to persons
9 related by blood, marriage, or adoption, including marriages that have
10 been dissolved, or for a minor defined as an "Indian child" under the
11 federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the
12 definition of "extended family member" under the federal Indian child
13 welfare act, and a set of principles. If the committee concludes that
14 one or more programs or services would be more efficiently and
15 effectively delivered under a different definition of kin, it shall
16 state what definition is needed, and identify the program or service in
17 the report. It shall also provide evidence of how the program or
18 service will be more efficiently and effectively delivered under the
19 different definition. The department shall not adopt rules or policies
20 changing the definition of kin without authorizing legislation;

21 (b) Monitor and provide consultation on the implementation of
22 recommendations contained in the 2002 kinship care report, including
23 but not limited to the recommendations relating to legal and respite
24 care services and resources;

25 (c) Partner with nonprofit organizations and private sector
26 businesses to guide a public education awareness campaign; and

27 (d) Assist with developing future recommendations on kinship care
28 issues.

29 (2) The department shall consult with the oversight committee on
30 its efforts to better collaborate and coordinate services to benefit
31 kinship care families.

32 (3) The oversight committee must consist of a minimum of thirty
33 percent kinship caregivers, who shall represent a diversity of kinship
34 families. Statewide representation with geographic, ethnic, and gender
35 diversity is required. Other members shall include representatives of
36 the department, representatives of relevant state agencies,
37 representatives of the private nonprofit and business sectors, child

1 advocates, representatives of Washington state Indian tribes as defined
2 under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and
3 representatives of the legal or judicial field. Birth parents, foster
4 parents, and others who have an interest in these issues may also be
5 included.

6 (4) To the extent funding is available, the department may
7 reimburse nondepartmental members of the oversight committee for costs
8 incurred in participating in the meetings of the oversight committee.

9 (5) The kinship care oversight committee shall update the
10 legislature and governor annually on committee activities, with the
11 first update due by January 1, 2006.

12 (6) This section expires June 30, (~~2011~~) 2015.

13 **Sec. 982.** RCW 74.09.215 and 2012 c 241 s 103 are each amended to
14 read as follows:

15 The medicaid fraud penalty account is created in the state
16 treasury. All receipts from civil penalties collected under RCW
17 74.09.210, all receipts received under judgments or settlements that
18 originated under a filing under the federal false claims act, and all
19 receipts received under judgments or settlements that originated under
20 the state medicaid fraud false claims act, chapter 74.66 RCW must be
21 deposited into the account. Moneys in the account may be spent only
22 after appropriation and must be used only for medicaid services, fraud
23 detection and prevention activities, recovery of improper payments, and
24 for other medicaid fraud enforcement activities. For the 2013-2015
25 fiscal biennium, moneys in the account may be spent on inpatient and
26 outpatient rebasing and conversion to the tenth version of the
27 international classification of diseases.

28 **Sec. 983.** RCW 74.09.215 and 2013 c 36 s 3 are each amended to read
29 as follows:

30 The medicaid fraud penalty account is created in the state
31 treasury. All receipts from civil penalties collected under RCW
32 74.09.210, all receipts received under judgments or settlements that
33 originated under a filing under the federal false claims act, and all
34 receipts received under judgments or settlements that originated under
35 the state medicaid fraud false claims act, chapter 74.66 RCW, must be
36 deposited into the account. Moneys in the account may be spent only

1 after appropriation and must be used only for medicaid services, fraud
2 detection and prevention activities, recovery of improper payments, for
3 other medicaid fraud enforcement activities, and the prescription
4 monitoring program established in chapter 70.225 RCW. For the 2013-
5 2015 fiscal biennium, moneys in the account may be spent on inpatient
6 and outpatient rebasing and conversion to the tenth version of the
7 international classification of diseases.

8 **Sec. 984.** RCW 77.12.201 and 2012 2nd sp.s. c 7 s 923 are each
9 amended to read as follows:

10 The legislative authority of a county may elect, by giving written
11 notice to the director and the treasurer prior to January 1st of any
12 year, to obtain for the following year an amount in lieu of real
13 property taxes on game lands as provided in RCW 77.12.203. Upon the
14 election, the county shall keep a record of all fines, forfeitures,
15 reimbursements, and costs assessed and collected, in whole or in part,
16 under this title for violations of law or rules adopted pursuant to
17 this title, with the exception of the 2011-2013 and 2013-2015 fiscal
18 (~~biennium~~) biennia, and shall monthly remit an amount equal to the
19 amount collected to the state treasurer for deposit in the state
20 general fund. The election shall continue until the department is
21 notified differently prior to January 1st of any year.

22 **Sec. 985.** RCW 77.12.203 and 2012 2nd sp.s. c 7 s 924 are each
23 amended to read as follows:

24 (1) Except as provided in subsection (5) of this section and
25 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
26 director shall pay by April 30th of each year on game lands in each
27 county, if requested by an election under RCW 77.12.201, an amount in
28 lieu of real property taxes equal to that amount paid on similar
29 parcels of open space land taxable under chapter 84.34 RCW or the
30 greater of seventy cents per acre per year or the amount paid in 1984
31 plus an additional amount for control of noxious weeds equal to that
32 which would be paid if such lands were privately owned. This amount
33 shall not be assessed or paid on department buildings, structures,
34 facilities, game farms, fish hatcheries, tidelands, or public fishing
35 areas of less than one hundred acres.

1 (2) "Game lands," as used in this section and RCW 77.12.201, means
2 those tracts one hundred acres or larger owned in fee by the department
3 and used for wildlife habitat and public recreational purposes. All
4 lands purchased for wildlife habitat, public access or recreation
5 purposes with federal funds in the Snake River drainage basin shall be
6 considered game lands regardless of acreage.

7 (3) This section shall not apply to lands transferred after April
8 23, 1990, to the department from other state agencies.

9 (4) The county shall distribute the amount received under this
10 section in lieu of real property taxes to all property taxing districts
11 except the state in appropriate tax code areas the same way it would
12 distribute local property taxes from private property. The county
13 shall distribute the amount received under this section for weed
14 control to the appropriate weed district.

15 (5) For the 2011-2013 and 2013-2015 fiscal (~~biennium~~) biennia,
16 the director shall pay by April 30th of each year on game lands in each
17 county, if requested by an election under RCW 77.12.201, an amount in
18 lieu of real property taxes and shall be distributed as follows:

19 **County**

20	
21	Adams.....1,909
22	Asotin.....36,123
23	Chelan..... 24,757
24	Columbia..... 7,795
25	Ferry..... 6,781
26	Garfield..... 4,840
27	Grant.....37,443
28	Kittitas 143,974
29	Klickitat..... 21,906
30	Lincoln.....13,535
31	Okanogan..... 151,402
32	Pend Oreille.....3,309
33	Yakima..... 126,225

34 These amounts shall not be assessed or paid on department buildings,

1 structures, facilities, game farms, fish hatcheries, tidelands, or
2 public fishing areas of less than one hundred acres.

3 **Sec. 986.** RCW 79.64.040 and 2012 2nd sp.s. c 7 s 927 are each
4 amended to read as follows:

5 (1) The board shall determine the amount deemed necessary in order
6 to achieve the purposes of this chapter and shall provide by rule for
7 the deduction of this amount from the moneys received from all leases,
8 sales, contracts, licenses, permits, easements, and rights-of-way
9 issued by the department and affecting state lands, community forest
10 trust lands, and aquatic lands, provided that no deduction shall be
11 made from the proceeds from agricultural college lands.

12 (2) Moneys received as deposits from successful bidders, advance
13 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
14 prior to December 1, 1981, which have not been subjected to deduction
15 under this section are not subject to deduction under this section.

16 (3) Except as otherwise provided in subsections (4) and (6) of this
17 section, the deductions authorized under this section shall not exceed
18 twenty-five percent of the moneys received by the department in
19 connection with any one transaction pertaining to state lands and
20 aquatic lands other than second-class tide and shore lands and the beds
21 of navigable waters, and fifty percent of the moneys received by the
22 department pertaining to second-class tide and shore lands and the beds
23 of navigable waters.

24 (4) Deductions authorized under this section for transactions
25 pertaining to community forest trust lands must be established at a
26 level sufficient to defray over time the management costs for
27 activities prescribed in a parcel's management plan adopted pursuant to
28 RCW 79.155.080, and, if deemed appropriate by the board consistent with
29 RCW 79.155.090, to reimburse the state and any local entities' eligible
30 financial contributions for acquisition of the parcel.

31 (5) In the event that the department sells logs using the contract
32 harvesting process described in RCW 79.15.500 through 79.15.530, the
33 moneys received subject to this section are the net proceeds from the
34 contract harvesting sale.

35 (6) During the ((2011-2013)) 2013-2015 fiscal biennium, the twenty-
36 five percent limitation on deductions set in subsection (3) of this
37 section may be increased up to thirty percent by the board.

1 **Sec. 987.** RCW 79.105.150 and 2012 2nd sp.s. c 7 s 929 and 2012 2nd
2 sp.s. c 2 s 6008 are each reenacted and amended to read as follows:

3 (1) After deduction for management costs as provided in RCW
4 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
5 received by the state from the sale or lease of state-owned aquatic
6 lands and from the sale of valuable material from state-owned aquatic
7 lands shall be deposited in the aquatic lands enhancement account which
8 is hereby created in the state treasury. After appropriation, these
9 funds shall be used solely for aquatic lands enhancement projects; for
10 the purchase, improvement, or protection of aquatic lands for public
11 purposes; for providing and improving access to the lands; and for
12 volunteer cooperative fish and game projects. (~~During the 2011-2013~~
13 ~~fiscal biennium, the aquatic lands enhancement account may also be used~~
14 ~~for scientific research as part of the adaptive management process and~~
15 ~~for developing a planning report for McNeil Island. During the 2011-~~
16 ~~2013 fiscal biennium, the legislature may transfer from the aquatic~~
17 ~~lands enhancement account to the state general fund such amounts as~~
18 ~~reflect excess fund balance of the account.)) During the ((2011-2013))
19 2013-2015 fiscal biennium, the aquatic lands enhancement account may be
20 used to support the shellfish program, the ballast water program,
21 ((~~parks,~~)) hatcheries, ((~~and~~)) the Puget Sound toxic sampling program
22 at the department of fish and wildlife, the knotweed program at the
23 department of agriculture, ((~~and~~)) the Puget SoundCorps program(~~-~~
24 ~~During the 2011-2013 fiscal biennium, the legislature may transfer from~~
25 ~~the aquatic lands enhancement account to the marine resources~~
26 ~~stewardship trust account funds for the purposes of RCW 43.372.070))
27 and actions at the University of Washington for reducing ocean
28 acidification, which may include the creation of a center on ocean
29 acidification. During the 2013-2015 fiscal biennium, the legislature
30 may transfer from the aquatic lands enhancement account to the geoduck
31 aquaculture research account for research related to shellfish
32 aquaculture and the marine resources stewardship trust account for the
33 purposes of chapter 43.372 RCW.~~~~

34 (2) In providing grants for aquatic lands enhancement projects, the
35 recreation and conservation funding board shall:

36 (a) Require grant recipients to incorporate the environmental
37 benefits of the project into their grant applications;

1 (b) Utilize the statement of environmental benefits, consideration,
2 except as provided in RCW 79.105.610, of whether the applicant is a
3 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
4 referenced in the action agenda developed by the Puget Sound
5 partnership under RCW 90.71.310, and except as otherwise provided in
6 RCW 79.105.630, and effective one calendar year following the
7 development and statewide availability of model evergreen community
8 management plans and ordinances under RCW 35.105.050, whether the
9 applicant is an entity that has been recognized, and what gradation of
10 recognition was received, in the evergreen community recognition
11 program created in RCW 35.105.030 in its prioritization and selection
12 process; and

13 (c) Develop appropriate outcome-focused performance measures to be
14 used both for management and performance assessment of the grants.

15 (3) To the extent possible, the department should coordinate its
16 performance measure system with other natural resource-related agencies
17 as defined in RCW 43.41.270.

18 (4) The department shall consult with affected interest groups in
19 implementing this section.

20 (5) After January 1, 2010, any project designed to address the
21 restoration of Puget Sound may be funded under this chapter only if the
22 project is not in conflict with the action agenda developed by the
23 Puget Sound partnership under RCW 90.71.310.

24 **Sec. 988.** RCW 79A.80.020 and 2012 c 261 s 2 are each amended to
25 read as follows:

26 (1) Except as otherwise provided in (~~RCW 79A.80.050, 79A.80.060,~~
27 ~~and 79A.80.070~~)) this chapter, a discover pass or day-use permit is
28 required for any motor vehicle to park or operate on any recreation
29 site or lands, except for short-term parking as may be authorized under
30 RCW 79A.80.070.

31 (2) The cost of a discover pass is thirty dollars. Every four
32 years the office of financial management must review the cost of the
33 discover pass and, if necessary, recommend to the legislature an
34 adjustment to the cost of the discover pass to account for inflation.

35 (3) A discover pass is valid for one year beginning from the date
36 that the discover pass is marked for activation. The activation date

1 may differ from the purchase date pursuant to any policies developed by
2 the agencies.

3 (4) Sales of discover passes must be consistent with RCW
4 79A.80.100.

5 (5) The discover pass must contain space for two motor vehicle
6 license plate numbers. A discover pass is valid only for those vehicle
7 license plate numbers written on the pass. However, the agencies may
8 offer for sale a family discover pass that is fully transferable among
9 vehicles and does not require the placement of a license plate number
10 on the pass to be valid. The agencies must collectively set a price
11 for the sale of a family discover pass that is no more than fifty
12 dollars. A discover pass is valid only for use with one motor vehicle
13 at any one time.

14 (6) One complimentary discover pass must be provided to a volunteer
15 who performed twenty-four hours of service on agency-sanctioned
16 volunteer projects in a year. The agency must provide vouchers to
17 volunteers identifying the number of volunteer hours they have provided
18 for each project. The vouchers may be brought to an agency to be
19 redeemed for a discover pass.

20 **Sec. 989.** RCW 79A.80.080 and 2012 c 261 s 7 are each amended to
21 read as follows:

22 (1) A discover pass, vehicle access pass, or day-use permit must be
23 visibly displayed in the front windshield of any motor vehicle or
24 otherwise in a prominent location for vehicles without a windshield:

25 (a) Operating on a recreation site or lands; or

26 (b) Parking at a recreation site or lands.

27 (2) The discover pass, the vehicle access pass, or the day-use
28 permit is not required:

29 (a) On private lands, state-owned aquatic lands other than water
30 access areas, or at agency offices, hatcheries, or other facilities
31 where public business is conducted((-

32 ~~(3) The discover pass, the vehicle access pass, or the day use~~
33 ~~permit is not required for:~~

34 ~~(a))~~;

35 (b) For persons who use, possess, or enter lands owned or managed
36 by the agencies for nonrecreational purposes consistent with a written

1 authorization from the agency, including but not limited to leases,
2 contracts, and easements; (~~(c)~~

3 ~~(b))~~) (c) On department of fish and wildlife lands only, for
4 persons possessing a current vehicle access pass pursuant to RCW
5 79A.80.040; or

6 (d) During the 2013-2015 biennium, when operating on a road managed
7 by the department of natural resources or the department of fish and
8 wildlife, including a forest or land management road, that is not
9 blocked by a gate.

10 (~~(+4))~~) (3)(a) An agency may waive the requirements of this section
11 for any person who has secured the ability to access specific
12 recreational land through the provision of monetary consideration to
13 the agency or for any person attending an event or function that
14 required the provision of monetary compensation to the agency.

15 (b) Special events and group activities are core recreational
16 activities and major public service opportunities within state parks.
17 When waiving the requirements of this section for special events, the
18 state parks and recreation commission must consider the direct and
19 indirect costs and benefits to the state, local market rental rates,
20 the public service functions of the event sponsor, and other public
21 interest factors when setting appropriate fees for each event or
22 activity.

23 (~~(+5))~~) (4) Failure to comply with subsection (1) of this section
24 is a natural resource infraction under chapter 7.84 RCW. An agency is
25 authorized to issue a notice of infraction to any person who fails to
26 comply with subsection (1)(a) of this section or to any motor vehicle
27 that fails to comply with subsection (1)(b) of this section.

28 (~~(+6))~~) (5) The penalty for failure to comply with the requirements
29 of this section is ninety-nine dollars. This penalty must be reduced
30 to fifty-nine dollars if an individual provides proof of purchase of a
31 discover pass to the court within fifteen days after the issuance of
32 the notice of violation.

33 **Sec. 990.** RCW 82.14.310 and 2011 1st sp.s. c 50 s 970 are each
34 amended to read as follows:

35 (1) The county criminal justice assistance account is created in
36 the state treasury. Beginning in fiscal year 2000, the state treasurer
37 must transfer into the county criminal justice assistance account from

1 the general fund the sum of twenty-three million two hundred thousand
2 dollars divided into four equal deposits occurring on July 1, October
3 1, January 1, and April 1. For each fiscal year thereafter, the state
4 treasurer must increase the total transfer by the fiscal growth factor,
5 as defined in RCW 43.135.025, forecast for that fiscal year by the
6 office of financial management in November of the preceding year.

7 (2) The moneys deposited in the county criminal justice assistance
8 account for distribution under this section, less any moneys
9 appropriated for purposes under subsection (4) of this section, must be
10 distributed at such times as distributions are made under RCW 82.44.150
11 and on the relative basis of each county's funding factor as determined
12 under this subsection.

13 (a) A county's funding factor is the sum of:

14 (i) The population of the county, divided by one thousand, and
15 multiplied by two-tenths;

16 (ii) The crime rate of the county, multiplied by three-tenths; and

17 (iii) The annual number of criminal cases filed in the county
18 superior court, for each one thousand in population, multiplied by
19 five-tenths.

20 (b) Under this section and RCW 82.14.320 and 82.14.330:

21 (i) The population of the county or city is as last determined by
22 the office of financial management;

23 (ii) The crime rate of the county or city is the annual occurrence
24 of specified criminal offenses, as calculated in the most recent annual
25 report on crime in Washington state as published by the Washington
26 association of sheriffs and police chiefs, for each one thousand in
27 population;

28 (iii) The annual number of criminal cases filed in the county
29 superior court must be determined by the most recent annual report of
30 the courts of Washington, as published by the administrative office of
31 the courts;

32 (iv) Distributions and eligibility for distributions in the 1989-
33 1991 biennium must be based on 1988 figures for both the crime rate as
34 described under (ii) of this subsection and the annual number of
35 criminal cases that are filed as described under (iii) of this
36 subsection. Future distributions must be based on the most recent
37 figures for both the crime rate as described under (ii) of this

1 subsection and the annual number of criminal cases that are filed as
2 described under (iii) of this subsection.

3 (3) Moneys distributed under this section must be expended
4 exclusively for criminal justice purposes and may not be used to
5 replace or supplant existing funding. Criminal justice purposes are
6 defined as activities that substantially assist the criminal justice
7 system, which may include circumstances where ancillary benefit to the
8 civil or juvenile justice system occurs, and which includes (a)
9 domestic violence services such as those provided by domestic violence
10 programs, community advocates, and legal advocates, as defined in RCW
11 70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile
12 dispositional hearings relating to petitions for at-risk youth,
13 truancy, and children in need of services. Existing funding for
14 purposes of this subsection is defined as calendar year 1989 actual
15 operating expenditures for criminal justice purposes. Calendar year
16 1989 actual operating expenditures for criminal justice purposes
17 exclude the following: Expenditures for extraordinary events not
18 likely to reoccur, changes in contract provisions for criminal justice
19 services, beyond the control of the local jurisdiction receiving the
20 services, and major nonrecurring capital expenditures.

21 (4) Not more than five percent of the funds deposited to the county
22 criminal justice assistance account may be available for appropriations
23 for enhancements to the state patrol crime laboratory system and the
24 continuing costs related to these enhancements. Funds appropriated
25 from this account for such enhancements may not supplant existing funds
26 from the state general fund.

27 (5) During the 2011-2013 fiscal biennium, the amount that would
28 otherwise be transferred into the county criminal justice assistance
29 account from the general fund under subsection (1) of this section must
30 be reduced by 3.4 percent.

31 (6) During the 2013-2015 fiscal biennium, for the purposes of
32 substance abuse and other programs for offenders, the legislature may
33 appropriate from the county criminal justice assistance account such
34 amounts as are in excess of the amounts necessary to fully meet the
35 state's obligations to the counties and to the Washington state patrol.
36 Excess amounts in this account are not the result of subsection (5) of
37 this section.

1 **Sec. 991.** RCW 86.26.007 and 2012 2nd sp.s. c 7 s 932 are each
2 amended to read as follows:

3 The flood control assistance account is hereby established in the
4 state treasury. At the beginning of the 2005-2007 fiscal biennium, the
5 state treasurer shall transfer three million dollars from the general
6 fund to the flood control assistance account. Each biennium thereafter
7 the state treasurer shall transfer four million dollars from the
8 general fund to the flood control assistance account(~~(, except that~~
9 ~~during the 2011-2013 fiscal biennium, the state treasurer shall~~
10 ~~transfer one million dollars from the general fund to the flood control~~
11 ~~assistance account)~~). Moneys in the flood control assistance account
12 may be spent only after appropriation for purposes specified under this
13 chapter. During the 2013-2015 fiscal biennium, the legislature may
14 transfer from the flood control assistance account to the state general
15 fund such amounts as reflect the excess fund balance of the account.

(End of part)

1 SUPPLEMENTAL

2 PART XI

3 GENERAL GOVERNMENT

4 Sec. 1101. 2012 2nd sp.s. c 7 s 111 (uncodified) is amended to
5 read as follows:

6 FOR THE SUPREME COURT

7 General Fund--State Appropriation (FY 2012) \$6,757,000

8 General Fund--State Appropriation (FY 2013) (~~(\$6,561,000)~~)

9 \$6,603,000

10 TOTAL APPROPRIATION (~~(\$13,318,000)~~)

11 \$13,360,000

12 Sec. 1102. 2012 2nd sp.s. c 7 s 112 (uncodified) is amended to
13 read as follows:

14 FOR THE LAW LIBRARY

15 General Fund--State Appropriation (FY 2012) \$1,504,000

16 General Fund--State Appropriation (FY 2013) \$24,000

17 Judicial Information System Account--State

18 Appropriation \$1,500,000

19 TOTAL APPROPRIATION (~~(\$3,004,000)~~)

20 \$3,028,000

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

26 Sec. 1103. 2012 2nd sp.s. c 7 s 114 (uncodified) is amended to
27 read as follows:

28 FOR THE COURT OF APPEALS

29 General Fund--State Appropriation (FY 2012) \$15,275,000

30 General Fund--State Appropriation (FY 2013) (~~(\$15,168,000)~~)

31 \$15,253,000

32 TOTAL APPROPRIATION (~~(\$30,443,000)~~)

33 \$30,528,000

1 **Sec. 1104.** 2012 2nd sp.s. c 7 s 115 (uncodified) is amended to
2 read as follows:

3 **FOR THE ADMINISTRATOR FOR THE COURTS**

4	General Fund--State Appropriation (FY 2012)	\$50,725,000
5	General Fund--State Appropriation (FY 2013)	(\$48,429,000)
6		<u>\$49,123,000</u>
7	General Fund--Federal Appropriation	\$2,532,000
8	General Fund--Private/Local Appropriation	\$390,000
9	Judicial Information Systems Account--State	
10	Appropriation	\$42,362,000
11	Judicial Stabilization Trust Account--State	
12	Appropriation	(\$5,954,000)
13		<u>\$5,425,000</u>
14	TOTAL APPROPRIATION	(\$150,392,000)
15		<u>\$150,557,000</u>

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

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

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

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

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

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

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

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

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

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

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

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

29 **Sec. 1105.** 2012 2nd sp.s. c 7 s 118 (uncodified) is amended to
30 read as follows:

31 **FOR THE OFFICE OF THE GOVERNOR**

32	General Fund--State Appropriation (FY 2012)	\$5,102,000
33	General Fund--State Appropriation (FY 2013)	(\$5,247,000)
34		<u>\$5,286,000</u>
35	Economic Development Strategic Reserve Account--State	
36	Appropriation	\$1,500,000
37	TOTAL APPROPRIATION	(\$11,849,000)

\$11,888,000

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

(1) \$1,500,000 of the economic development strategic reserve account appropriation is provided solely for efforts to assist with currently active industrial recruitment efforts that will bring new jobs to the state or will retain headquarter locations of major companies currently housed in the state.

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

(3) \$39,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

Sec. 1106. 2012 2nd sp.s. c 7 s 121 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund--State Appropriation (FY 2012)	\$16,047,000
General Fund--State Appropriation (FY 2013)	(\$8,612,000)
	<u>\$9,972,000</u>
General Fund--Federal Appropriation	\$7,326,000
Public Records Efficiency, Preservation, and Access	
Account--State Appropriation	(\$7,074,000)
	<u>\$7,185,000</u>
Charitable Organization Education Account--State	
Appropriation	\$362,000
Local Government Archives Account--State	
Appropriation	\$8,516,000
Election Account--Federal Appropriation	\$17,284,000
Washington State Heritage Center Account--State	
Appropriation	\$5,028,000
TOTAL APPROPRIATION	(\$70,249,000)
	<u>\$71,720,000</u>

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

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

9 (2)(a) \$1,847,000 of the general fund--state appropriation for
10 fiscal year 2012 and \$1,926,000 of the general fund--state
11 appropriation for fiscal year 2013 are provided solely for contracting
12 with a nonprofit organization to produce gavel-to-gavel television
13 coverage of state government deliberations and other events of
14 statewide significance during the 2011-2013 biennium. The funding
15 level for each year of the contract shall be based on the amount
16 provided in this subsection. The nonprofit organization shall be
17 required to raise contributions or commitments to make contributions,
18 in cash or in kind, in an amount equal to forty percent of the state
19 contribution. The office of the secretary of state may make full or
20 partial payment once all criteria in this subsection have been
21 satisfactorily documented.

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

27 (c) The nonprofit organization shall prepare an annual independent
28 audit, an annual financial statement, and an annual report, including
29 benchmarks that measure the success of the nonprofit organization in
30 meeting the intent of the program.

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

33 (i) Attempting to influence the passage or defeat of any
34 legislation by the legislature of the state of Washington, by any
35 county, city, town, or other political subdivision of the state of
36 Washington, or by the congress, or the adoption or rejection of any
37 rule, standard, rate, or other legislative enactment of any state
38 agency;

- 1 (ii) Making contributions reportable under chapter 42.17 RCW; or
- 2 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
- 3 lodging, meals, or entertainment to a public officer or employee.
- 4 (3) Any reductions to funding for the Washington talking book and
- 5 Braille library may not exceed in proportion any reductions taken to
- 6 the funding for the library as a whole.

7 **Sec. 1107.** 2012 2nd sp.s. c 7 s 127 (uncodified) is amended to
 8 read as follows:

9 **FOR THE ATTORNEY GENERAL**

10	General Fund--State Appropriation (FY 2012)	\$4,758,000
11	General Fund--State Appropriation (FY 2013)	(\$7,690,000)
12		<u>\$7,890,000</u>
13	General Fund--Federal Appropriation	\$10,015,000
14	New Motor Vehicle Arbitration Account--State	
15	Appropriation	\$968,000
16	Legal Services Revolving Account--State	
17	Appropriation	(\$197,375,000)
18		<u>\$197,412,000</u>
19	Tobacco Prevention and Control Account--State	
20	Appropriation	\$270,000
21	Medicaid Fraud Penalty Account--State Appropriation	\$1,129,000
22	TOTAL APPROPRIATION	(\$222,205,000)
23		<u>\$222,442,000</u>

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

26 (1) The attorney general shall report each fiscal year on actual
 27 legal services expenditures and actual attorney staffing levels for
 28 each agency receiving legal services. The report shall be submitted to
 29 the office of financial management and the fiscal committees of the
 30 senate and house of representatives no later than ninety days after the
 31 end of each fiscal year. As part of its by agency report to the
 32 legislative fiscal committees and the office of financial management,
 33 the office of the attorney general shall include information detailing
 34 the agency's expenditures for its agency-wide overhead and a breakdown
 35 by division of division administration expenses.

36 (2) Prior to entering into any negotiated settlement of a claim
 37 against the state that exceeds five million dollars, the attorney

1 general shall notify the director of financial management and the
2 chairs of the senate committee on ways and means and the house of
3 representatives committee on ways and means.

4 (3) The attorney general shall annually report to the fiscal
5 committees of the legislature all new *cy pres* awards and settlements
6 and all new accounts, disclosing their intended uses, balances, the
7 nature of the claim or account, proposals, and intended timeframes for
8 the expenditure of each amount. The report shall be distributed
9 electronically and posted on the attorney general's web site. The
10 report shall not be printed on paper or distributed physically.

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

16 (5) \$62,000 of the legal services revolving fund--state
17 appropriation is provided solely to implement House Bill No. 1770
18 (state purchasing). If the bill is not enacted by June 30, 2011, the
19 amount provided in this subsection shall lapse.

20 (6) \$5,924,000 of the legal services revolving account--state
21 appropriation is provided solely to implement House Bill No. 2123
22 (workers' compensation). If the bill is not enacted by June 30, 2011,
23 the amount provided in this subsection shall lapse.

24 (7) The office of the attorney general is authorized to expend
25 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer
26 protection costs in accordance with uses authorized in the court
27 orders.

28 (8) \$96,000 of the legal services revolving fund--state
29 appropriation is provided solely to implement Senate Bill No. 5076
30 (financial institutions). If the bill is not enacted by June 30, 2011,
31 the amount provided in this subsection shall lapse.

32 (9) \$99,000 of the legal services revolving fund--state
33 appropriation is provided solely to implement Engrossed Second
34 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill
35 is not enacted by June 30, 2011, the amount provided in this subsection
36 shall lapse.

37 (10) \$416,000 of the legal services revolving fund--state

1 appropriation is provided solely to implement Substitute Senate Bill
2 No. 5801 (industrial insurance system). If the bill is not enacted by
3 June 30, 2011, the amount provided in this subsection shall lapse.

4 (11) \$31,000 of the legal services revolving fund--state
5 appropriation is provided solely to implement Engrossed Substitute
6 Senate Bill No. 5021 (election campaign disclosure). If the bill is
7 not enacted by June 30, 2011, the amount provided in this subsection
8 shall lapse.

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

21 (13) \$11,000 of the legal services revolving fund--state
22 appropriation is provided solely to implement House Bill No. 2301
23 (boxing, martial arts, wrestling). If the bill is not enacted by June
24 30, 2012, the amount provided in this subsection shall lapse.

25 (14) \$56,000 of the legal services revolving fund--state
26 appropriation is provided solely to implement House Bill No. 2319
27 (affordable care act). If the bill is not enacted by June 30, 2012,
28 the amount provided in this subsection shall lapse.

29 (15) \$5,743,000 of the general fund--state appropriation for fiscal
30 year 2013 is provided solely for the legal costs associated with the
31 evaluation, filing, prosecution, response to petitions for release, and
32 appeal of sexually violent predator civil commitment cases, as provided
33 in chapter 71.09 RCW. Within the amount provided in this subsection,
34 the attorney general may enter into an interagency agreement with a
35 county prosecutor to perform prosecution services pursuant to chapter
36 71.09 RCW.

37 (16) \$94,000 of the legal services revolving fund--state

1 appropriation is provided solely to implement Senate Bill No. 6103
2 (reflexology and massage therapy). If the bill is not enacted by June
3 30, 2012, the amount provided in this subsection shall lapse.

4 (17) \$57,000 of the legal services revolving fund--state
5 appropriation is provided solely for implementation of Engrossed
6 Substitute Senate Bill No. 6237 (medical assistants). If the bill is
7 not enacted by June 30, 2012, the amount provided in this subsection
8 shall lapse.

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

16 (19) \$56,000 of the legal services revolving fund--state
17 appropriation is provided solely to implement House Bill No. 2592
18 (extended foster care). If the bill is not enacted by June 30, 2012,
19 the amount provided in this subsection shall lapse.

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

25 (21) \$200,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for settlement payment of the Backpage.com
27 litigation.

28 **Sec. 1108.** 2012 2nd sp.s. c 7 s 129 (uncodified) is amended to
29 read as follows:

30 **FOR THE DEPARTMENT OF COMMERCE**

31	General Fund--State Appropriation (FY 2012)	\$51,799,000
32	General Fund--State Appropriation (FY 2013)	((\$72,839,000))
33		<u>\$60,889,000</u>
34	General Fund--Federal Appropriation	\$340,184,000
35	General Fund--Private/Local Appropriation	\$5,036,000
36	Public Works Assistance Account--State	
37	Appropriation	\$2,733,000

1	Drinking Water Assistance Administrative	
2	Account--State Appropriation	\$437,000
3	Lead Paint Account--State Appropriation	((\$65,000))
4		<u>\$100,000</u>
5	Building Code Council Account--State Appropriation	\$13,000
6	Home Security Fund Account--State Appropriation	\$21,007,000
7	Affordable Housing for All Account--State	
8	Appropriation	\$11,899,000
9	County Research Services Account--State	
10	Appropriation	\$540,000
11	Financial Fraud and Identity Theft Crimes Investigation	
12	and Prosecution Account--State Appropriation	((\$1,166,000))
13		<u>\$969,000</u>
14	Low-Income Weatherization Assistance Account--State	
15	Appropriation	((\$2,427,000))
16		<u>\$1,186,000</u>
17	City and Town Research Services Account--State	
18	Appropriation	\$2,577,000
19	Community and Economic Development Fee Account--State	
20	Appropriation	\$6,781,000
21	Washington Housing Trust Account--State	
22	Appropriation	\$17,444,000
23	Prostitution Prevention and Intervention Account--	
24	State Appropriation	\$86,000
25	Public Facility Construction Loan Revolving	
26	Account--State Appropriation	\$748,000
27	Washington Community Technology Opportunity Account--	
28	State Appropriation	\$713,000
29	Liquor Revolving Account--State Appropriation	((\$2,802,000))
30		<u>\$3,032,000</u>
31	TOTAL APPROPRIATION	((\$541,296,000))
32		<u>\$528,173,000</u>

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

35 (1) Repayments of outstanding mortgage and rental assistance
36 program loans administered by the department under RCW 43.63A.640 shall
37 be remitted to the department, including any current revolving account

1 balances. The department shall collect payments on outstanding loans,
2 and deposit them into the state general fund. Repayments of funds owed
3 under the program shall be remitted to the department according to the
4 terms included in the original loan agreements.

5 (2) \$500,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$500,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for a grant to resolution
8 Washington to building statewide capacity for alternative dispute
9 resolution centers and dispute resolution programs that guarantee that
10 citizens have access to low-cost resolution as an alternative to
11 litigation.

12 (3) \$306,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$306,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for a grant to the retired senior
15 volunteer program.

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

19 (5) \$1,800,000 of the home security fund--state appropriation is
20 provided for transitional housing assistance or partial payments for
21 rental assistance under the independent youth housing program.

22 (6) \$5,000,000 of the home security fund--state appropriation is
23 for the operation, repair, and staffing of shelters in the homeless
24 family shelter program.

25 (7) \$198,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$198,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for the Washington new Americans
28 program.

29 (8) \$2,949,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$2,949,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for associate development
32 organizations.

33 (9) \$127,000 of the general fund--federal appropriation is provided
34 solely for implementation of Substitute House Bill No. 1886
35 (Ruckelshaus center process). If the bill is not enacted by June 30,
36 2011, the amount provided in this subsection shall lapse.

37 (10) Up to \$200,000 of the general fund--private/local
38 appropriation is for a grant to the Washington tourism alliance for the

1 maintenance of the Washington state tourism web site
2 www.experiencewa.com and its related sub-sites. The department may
3 transfer ownership of the web site and other tourism promotion assets
4 and assign obligations to the Washington tourism alliance for purposes
5 of tourism promotion throughout the state. The alliance may use the
6 assets only in a manner consistent with the purposes for which they
7 were created. Any revenue generated from these assets must be used by
8 the alliance for the sole purposes of statewide Washington tourism
9 promotion. The legislature finds that the Washington tourism alliance,
10 a not-for-profit, 501.c.6 organization established, funded, and
11 governed by Washington tourism industry stakeholders to sustain
12 destination tourism marketing across Washington, is an appropriate body
13 to receive funding and assets from and assume obligations of the
14 department for the purposes described in this section.

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

18 (12) \$2,000,000 of the community and economic development fee
19 account appropriation is provided solely for the department of commerce
20 for services to homeless families through the Washington families fund.

21 (13) \$234,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$233,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the Washington asset building
24 coalitions.

25 (14) \$1,859,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$1,859,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for innovative research teams,
28 also known as entrepreneurial STARS, at higher education research
29 institutions, and for entrepreneurs-in-residence programs at higher
30 education research institutions and entrepreneurial assistance
31 organizations. Of these amounts no more than \$50,000 in fiscal year
32 2012 and no more than \$50,000 in fiscal year 2013 may be provided for
33 the operation of entrepreneurs-in-residence programs at entrepreneurial
34 assistance organizations external to higher education research
35 institutions.

36 (15) Up to \$700,000 of the general fund--private/local
37 appropriation is for pass-through grants to cities in central Puget

1 Sound to plan for transfer of development rights receiving areas under
2 the central Puget Sound regional transfer of development rights
3 program.

4 (16) \$16,000 of the general fund--state appropriation for fiscal
5 year 2012 is provided solely to implement section 503 of Substitute
6 House Bill No. 1277 (licensed settings for vulnerable adults). The
7 long-term care ombudsman shall convene an adult family home quality
8 assurance panel to review problems concerning the quality of care for
9 residents in adult family homes. If Substitute House Bill No. 1277
10 (licensed settings for vulnerable adults) is not enacted by June 30,
11 2011, the amount provided in this subsection shall lapse.

12 (17) \$19,605,000 of the general fund--state appropriation for
13 fiscal year 2012 and (~~(\$39,527,000)~~) \$27,527,000 of the general fund--
14 state appropriation for fiscal year 2013 are provided solely for
15 establishment of the essential needs and housing support program
16 created in Engrossed Substitute House Bill No. 2082 (essential needs
17 and assistance program). The department of commerce shall contract for
18 these services with counties or community-based organizations involved
19 in providing essential needs and housing supports to low-income persons
20 who meet eligibility pursuant to Engrossed Substitute House Bill No.
21 2082. The department shall limit the funding used for administration
22 of the program to no more than five percent. Counties and community
23 providers shall limit the funding used for administration of the
24 program to no more than seven percent.

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

33 (b) Of the amounts provided in this subsection, (~~(\$55,000,000)~~)
34 \$43,000,000 is provided solely for housing support services to
35 individuals who are homeless or who may become homeless, and are
36 eligible for services under this program pursuant to Engrossed
37 Substitute House Bill No. 2082.

1 (18) \$4,380,000 of the home security fund--state appropriation is
2 provided solely for the department to provide homeless housing services
3 in accordance with Engrossed Substitute House Bill No. 2048 (housing
4 assistance surcharges). If Engrossed Substitute House Bill No. 2048
5 (housing assistance surcharges) is not enacted by June 30, 2012, the
6 amounts provided in this subsection shall lapse.

7 (19) \$85,000 of the general fund--state appropriation for fiscal
8 year 2013 is provided solely for the developmental disabilities council
9 to contract for a family-to-family mentor program to provide
10 information and support to families and guardians of persons who are
11 transitioning out of residential habilitation centers. To the maximum
12 extent allowable under federal law, these funds shall be matched under
13 medicaid through the department of social and health services and
14 federal funds shall be transferred to the department for the purposes
15 stated in this subsection.

16 (20) (~~(\$2,802,000)~~) \$3,032,000 of the liquor revolving account--
17 state appropriation is provided solely for the department to contract
18 with the municipal research and services center of Washington.

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

32 (22) \$12,000 of the general fund--state appropriation for fiscal
33 year 2013 is provided solely to implement Engrossed Second Substitute
34 Senate Bill No. 5292 (irrigation and port districts). If the bill is
35 not enacted by June 30, 2012, the amount provided in this subsection
36 shall lapse.

37 (23) \$100,000 of the general fund--private/local appropriation is
38 provided solely for the department to provide analysis and an advisory

1 opinion on whether a proposed electric generation project or
 2 conservation resource qualifies to meet mandatory conservation targets
 3 in accordance with Substitute Senate Bill No. 6414 (review
 4 process/utilities). The department is authorized to require an
 5 applicant to pay an application fee to cover the cost of reviewing the
 6 project and preparing an advisory opinion. If Substitute Senate Bill
 7 No. 6414 (review process/utilities) is not enacted by June 30, 2012,
 8 the amount provided in this subsection shall lapse.

9 **Sec. 1109.** 2012 2nd sp.s. c 7 s 131 (uncodified) is amended to
 10 read as follows:

11 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

12	General Fund--State Appropriation (FY 2012)	\$18,369,000
13	General Fund--State Appropriation (FY 2013)	(\$18,584,000)
14		<u>\$18,728,000</u>
15	General Fund--Federal Appropriation	\$31,530,000
16	General Fund--Private/Local Appropriation	\$1,370,000
17	Performance Audits of Government Account--State	
18	Appropriation	\$198,000
19	Economic Development Strategic Reserve Account--State	
20	Appropriation	\$280,000
21	Department of Personnel Services--State	
22	Appropriation	\$8,551,000
23	Data Processing Revolving Account--State	
24	Appropriation	\$5,910,000
25	Higher Education Personnel Services Account--State	
26	Appropriation	\$1,537,000
27	Aquatic Lands Enhancement Account--State Appropriation	\$100,000
28	TOTAL APPROPRIATION	(\$86,429,000)
29		<u>\$86,573,000</u>

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

32 (1) \$1,210,000 of the general fund--state appropriation for fiscal
 33 year 2012 and \$1,210,000 of the general fund--state appropriation for
 34 fiscal year 2013 are provided solely for implementation of House Bill
 35 No. 1178 (regulatory assistance office). If the bill is not enacted by
 36 June 30, 2011, the amounts provided in this subsection shall lapse.

1 (2) \$150,000 of the general fund--state appropriation for fiscal
2 year 2012 is provided solely for the office of financial management to
3 contract with an independent consultant to evaluate and recommend the
4 most cost-effective provision of services required to support the
5 department of social and health services special commitment center on
6 McNeil Island. The evaluation shall include island operation services
7 that include, but are not limited to: (a) Marine transport of
8 passengers and goods; (b) wastewater treatment; (c) fire protection and
9 suppression; (d) electrical supply; (e) water supply; and (f) road
10 maintenance.

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

16 (3) \$100,000 of the aquatic lands enhancement account--state
17 appropriation is provided solely for the office of financial management
18 to prepare a report to be used to initiate a comprehensive, long-range
19 planning process for the future of McNeil Island during the 2013-2015
20 fiscal biennium.

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

22 (i) Ownership issues, including consultation with the federal
23 government about its current legal requirements associated with the
24 island;

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

27 (iii) Tribal treaty interests;

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

29 (v) Land use and public safety needs;

30 (vi) Recreational opportunities for the general public;

31 (vii) Historic and archaeological resources; and

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

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

37 (c) The office of financial management may use its own staff and

1 other public agency and tribal staff or contract for services, and may
2 create a work group of knowledgeable agencies, organizations, and
3 individuals to assist in preparing the report.

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

6 (i) Federal agencies with relevant responsibilities;

7 (ii) Tribal governments;

8 (iii) State agencies;

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

11 (v) Interested private organizations and individuals.

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

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

23 (~~(+6)~~) (5) \$115,000 of the general fund--state appropriation for
24 fiscal year 2013 is provided solely for implementation of Engrossed
25 Substitute House Bill No. 2483 (higher education coordination). If the
26 bill is not enacted by June 30, 2012, the amount provided in this
27 subsection shall lapse.

28 (~~(+7)~~) (6)(a) The office of financial management shall determine
29 if cost savings can be achieved by the state through contracting for
30 interpreter services more effectively. The office of financial
31 management must work with all state agencies that use interpreter
32 services to determine:

33 (i) How agencies currently procure interpreter services;

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

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

37 (b) The office of financial management, in consultation with the
38 department of enterprise services, must also examine approaches to

1 procuring interpreter services, including using the department of
2 enterprise services' master contract, limiting overhead costs
3 associated with interpreter contracts, and direct scheduling of
4 interpreters. The report must include recommendations for the state to
5 procure services in a more consistent and cost-effective manner.

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

10 (d) The report must include:

11 (i) Analysis of the current process for procuring interpreter
12 services;

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

15 (iii) Estimates for potential cost savings.

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

18 ~~((+8))~~ (7) \$25,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$225,000 of the general fund--state appropriation
20 for fiscal year 2013 are provided solely for implementation of House
21 Bill No. 2824 (education funding). If the bill is not enacted by June
22 30, 2012, the amount provided in this subsection shall lapse.

23 (8) \$50,000 of the general fund--state appropriation for fiscal
24 year 2013 is provided solely for implementation of Engrossed Second
25 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
26 bill is not enacted by June 30, 2012, the amount provided in this
27 subsection shall lapse.

28 **Sec. 1110.** 2012 2nd sp.s. c 7 s 132 (uncodified) is amended to
29 read as follows:

30 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

31 Administrative Hearings Revolving Account--State
32 Appropriation ~~((35,713,000))~~
33 \$36,413,000

34 The appropriation in this section is subject to the following
35 conditions and limitations: ~~((769,000))~~ \$700,000 of the
36 administrative hearings revolving account--state appropriation is
37 provided solely to ~~((implement Engrossed Substitute Senate Bill No.~~

1 ~~5921 (social services programs). If the bill is not enacted by June~~
2 ~~30, 2011, the amount provided in this subsection shall lapse))~~
3 accommodate the number of fair hearings associated with medical
4 assistance programs on behalf of the health care authority.

5 **Sec. 1111.** 2012 2nd sp.s. c 7 s 136 (uncodified) is amended to
6 read as follows:

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

8 Department of Retirement Systems Expense

9 Account--State Appropriation	(\$46,511,000)
10	<u>\$46,591,000</u>

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

13 (1) \$146,000 of the department of retirement systems--state
14 appropriation is provided solely for the administrative costs
15 associated with implementation of House Bill No. 2070 (state and local
16 government employees). If the bill is not enacted by June 30, 2011,
17 the amount provided in this subsection shall lapse.

18 (2) \$65,000 of the department of retirement systems--state
19 appropriation is provided solely for the administrative costs
20 associated with implementation of House Bill No. 1625 (plan 3 default
21 investment option). If the bill is not enacted by June 30, 2011, the
22 amount provided in this subsection shall lapse.

23 (3) \$133,000 of the department of retirement systems--state
24 appropriation is provided solely for the administrative costs
25 associated with implementation of Engrossed House Bill No. 1981 as
26 amended (post-retirement employment). If the bill is not enacted by
27 June 30, 2011, the amount provided in this subsection shall lapse.

28 (4) \$15,000 of the department of retirement systems expense
29 account--state appropriation is provided solely for the administrative
30 costs associated with implementation of Substitute House Bill No. 2021
31 (plan 1 annual increase amounts). If the bill is not enacted by June
32 30, 2011, the amount provided in this section shall lapse.

33 (5) \$32,000 of the department of retirement systems--state
34 appropriation is provided solely for the administrative costs
35 associated with implementation of Engrossed Senate Bill No. 5159 (state
36 patrol retirement system service credit). If the bill is not enacted
37 by June 30, 2012, the amount provided in this subsection shall lapse.

Sec. 1112. 2012 2nd sp.s. c 7 s 139 (uncodified) is amended to read as follows:

FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

OMWBE Enterprises Account--State Appropriation	((\$3,654,000))
	<u>\$3,754,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$100,000 of the minority and women's business enterprises account--state appropriation is provided for implementation of a certification program for small business enterprises. The agency will collaborate with the department of transportation to certify small businesses as small business enterprises.

Sec. 1113. 2012 2nd sp.s. c 7 s 142 (uncodified) is amended to read as follows:

FOR THE LIQUOR CONTROL BOARD

Liquor Control Board Construction and Maintenance	
Account--State Appropriation	\$3,063,000
Liquor Revolving Account--State Appropriation	\$171,838,000
General Fund--Federal Appropriation	\$945,000
General Fund--Private/Local Appropriation	\$25,000
TOTAL APPROPRIATION	\$175,871,000

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

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

(2) Within the amounts appropriated in this section from the liquor revolving account--state appropriation, liquor control board employees who:

(a) Occupy positions in the job classifications provided in subsection (3)(c) of this section that will be eliminated after the liquor control board ceases to distribute liquor; and (b) remain as liquor control board employees through June 15, 2012, and who separate from service due to lay off by October 1, 2012, may elect to receive

1 remuneration for their entire sick leave balance at a rate equal to one
2 day's current monetary compensation of the employee for each four full
3 days of accrued sick leave.

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

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

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

11 (c) The following job classifications are eligible:

- 12 (i) Liquor store clerk;
- 13 (ii) Retail assistant store manager 1;
- 14 (iii) Retail assistant store manager 2;
- 15 (iv) Retail store manager 3;
- 16 (v) Retail store manager 4;
- 17 (vi) Retail district manager;
- 18 (vii) Retail operations manager;
- 19 (viii) Director of retail services;
- 20 (ix) Director of distribution center;
- 21 (x) Director of purchasing;
- 22 (xi) Director of business enterprise;
- 23 (xii) Warehouse operator 1;
- 24 (xiii) Warehouse operator 2;
- 25 (xiv) Warehouse operator 3; and
- 26 (xv) Warehouse operator 4; and

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

30 (4) Within the amounts appropriated in this section from the liquor
31 revolving account--state appropriation, up to \$946,000 may be used by
32 the liquor control board to implement Initiative Measure No. 502.

33 **Sec. 1114.** 2012 2nd sp.s. c 7 s 144 (uncodified) is amended to
34 read as follows:

35 **FOR THE MILITARY DEPARTMENT**

36	General Fund--State Appropriation (FY 2012)	\$7,116,000
37	General Fund--State Appropriation (FY 2013)	(\$6,872,000)

1		<u>\$6,938,000</u>
2	General Fund--Federal Appropriation	((\$159,075,000))
3		<u>\$159,114,000</u>
4	Enhanced 911 Account--State Appropriation	\$48,620,000
5	Disaster Response Account--State Appropriation	\$23,119,000
6	Disaster Response Account--Federal Appropriation	\$91,368,000
7	Military Department Rent and Lease Account--State	
8	Appropriation	\$615,000
9	Worker and Community Right-to-Know Account--State	
10	Appropriation	\$2,163,000
11	TOTAL APPROPRIATION	((\$338,948,000))
12		<u>\$339,053,000</u>

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

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

26 (2) \$75,000,000 of the general fund--federal appropriation is
27 provided solely for homeland security, subject to the following
28 conditions:

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

32 (b) The department shall submit an annual report to the office of
33 financial management and the legislative fiscal committees detailing
34 the governor's domestic security advisory group recommendations;
35 homeland security revenues and expenditures, including estimates of
36 total federal funding for the state; and incremental changes from the
37 previous estimate.

1 (3) \$15,000 of the general fund--state appropriation in fiscal year
2 2013 is provided solely to maintain the three generator systems that
3 allow the emergency operations center and emergency management division
4 to operate during unexpected power outages.

5 **Sec. 1115.** 2012 2nd sp.s. c 7 s 149 (uncodified) is amended to
6 read as follows:

7 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

8	General Fund--State Appropriation (FY 2012)	\$3,401,000
9	General Fund--State Appropriation (FY 2013)	\$3,309,000
10	(General Fund--Federal Appropriation	\$177,000
11	General Fund--Private/Local Appropriation	\$368,000)
12	Building Code Council Account--State Appropriation	\$1,186,000
13	Department of Personnel Service Account--State	
14	Appropriation	\$11,117,000
15	Enterprise Services Account--State Appropriation	\$26,336,000
16	TOTAL APPROPRIATION	(\$45,894,000)
17		<u>\$45,349,000</u>

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

20 (1) The appropriations in this section are for the operations and
21 expenses of the department of enterprise services as established by
22 Engrossed Substitute Senate Bill No. 5931 (central service functions of
23 state government), effective October 1, 2011. Prior to October 1,
24 2011, the appropriations in this section may be expended for the
25 continued operations and expenses of the office of financial
26 management, the department of general administration, the department of
27 information services, and the department of personnel, pursuant to the
28 expenditure authority schedules produced by the office of financial
29 management, in accordance with chapter 43.88 RCW.

30 (2) \$3,028,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$2,967,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the payment of facilities and
33 services charges, utilities and contracts charges, public and historic
34 facilities charges, and capital projects surcharges allocable to the
35 senate, house of representatives, statute law committee, and joint
36 legislative systems committee. The department shall allocate charges
37 attributable to these agencies among the affected revolving funds. The

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

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

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

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

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

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

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

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

(End of part)

PART XII
HUMAN SERVICES

Sec. 1201. 2012 2nd sp.s. c 7 s 201 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

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

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

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the

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 MICP 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 MICP, the health care
11 authority and the department may: (i) Withhold from calculations of
12 "available resources" as set forth in RCW 71.24.025 a sum equal to the
13 capitated rate for enrolled individuals; and (ii) employ capitation
14 financing and risk-sharing arrangements in collaboration with health
15 care service contractors licensed by the office of the insurance
16 commissioner and qualified to participate in both the medicaid and
17 medicare programs. The health care authority and the department shall
18 conduct an evaluation of the WMIP by October 15, 2012, and of the MICP
19 measuring changes in participant health outcomes, changes in patterns
20 of service utilization, participant satisfaction, participant access to
21 services, and the state fiscal impact.

22 (b) Effective January 1, 2013, if Washington has been selected to
23 participate in phase two of the federal demonstration project for
24 persons dually-eligible for both medicare and medicaid, the department
25 and the authority may initiate the MICP. Participation in the project
26 shall be limited to persons who are eligible for both medicare and
27 medicaid and to counties in which the county legislative authority has
28 agreed to the terms and conditions under which it will operate. The
29 purpose of the project shall be to demonstrate and evaluate ways to
30 improve care while reducing state expenditures for persons enrolled
31 both in medicare and medicaid. To that end, prior to initiating the
32 project, the department and the authority shall assure that state
33 expenditures shall be no greater on either a per person or total basis
34 than the state would otherwise incur. Individuals who are solely
35 eligible for medicaid may also participate if their participation is
36 agreed to by the health care authority, the department, and the county
37 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))~~ 2013,
25 unless specifically prohibited by this act, the department may transfer
26 general fund--state appropriations for fiscal year (~~(2012))~~ 2013 among
27 programs after approval by the director of financial management.
28 However, the department shall not transfer state moneys that are
29 provided solely for a specified purpose except as expressly provided in
30 (b) of this 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
33 (~~(2012))~~ 2013 caseload forecasts and utilization assumptions in the
34 long-term care, foster care, adoptions support, medicaid personal care,
35 and child support programs, the department may transfer state moneys
36 that are provided solely for a specified purpose. The department shall
37 not 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. 1202.** 2012 2nd sp.s. c 7 s 202 (uncodified) is amended to
11 read as follows:

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

14	General Fund--State Appropriation (FY 2012)	\$287,014,000
15	General Fund--State Appropriation (FY 2013)	(\$285,018,000)
16		<u>\$277,169,000</u>
17	General Fund--Federal Appropriation	(\$479,315,000)
18		<u>\$476,739,000</u>
19	General Fund--Private/Local Appropriation	(\$1,354,000)
20		<u>\$1,804,000</u>
21	Home Security Fund Account--State Appropriation	\$10,741,000
22	Domestic Violence Prevention Account--State	
23	Appropriation	\$1,240,000
24	Education Legacy Trust Account--State Appropriation	\$725,000
25	TOTAL APPROPRIATION	(\$1,065,407,000)
26		<u>\$1,055,432,000</u>

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

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

34 (2) \$668,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$668,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely to contract for the operation of
37 one pediatric interim care center. The center shall provide

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

14 (3)(a) \$80,887,000 of the general fund--state appropriation for
15 fiscal year 2012, (~~(\$81,067,000)~~) \$76,567,000 of the general fund--
16 state appropriation for fiscal year 2013, and (~~(\$74,800,000)~~)
17 \$71,598,034 of the general fund--federal appropriation are provided
18 solely for services for children and families. The amounts provided in
19 this section shall be allotted on a monthly basis and expenditures
20 shall not exceed allotments based on a three month rolling average
21 without approval of the office of financial management following
22 notification to the legislative fiscal committees.

23 (b) The department shall use these services to safely reduce the
24 number of children in out-of-home care, safely reduce the time spent in
25 out-of-home care prior to achieving permanency, and safely reduce the
26 number of children returning to out-of-home care following permanency.
27 The department shall provide an initial report to the legislature and
28 the governor by January 15, 2012, regarding the start-up costs
29 associated with performance-based contracts under RCW 74.13.360 .

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

34 (4) \$176,000 of the general fund--state appropriation for fiscal
35 year 2012, \$177,000 of the general fund--state appropriation for fiscal
36 year 2013, \$656,000 of the general fund--private/local appropriation,
37 \$253,000 of the general fund--federal appropriation, and \$725,000 of
38 the education legacy trust account--state appropriation are provided

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

11 (5) \$670,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$670,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for services provided through
14 children's advocacy centers.

15 (6) To ensure expenditures remain within available funds
16 appropriated in this section as required by RCW 74.13A.005 and
17 74.13A.020, the secretary shall not set the amount of any adoption
18 assistance payment or payments, made pursuant to RCW 26.33.320 and
19 74.13A.005 through 74.13A.080, to more than ninety percent of the
20 foster care maintenance payment for that child had he or she remained
21 in a foster family home during the same period. This subsection does
22 not apply to adoption assistance agreements in existence on the
23 effective date of this section.

24 (7) \$10,741,000 of the home security fund--state appropriation is
25 provided solely for the department to contract for services pursuant to
26 RCW 13.32A.030 and 74.15.220. The department shall contract and
27 collaborate with service providers in a manner that maintains the
28 availability and geographic representation of secure and semi-secure
29 crisis residential centers and HOPE centers. To achieve efficiencies
30 and increase utilization, the department shall allow the co-location of
31 these centers, except that a youth may not be placed in a secure
32 facility or the secure portion of a co-located facility except as
33 specifically authorized by chapter 13.32A RCW. The reductions to
34 appropriations in this subsection related to semi-secure crisis
35 residential centers reflect a reduction to the number of beds for semi-
36 secure crisis residential centers and not a reduction in rates. Any
37 secure crisis residential center or semi-secure crisis residential
38 center bed reduction shall not be based solely upon bed utilization.

1 The department is to exercise its discretion in reducing the number of
2 beds but to do so in a manner that maintains availability and
3 geographic representation of semi-secure and secure crisis residential
4 centers.

5 (8) \$47,000 of the general fund--state appropriation for fiscal
6 year 2012, \$14,000 of the general fund--state appropriation for fiscal
7 year 2013, and \$40,000 of the general fund--federal appropriation are
8 provided solely to implement Substitute House Bill No. 1697 (dependency
9 system). If the bill is not enacted by June 30, 2011, the amounts
10 provided in this subsection shall lapse.

11 (9) \$564,000 of the general fund--federal appropriation is provided
12 solely to implement Second Substitute House Bill No. 1128 (extended
13 foster care). If the bill is not enacted by June 30, 2011, the amount
14 provided in this subsection shall lapse.

15 (10) \$799,000 of the general fund--state appropriation for fiscal
16 year 2013 and \$799,000 of the general fund--federal appropriation are
17 provided solely for the implementation of Engrossed Second Substitute
18 House Bill No. 2264 (child welfare/contracting). If the bill is not
19 enacted by June 30, 2012, the amounts provided in this subsection shall
20 lapse.

21 (11) \$178,000 of the general fund--federal appropriation is
22 provided solely for the implementation of Engrossed Second Substitute
23 House Bill No. 2592 (extended foster care). If the bill is not enacted
24 by June 30, 2012, the amount provided in this subsection shall lapse.

25 (12) \$616,000 of the general fund--state appropriation for fiscal
26 year 2013 and \$616,000 of the general fund--federal appropriation are
27 provided solely for the implementation of Engrossed Substitute Senate
28 Bill No. 6555 (child protective services). If the bill is not enacted
29 by June 30, 2012, the amounts provided in this subsection shall lapse.

30 **Sec. 1203.** 2012 2nd sp.s. c 7 s 203 (uncodified) is amended to
31 read as follows:

32 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
33 **REHABILITATION PROGRAM**

34	General Fund--State Appropriation (FY 2012)	\$85,723,000
35	General Fund--State Appropriation (FY 2013)	(\$85,258,000)
36		<u>\$85,477,000</u>
37	General Fund--Federal Appropriation	(\$3,809,000)

1		<u>\$3,808,000</u>
2	General Fund--Private/Local Appropriation	((\$1,903,000))
3		<u>\$1,904,000</u>
4	Washington Auto Theft Prevention Authority Account--	
5	State Appropriation	\$196,000
6	Juvenile Accountability Incentive Account--Federal	
7	Appropriation	\$2,801,000
8	TOTAL APPROPRIATION	((\$179,690,000))
9		<u>\$179,909,000</u>

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

12 (1) \$331,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$331,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for deposit in the county criminal
15 justice assistance account for costs to the criminal justice system
16 associated with the implementation of chapter 338, Laws of 1997
17 (juvenile code revisions). The amounts provided in this subsection are
18 intended to provide funding for county adult court costs associated
19 with the implementation of chapter 338, Laws of 1997 and shall be
20 distributed in accordance with RCW 82.14.310.

21 (2) \$2,716,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$2,716,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the implementation of chapter
24 338, Laws of 1997 (juvenile code revisions). The amounts provided in
25 this subsection are intended to provide funding for county impacts
26 associated with the implementation of chapter 338, Laws of 1997 and
27 shall be distributed to counties as prescribed in the current
28 consolidated juvenile services (CJS) formula.

29 (3) \$3,482,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$3,482,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely to implement community juvenile
32 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
33 code revisions). Funds provided in this subsection may be used solely
34 for community juvenile accountability grants, administration of the
35 grants, and evaluations of programs funded by the grants.

36 (4) \$1,130,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$1,130,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely to implement alcohol and substance

1 abuse treatment programs for locally committed offenders. The juvenile
2 rehabilitation administration shall award these moneys on a competitive
3 basis to counties that submitted a plan for the provision of services
4 approved by the division of alcohol and substance abuse. The juvenile
5 rehabilitation administration shall develop criteria for evaluation of
6 plans submitted and a timeline for awarding funding and shall assist
7 counties in creating and submitting plans for evaluation.

8 (5) \$3,123,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$3,123,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for grants to county juvenile
11 courts for the following programs identified by the Washington state
12 institute for public policy (institute) in its October 2006 report:
13 "Evidence-Based Public Policy Options to Reduce Future Prison
14 Construction, Criminal Justice Costs and Crime Rates": Functional
15 family therapy, multi-systemic therapy, aggression replacement training
16 and interagency coordination programs, or other programs with a
17 positive benefit-cost finding in the institute's report. County
18 juvenile courts shall apply to the juvenile rehabilitation
19 administration for funding for program-specific participation and the
20 administration shall provide grants to the courts consistent with the
21 per-participant treatment costs identified by the institute.

22 (6) \$1,537,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$1,537,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for expansion of the following
25 treatments and therapies in juvenile rehabilitation administration
26 programs identified by the Washington state institute for public policy
27 in its October 2006 report: "Evidence-Based Public Policy Options to
28 Reduce Future Prison Construction, Criminal Justice Costs and Crime
29 Rates": Multidimensional treatment foster care, family integrated
30 transitions, and aggression replacement training, or other programs
31 with a positive benefit-cost finding in the institute's report. The
32 administration may concentrate delivery of these treatments and
33 therapies at a limited number of programs to deliver the treatments in
34 a cost-effective manner.

35 (7)(a) The juvenile rehabilitation administration shall administer
36 a block grant, rather than categorical funding, of consolidated
37 juvenile service funds, community juvenile accountability act grants,
38 the chemical dependency disposition alternative funds, the mental

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

24 (b) The juvenile rehabilitation administration shall phase the
25 implementation of the formula provided in subsection (1) of this
26 section by including a stop-loss formula of five percent in fiscal year
27 2012 and five percent in fiscal year 2013.

28 (c) The juvenile rehabilitation administration and the juvenile
29 courts shall establish a block grant funding formula oversight
30 committee with equal representation from the juvenile rehabilitation
31 administration and the juvenile courts. The purpose of this committee
32 is to assess the ongoing implementation of the block grant funding
33 formula, utilizing data-driven decision making and the most current
34 available information. The committee will be cochaired by the juvenile
35 rehabilitation administration and the juvenile courts, who will also
36 have the ability to change members of the committee as needed to
37 achieve its purpose. Initial members will include one juvenile court
38 representative from the finance committee, the community juvenile

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

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

33 (8) The juvenile courts and administrative office of the courts
34 shall collect and distribute information related to program outcome and
35 provide access to these data systems to the juvenile rehabilitation
36 administration and Washington state institute for public policy.
37 Consistent with chapter 13.50 RCW, all confidentiality agreements
38 necessary to implement this information-sharing shall be approved

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

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

32 **Sec. 1204.** 2012 2nd sp.s. c 7 s 204 (uncodified) is amended to
33 read as follows:

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

36 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS
37 General Fund--State Appropriation (FY 2012) \$317,734,000

1	General Fund--State Appropriation (FY 2013)	((\$324,319,000))
2		<u>\$321,609,000</u>
3	General Fund--Federal Appropriation	((\$449,593,000))
4		<u>\$446,619,000</u>
5	General Fund--Private/Local Appropriation	\$17,864,000
6	Hospital Safety Net Assessment Fund--State	
7	Appropriation	\$5,251,000
8	TOTAL APPROPRIATION	((\$1,114,761,000))
9		<u>\$1,109,077,000</u>

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

12 (a) \$109,342,000 of the general fund--state appropriation for
13 fiscal year 2012 and \$109,341,000 of the general fund--state
14 appropriation for fiscal year 2013 are provided solely for persons and
15 services not covered by the medicaid program. This is a reduction of
16 \$4,348,000 each fiscal year from the nonmedicaid funding that was
17 allocated for expenditure by regional support networks during fiscal
18 year 2011 prior to supplemental budget reductions. This \$4,348,000
19 reduction shall be distributed among regional support networks
20 proportional to each network's share of the total state population. To
21 the extent possible, levels of regional support network spending shall
22 be maintained in the following priority order: (i) Crisis and
23 commitment services; (ii) community inpatient services; and (iii)
24 residential care services, including personal care and emergency
25 housing assistance.

26 (b) \$6,590,000 of the general fund--state appropriation for fiscal
27 year 2012, \$6,590,000 of the general fund--state appropriation for
28 fiscal year 2013, and \$7,620,000 of the general fund--federal
29 appropriation are provided solely for the department and regional
30 support networks to continue to contract for implementation of high-
31 intensity programs for assertive community treatment (PACT) teams. In
32 determining the proportion of medicaid and nonmedicaid funding provided
33 to regional support networks with PACT teams, the department shall
34 consider the differences between regional support networks in the
35 percentages of services and other costs associated with the teams that
36 are not reimbursable under medicaid. The department may allow regional
37 support networks which have nonmedicaid reimbursable costs that are
38 higher than the nonmedicaid allocation they receive under this section

1 to supplement these funds with local dollars or funds received under
2 section 204(1)(a) of this act. The department and regional support
3 networks shall maintain consistency with all essential elements of the
4 PACT evidence-based practice model in programs funded under this
5 section.

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

14 (d) The number of nonforensic beds allocated for use by regional
15 support networks at eastern state hospital shall be 192 per day. The
16 number of nonforensic beds allocated for use by regional support
17 networks at western state hospital shall be 557 per day.

18 (e) From the general fund--state appropriations in this subsection,
19 the secretary of social and health services shall assure that regional
20 support networks reimburse the aging and disability services
21 administration for the general fund--state cost of medicaid personal
22 care services that enrolled regional support network consumers use
23 because of their psychiatric disability.

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

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

36 ~~((i))~~ (h) \$1,125,000 of the general fund--state appropriation for
37 fiscal year 2012 and \$1,125,000 of the general fund--state

1 appropriation for fiscal year 2013 are provided solely for the Spokane
2 regional support network to implement services to reduce utilization
3 and the census at eastern state hospital. Such services shall include:

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

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

10 (iii) Mental health services provided in nursing facilities to
11 individuals with dementia, and consultation to facility staff treating
12 those individuals; and

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

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

18 ~~((+j))~~ (i) \$1,529,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$1,529,000 of the general fund--state
20 appropriation for fiscal year 2013 are provided solely to reimburse
21 Pierce and Spokane counties for the cost of conducting 180-day
22 commitment hearings at the state psychiatric hospitals.

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

35 ~~((+l))~~ (k) Given the recent approval of federal medicaid matching
36 funds for the disability lifeline and the alcohol and drug abuse
37 treatment support act programs, the department shall charge regional

1 support networks for only the state share rather than the total cost of
2 community psychiatric hospitalization for persons enrolled in those
3 programs.

4 ((+m)) (1) \$750,000 of the general fund--state appropriation for
5 fiscal year 2012, \$750,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$1,500,000 of the general fund--federal
7 appropriation are provided solely to adjust regional support network
8 capitation rates to account for the per diem rates actually paid for
9 psychiatric care provided at hospitals participating in the certified
10 public expenditure program operated pursuant to section 213 of this
11 act.

12 ((+n)) (m) The appropriations in this section reflect efficiencies
13 to be achieved through voluntary consolidation of regional support
14 networks in accordance with Substitute House Bill No. 2139 (regional
15 support networks). Voluntary consolidation of regional support
16 networks is expected to result in administrative efficiencies and
17 maximize dollars available for direct services to individuals with
18 mental illnesses without corresponding increases in state
19 appropriations.

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2012)	\$115,017,000
22	General Fund--State Appropriation (FY 2013)	((\$112,603,000))
23		<u>\$118,883,000</u>
24	General Fund--Federal Appropriation	((\$153,618,000))
25		<u>\$152,917,000</u>
26	General Fund--Private/Local Appropriation	((\$67,325,000))
27		<u>\$64,555,000</u>
28	TOTAL APPROPRIATION	((\$448,563,000))
29		<u>\$451,372,000</u>

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

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

35 (b) \$231,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$231,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for a community partnership
38 between western state hospital and the city of Lakewood to support

1 community policing efforts in the Lakewood community surrounding
2 western state hospital. The amounts provided in this subsection (2)(b)
3 are for the salaries, benefits, supplies, and equipment for one full-
4 time investigator, one full-time police officer, and one full-time
5 community service officer at the city of Lakewood.

6 (c) \$45,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$45,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for payment to the city of
9 Lakewood for police services provided by the city at western state
10 hospital and adjacent areas.

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

16 (e) The appropriations in this section reflect efficiencies to be
17 achieved through enactment of Substitute Senate Bill No. 6492
18 (competency to stand trial). These efficiencies are expected to enable
19 the hospitals to substantially increase the timeliness with which
20 evaluations of defendant competency to stand trial are completed, and
21 treatment to restore competency is initiated, without corresponding
22 increases in state appropriations.

23 (3) SPECIAL PROJECTS

24	General Fund--State Appropriation (FY 2012)	\$1,148,000
25	General Fund--State Appropriation (FY 2013)	\$1,276,000
26	General Fund--Federal Appropriation	(\$4,198,000)
27		<u>\$5,198,000</u>
28	General Fund--Private/Local Appropriation	\$700,000
29	TOTAL APPROPRIATION	(\$7,322,000)
30		<u>\$8,322,000</u>

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

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

1 (b) \$700,000 of the general fund--private/local appropriation is
 2 provided solely for the University of Washington's evidence-based
 3 practice institute which supports the identification, evaluation, and
 4 implementation of evidence-based or promising practices for serving
 5 children and youth with mental health disorders. The department shall
 6 enter into an interagency agreement with the office of the attorney
 7 general for expenditure of \$700,000 of the state's proceeds of the *cy*
 8 *pres* settlement in *State of Washington v. AstraZeneca (Seroquel)* for
 9 this purpose.

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

24 (4) PROGRAM SUPPORT

25	General Fund--State Appropriation (FY 2012)	\$4,482,000
26	General Fund--State Appropriation (FY 2013)	(\$4,247,000)
27		<u>\$4,161,000</u>
28	General Fund--Federal Appropriation	(\$7,210,000)
29		<u>\$7,128,000</u>
30	General Fund--Private/Local Appropriation	\$446,000
31	TOTAL APPROPRIATION	(\$16,385,000)
32		<u>\$16,217,000</u>

33 (a) The appropriations in this subsection are subject to the
 34 following conditions and limitations: In accordance with RCW
 35 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to
 36 increase license and certification fees in fiscal years 2012 and 2013
 37 to support the costs of the regulatory program. The fee schedule
 38 increases must be developed so that the maximum amount of additional

1 fees paid by providers statewide in the 2011-2013 fiscal biennium is
 2 \$446,000. The department's fee schedule shall have differential rates
 3 for providers with proof of accreditation from organizations that the
 4 department has determined to have substantially equivalent standards to
 5 those of the department, including but not limited to the joint
 6 commission on accreditation of health care organizations, the
 7 commission on accreditation of rehabilitation facilities, and the
 8 council on accreditation. To reflect the reduced costs associated with
 9 regulation of accredited programs, the department's fees for
 10 organizations with such proof of accreditation must reflect the lower
 11 costs of licensing for these programs than for other organizations
 12 which are not accredited.

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

23 **Sec. 1205.** 2012 2nd sp.s. c 7 s 205 (uncodified) is amended to
 24 read as follows:

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

27 (1) COMMUNITY SERVICES

28	General Fund--State Appropriation (FY 2012)	\$405,412,000
29	General Fund--State Appropriation (FY 2013)	(\$420,327,000)
30		<u>\$411,082,000</u>
31	General Fund--Federal Appropriation	(\$752,059,000)
32		<u>\$745,033,000</u>
33	General Fund--Private/Local Appropriation	\$184,000
34	TOTAL APPROPRIATION	(\$1,577,982,000)
35		<u>\$1,561,711,000</u>

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

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

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

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

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

30 (e) \$1,329,000 of the general fund--state appropriation for fiscal
31 year 2012, \$1,622,000 of the general fund--state appropriation for
32 fiscal year 2013, and \$2,947,000 of the general fund--federal
33 appropriation are provided solely for the state's contribution to the
34 training partnership, as provided in RCW 74.39A.360, for instructional
35 costs associated with the training of individual providers.
36 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
37 by all home care workers. Expenditures for the purposes specified in
38 this subsection shall not exceed the amounts provided in this

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

15 (f) (~~(\$104,669,000)~~) \$107,538,000 of the general fund--state
16 appropriation for fiscal year 2013 and (~~(\$104,669,000)~~) \$107,535,000 of
17 the general fund--federal appropriation are provided solely for the
18 department to provide personal care services to waiver and nonwaiver
19 in-home clients. The department shall provide the legislature with a
20 report by December 5, 2012, on the feasibility of converting the
21 medicaid personal care program for in-home adults to a medicaid program
22 as found in section 1915(i) of the federal social security act that
23 utilizes the option for self-direction of individualized budgets. The
24 department shall operate the personal care program within the amounts
25 specifically provided.

26 (g)(i) Within the amounts appropriated in this subsection, the
27 department shall revise the current working age adult policy to allow
28 clients to choose between employment and community access activities.
29 Clients age 21 and older who are receiving services through a home- and
30 community-based medicaid waiver shall be offered the choice to
31 transition to a community access program after nine months of
32 enrollment in an employment program, and the option to transition from
33 a community access program to an employment program at any time. The
34 department shall inform clients and their legal representatives of all
35 available options for employment and day services. Information
36 provided to the client and the client's legal representative shall
37 include the types of activities each service option provides, and the
38 amount, scope, and duration of service for which the client would be

1 eligible under each service option. An individual client may be
2 authorized for only one service option, either employment services or
3 community access services. Clients may not participate in more than
4 one of these services at any given time.

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

10 (iii) The appropriation in this subsection includes funding to
11 provide employment or community access services to 168 medicaid
12 eligible young adults with developmental disabilities living with their
13 families who need employment opportunities and assistance after high
14 school graduation.

15 (h) \$75,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$75,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for the restoration of direct
18 support to local organizations that utilize parent-to-parent networks
19 and communication to promote access and quality of care for individuals
20 with developmental disabilities and their families.

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

25 (i) The current annual renewal license fee for adult family homes
26 shall be increased to \$100 per bed beginning in fiscal year 2012 and
27 \$175 per bed beginning in fiscal year 2013. Adult family homes shall
28 receive a corresponding vendor rate increase per medicaid patient day
29 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
30 amount necessary to fully fund the license fee increase for publicly
31 funded beds, pursuant to the most recent bed estimates maintained by
32 the department.

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

36 (j) Clients with developmental disabilities have demonstrated a
37 need and a desire for a day services program as verified by over 900
38 clients currently accessing day programs through a long-term care

1 service model. In addition, every individual, to include those with a
2 developmental disability, should have the opportunity for meaningful
3 employment which allows them to contribute to their communities and to
4 become as self-sufficient as possible. Providing choice empowers
5 recipients of publicly funded services and their families by expanding
6 their degree of control over the services and supports they need.

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

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2012)	\$75,436,000
22	General Fund--State Appropriation (FY 2013)	(\$80,356,000)
23		<u>\$78,154,000</u>
24	General Fund--Federal Appropriation	(\$153,570,000)
25		<u>\$152,963,000</u>
26	General Fund--Private/Local Appropriation	\$22,043,000
27	TOTAL APPROPRIATION	(\$331,405,000)
28		<u>\$328,596,000</u>

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

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

35 (b) \$721,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$721,000 of the general fund--state appropriation for
37 fiscal year 2013 are for the department to fulfill its contracts with
38 the school districts under chapter 28A.190 RCW to provide

1 transportation, building space, and other support services as are
2 reasonably necessary to support the educational programs of students
3 living in residential habilitation centers.

4 (3) PROGRAM SUPPORT

5	General Fund--State Appropriation (FY 2012)	\$1,382,000
6	General Fund--State Appropriation (FY 2013)	(((\$1,366,000))
7		<u>\$1,759,000</u>
8	General Fund--Federal Appropriation	(((\$1,319,000))
9		<u>\$1,519,000</u>
10	TOTAL APPROPRIATION	(((\$4,067,000))
11		<u>\$4,660,000</u>

12 (4) SPECIAL PROJECTS

13	General Fund--State Appropriation (FY 2012)	\$4,634,000
14	General Fund--State Appropriation (FY 2013)	(((\$4,553,000))
15		<u>\$6,313,000</u>
16	General Fund--Federal Appropriation	(((\$9,588,000))
17		<u>\$9,786,000</u>
18	General Fund--Private/Local Appropriation	(((\$998,000))
19		<u>\$791,000</u>
20	TOTAL APPROPRIATION	(((\$19,773,000))
21		<u>\$21,524,000</u>

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

24 Amounts appropriated in this subsection are for the purposes of
25 transitioning clients with developmental disabilities into community
26 settings. The department is authorized as needed to use these funds to
27 either pay for clients residing within a residential habilitation
28 center or for placements in the community. Pursuant to Second
29 Substitute Senate Bill No. 5459 (services for people with developmental
30 disabilities), funding in this subsection must be prioritized for the
31 purpose of facilitating the consolidation and closure of Frances Haddon
32 Morgan Center. The department shall use a person-centered approach in
33 developing the discharge plan to assess each resident's needs and
34 identify services the resident requires to successfully transition to
35 the community or another residential habilitation center. The
36 department is authorized to use any savings from this effort for the
37 purpose of developing community resources to address the needs of
38 clients with developmental disabilities who are in crisis or in need of

1 respite. The department shall track the costs and savings of closing
2 Frances Haddon Morgan Center and any investments into community
3 placements and resources. The department shall provide a fiscal
4 progress report to the legislature by December 5, 2011.

5 **Sec. 1206.** 2012 2nd sp.s. c 7 s 206 (uncodified) is amended to
6 read as follows:

7 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
8 **SERVICES PROGRAM**

9	General Fund--State Appropriation (FY 2012)	\$791,493,000
10	General Fund--State Appropriation (FY 2013)	((\$809,338,000))
11		<u>\$802,115,000</u>
12	General Fund--Federal Appropriation	((\$1,690,993,000))
13		<u>\$1,686,998,000</u>
14	General Fund--Private/Local Appropriation	\$27,517,000
15	Traumatic Brain Injury Account--State Appropriation	\$3,388,000
16	Nursing Facility Quality Assurance Account--State	
17	Appropriation	\$88,000,000
18	TOTAL APPROPRIATION	((\$3,410,729,000))
19		<u>\$3,399,511,000</u>

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

22 (1) For purposes of implementing chapter 74.46 RCW, the weighted
23 average nursing facility payment rate shall not exceed \$170.37 for
24 fiscal year 2012 and shall not exceed ~~((\$171.43))~~ \$171.09 for fiscal
25 year 2013, including the rate add-ons described in (a) and (b) of this
26 subsection. However, if the waiver requested from the federal centers
27 for medicare and medicaid services in relation to the safety net
28 assessment created by Engrossed Substitute Senate Bill No. 5581
29 (nursing home payments) is for any reason not approved and implemented,
30 the weighted average nursing facility payment rate shall not exceed
31 \$159.87 for fiscal year 2012 and shall not exceed ~~((\$160.93))~~ \$161.29
32 for fiscal year 2013. There will be no adjustments for economic trends
33 and conditions in fiscal years 2012 and 2013. The economic trends and
34 conditions factor or factors defined in the biennial appropriations act
35 shall not be compounded with the economic trends and conditions factor
36 or factors defined in any other biennial appropriations acts before
37 applying it to the component rate allocations established in accordance

1 with chapter 74.46 RCW. When no economic trends and conditions factor
2 for either fiscal year is defined in a biennial appropriations act, no
3 economic trends and conditions factor or factors defined in any earlier
4 biennial appropriations act shall be applied solely or compounded to
5 the component rate allocations established in accordance with chapter
6 74.46 RCW.

7 (a) Within the funds provided, the department shall continue to
8 provide an add-on per medicaid resident day per facility not to exceed
9 \$1.57. The add-on shall be used to increase wages, benefits, and/or
10 staffing levels for certified nurse aides; or to increase wages and/or
11 benefits for dietary aides, housekeepers, laundry aides, or any other
12 category of worker whose statewide average dollars-per-hour wage was
13 less than \$15 in calendar year 2008, according to cost report data.
14 The add-on may also be used to address resulting wage compression for
15 related job classes immediately affected by wage increases to low-wage
16 workers. The department shall continue reporting requirements and a
17 settlement process to ensure that the funds are spent according to this
18 subsection.

19 (b) The department shall do a comparative analysis of the facility-
20 based payment rates calculated on July 1, 2012, using the payment
21 methodology defined in chapter 74.46 RCW and as funded in the omnibus
22 appropriations act, excluding the comparative add-on, acuity add-on,
23 and safety net reimbursement, to the facility-based payment rates in
24 effect June 30, 2010. If the facility-based payment rate calculated on
25 July 1, 2012, is smaller than the facility-based payment rate on June
26 30, 2010, then the difference shall be provided to the individual
27 nursing facilities as an add-on payment per medicaid resident day.

28 (c) During the comparative analysis performed in subsection (b) of
29 this section, if it is found that the direct care rate for any facility
30 calculated using the payment methodology defined in chapter 74.46 RCW
31 and as funded in the omnibus appropriations act, excluding the
32 comparative add-on, acuity add-on, and safety net reimbursement, is
33 greater than the direct care rate in effect on June 30, 2010, then the
34 facility shall receive a ten percent direct care rate add-on to
35 compensate that facility for taking on more acute clients than they
36 have in the past.

37 (d) The department shall provide a medicaid rate add-on to
38 reimburse the medicaid share of the skilled nursing facility safety net

1 assessment as a medicaid allowable cost. The nursing facility safety
2 net rate add-on may not be included in the calculation of the annual
3 statewide weighted average nursing facility payment rate.

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

9 (2) After examining actual nursing facility cost information, the
10 legislature finds that the medicaid nursing facility rates calculated
11 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home
12 payments) provide sufficient reimbursement to efficiently and
13 economically operating nursing facilities and bear a reasonable
14 relationship to costs.

15 (3) In accordance with chapter 74.46 RCW, the department shall
16 issue no additional certificates of capital authorization for fiscal
17 year 2012 and no new certificates of capital authorization for fiscal
18 year 2013 and shall grant no rate add-ons to payment rates for capital
19 improvements not requiring a certificate of need and a certificate of
20 capital authorization for fiscal years 2012 and 2013.

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

27 (5) Amounts appropriated in this section reflect a reduction to
28 funds appropriated for in-home care. The department shall reduce the
29 number of in-home hours authorized. The reduction shall be scaled
30 based on the acuity level of care recipients. The largest hour
31 reductions shall be to lower acuity patients and the smallest hour
32 reductions shall be to higher acuity patients.

33 (6) \$1,883,000 of the general fund--state appropriation for fiscal
34 year 2012, \$1,883,000 of the general fund--state appropriation for
35 fiscal year 2013, and \$3,766,000 of the general fund--federal
36 appropriation are provided solely for state contributions for
37 individual provider health care benefits. Pursuant to the collective
38 bargaining agreement negotiated with the exclusive bargaining

1 representative of individual providers established under RCW
2 74.39A.270, the state shall contribute to the multiemployer health
3 benefits trust fund \$2.21 per paid hour worked by individual providers.

4 (7) \$2,449,000 of the general fund--state appropriation for fiscal
5 year 2012, \$3,012,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$5,463,000 of the general fund--federal
7 appropriation are provided solely for the state's contribution to the
8 training partnership, as provided in RCW 74.39A.360, for instructional
9 costs associated with the training of individual providers.
10 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
11 by all home care workers. Expenditures for the purposes specified in
12 this subsection shall not exceed the amounts provided in this
13 subsection. However, if the governor and the service employees
14 international union healthcare 775nw can reach agreement on repurposing
15 funding that is currently provided in the individual provider
16 collective bargaining agreement for new individual provider wages paid
17 during training or other training related items, then expenditures for
18 training trust contributions for individual providers may include the
19 amounts provided in this subsection and the agreed upon repurposed
20 funding. Funding in this section for purposes other than the
21 individual provider collective bargaining agreement cannot be used for
22 the purposes of this subsection (7). It is the intent of the
23 legislature that the funding provided in this subsection, including any
24 repurposed funding, is sufficient to cover the costs of individual
25 provider training and therefore tuition or other entrance fees are not
26 necessary.

27 (8) (~~(\$338,550,000)~~) \$325,203,000 of the general fund--state
28 appropriation for fiscal year 2013 and (~~(\$338,550,000)~~) \$324,653,000 of
29 the general fund--federal appropriation are provided solely for the
30 department to provide personal care services to waiver and nonwaiver
31 in-home clients. The department shall provide the legislature with a
32 report by December 5, 2012, on the feasibility of converting the
33 medicaid personal care program for in-home adults to a medicaid program
34 as found in section 1915(i) of the federal social security act that
35 utilizes the option for self-direction of individualized budgets. The
36 department shall operate the personal care program within the amounts
37 specifically provided.

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

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

8 (11) \$4,588,000 of the general fund--state appropriation for fiscal
9 year 2012, \$4,559,000 of the general fund--state appropriation for
10 fiscal year 2013, and \$9,237,000 of the general fund--federal
11 appropriation are provided solely for the continued operation of
12 community residential and support services for persons who are older
13 adults or who have co-occurring medical and behavioral disorders and
14 who have been discharged or diverted from a state psychiatric hospital.
15 These funds shall be used to serve individuals whose treatment needs
16 constitute substantial barriers to community placement, who no longer
17 require active psychiatric treatment at an inpatient hospital level of
18 care, and who no longer meet the criteria for inpatient involuntary
19 commitment.

20 (12) \$1,840,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$1,877,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for operation of the volunteer
23 services program. Funding shall be prioritized towards serving
24 populations traditionally served by long-term care services to include
25 senior citizens and persons with disabilities.

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

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

37 (b) The current annual renewal license fee for adult family homes
38 shall be increased to \$100 per bed beginning in fiscal year 2012 and

1 assumes \$1,449,000 of the general fund--private/local appropriation;
2 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000
3 of the general fund--private/local appropriation. Adult family homes
4 shall receive a corresponding vendor rate increase per medicaid patient
5 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
6 amount necessary to fully fund the license fee increase for publicly
7 funded beds, pursuant to the most recent bed estimates maintained by
8 the department.

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

12 (d) \$72,000 of the general fund--state appropriation for fiscal
13 year 2012, \$708,000 of the general fund--private/local appropriation
14 and \$708,000 of the general fund--federal appropriation are provided
15 solely to implement sections 501 through 503 of Engrossed Substitute
16 House Bill No. 1277 (licensed settings for vulnerable adults). The
17 department shall use additional investigative resources to address
18 complaints about provider practices as well as alleged abuse, neglect,
19 abandonment, and exploitation of residents in adult family homes. The
20 department shall develop a statewide internal quality review and
21 accountability program to improve the accountability of staff and the
22 consistent application of investigative activities, and shall convene
23 a quality assurance panel to review problems in the quality of care in
24 adult family homes.

25 (14) \$3,316,000 of the traumatic brain injury account--state
26 appropriation is provided solely to continue services for persons with
27 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011
28 (traumatic brain injury strategic partnership).

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

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

36 **Sec. 1207.** 2012 2nd sp.s. c 7 s 207 (uncodified) is amended to
37 read as follows:

1	FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES	
2	PROGRAM	
3	General Fund--State Appropriation (FY 2012)	\$415,553,000
4	General Fund--State Appropriation (FY 2013)	(\$438,483,000)
5		<u>\$386,366,000</u>
6	General Fund--Federal Appropriation	(\$1,174,416,000)
7		<u>\$1,180,028,000</u>
8	General Fund--Private/Local Appropriation	\$30,592,000
9	TOTAL APPROPRIATION	(\$2,059,044,000)
10		<u>\$2,012,539,000</u>

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

13 (1) \$195,410,000 of the general fund--state appropriation for
14 fiscal year 2012, ~~(\$235,808,000)~~ \$178,052,000 of the general
15 fund--state appropriation for fiscal year 2013, and ~~(\$725,586,000)~~
16 \$712,784,000 of the general fund--federal appropriation are provided
17 solely for all components of the WorkFirst program. Under section 2 of
18 Engrossed Substitute Senate Bill No. 5921 (social services programs),
19 the amounts in this subsection assume that any participant in the
20 temporary assistance for needy families where their participation is
21 suspended and does not volunteer to participate in WorkFirst services
22 or unsubsidized employment does not receive child care subsidies or
23 WorkFirst subsidies as a condition of the suspension. Within the
24 amounts provided for the WorkFirst program, the department may provide
25 assistance using state-only funds for families eligible for temporary
26 assistance for needy families.

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

32 (b) The department may establish a career services work transition
33 program.

34 (c) Within amounts appropriated in this section, the legislature
35 expressly mandates that the department exercise its authority, granted
36 in 1997 under RCW 74.08A.290, to contract for work activities services
37 pursuant to that statutory authority and RCW 41.06.142(3).

1 (d) The department shall create a temporary assistance for needy
2 families budget structure that allows for more transparent tracking of
3 budget units and subunits of expenditures where these units and
4 subunits are mutually exclusive from other department budget units.
5 The budget structure shall include budget units for the following:
6 Grants, child care, WorkFirst activities, and administration of the
7 program.

8 (2) \$23,679,000 of the general fund--state appropriation for fiscal
9 year 2012, in addition to supplemental security income recoveries, is
10 provided solely for financial assistance and other services to
11 recipients in the program established in section 4, chapter 8, Laws of
12 2010 1st sp. sess., until the program terminates on October 31, 2011.

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

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

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

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

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

1 services; and \$2,366,000 of the general fund--state appropriation for
 2 fiscal year 2013 is provided solely for ((refugee)) employment services
 3 for refugees and immigrants, of which \$1,774,000 is provided solely for
 4 the department to pass through to statewide refugee and immigrant
 5 assistance organizations for limited English proficiency pathway
 6 services.

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

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

18 **Sec. 1208.** 2012 2nd sp.s. c 7 s 208 (uncodified) is amended to
 19 read as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
 21 **SUBSTANCE ABUSE PROGRAM**

22	General Fund--State Appropriation (FY 2012)	\$73,742,000
23	General Fund--State Appropriation (FY 2013)	((\$71,218,000))
24		<u>\$71,019,000</u>
25	General Fund--Federal Appropriation	((\$184,401,000))
26		<u>\$187,979,000</u>
27	General Fund--Private/Local Appropriation	((\$13,486,000))
28		<u>\$16,248,000</u>
29	Criminal Justice Treatment Account--State	
30	Appropriation	\$20,748,000
31	Problem Gambling Account--State Appropriation	\$1,448,000
32	TOTAL APPROPRIATION	((\$365,043,000))
33		<u>\$371,184,000</u>

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

36 (1) Within the amounts appropriated in this section, the department
 37 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 no more 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 no more 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 no more 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 (6) The amounts appropriated in this section include reductions of
 11 \$303,000 in the general fund--state appropriation for fiscal year 2012
 12 and \$1,815,000 in the general fund--state appropriation for fiscal year
 13 2013. The department must apply this reduction across all levels of
 14 chemical dependency residential treatment services excluding services
 15 contracted through the counties, services provided to pregnant and
 16 parenting women, services provided to juveniles, and services provided
 17 to parents in dependency proceedings.

18 **Sec. 1209.** 2012 2nd sp.s. c 7 s 209 (uncodified) is amended to
 19 read as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
 21 **REHABILITATION PROGRAM**

22	General Fund--State Appropriation (FY 2012)	\$10,854,000
23	General Fund--State Appropriation (FY 2013)	(\$10,401,000)
24		<u>\$10,353,000</u>
25	General Fund--Federal Appropriation	(\$105,060,000)
26		<u>\$104,922,000</u>
27	Telecommunications Devices for the Hearing and	
28	Speech Impaired--State Appropriation	\$2,766,000
29	TOTAL APPROPRIATION	(\$129,081,000)
30		<u>\$128,895,000</u>

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

1 **Sec. 1210.** 2012 2nd sp.s. c 7 s 210 (uncodified) is amended to
2 read as follows:

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

5	General Fund--State Appropriation (FY 2012)	\$48,167,000
6	General Fund--State Appropriation (FY 2013)	(\$36,128,000)
7		<u>\$38,247,000</u>
8	TOTAL APPROPRIATION	(\$84,295,000)
9		<u>\$86,414,000</u>

10 **Sec. 1211.** 2012 2nd sp.s. c 7 s 211 (uncodified) is amended to
11 read as follows:

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

14	General Fund--State Appropriation (FY 2012)	\$26,069,000
15	General Fund--State Appropriation (FY 2013)	(\$24,474,000)
16		<u>\$26,301,000</u>
17	General Fund--Federal Appropriation	(\$39,550,000)
18		<u>\$42,090,000</u>
19	General Fund--Private/Local Appropriation	\$2,116,000
20	Performance Audits of State Government--State	
21	Appropriation	\$4,812,000
22	TOTAL APPROPRIATION	(\$97,021,000)
23		<u>\$101,388,000</u>

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

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

32 (2) \$445,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$445,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for funding of the teamchild
35 project.

36 (3) \$178,000 of the general fund--state appropriation for fiscal

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

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

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

18 ((+7)) (6) \$250,000 of the general fund--state appropriation for
19 fiscal year 2013 is provided solely for a grant program focused on
20 criminal street gang prevention and intervention. The Washington state
21 partnership council on juvenile justice may award grants under this
22 subsection. The council shall give priority to applicants who have
23 demonstrated the greatest problems with criminal street gangs.
24 Applicants composed of, at a minimum, one or more local governmental
25 entities and one or more nonprofit, nongovernmental organizations that
26 have a documented history of creating and administering effective
27 criminal street gang prevention and intervention programs may apply for
28 funding under this subsection.

29 ((+8)) (7) \$113,000 of the general fund--state appropriation for
30 fiscal year 2013 and \$105,000 of the general fund--federal
31 appropriation are provided solely for staffing costs associated with
32 implementation of Engrossed Second Substitute House Bill No. 2536
33 (children services/delivery). The amounts provided in this subsection
34 must be used for coordinated evidence-based practice implementation
35 amongst the department's programs providing mental health, child
36 welfare, and juvenile justice services to children. If Engrossed
37 Second Substitute House Bill No. 2536 (children services/delivery) is

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

3 **Sec. 1212.** 2012 2nd sp.s. c 7 s 212 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
6 **AGENCIES PROGRAM**

7	General Fund--State Appropriation (FY 2012)	\$62,140,000
8	General Fund--State Appropriation (FY 2013)	((\$46,303,000))
9		<u>\$49,584,000</u>
10	General Fund--Federal Appropriation	((\$53,049,000))
11		<u>\$53,409,000</u>
12	TOTAL APPROPRIATION	((\$161,492,000))
13		<u>\$165,133,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations: \$469,000 of the general fund--state
16 appropriation for fiscal year ((~~2011~~) 2012) and \$270,000 of the general
17 fund--state appropriation for fiscal year ((~~2012~~) 2013) are provided
18 solely for implementation of Engrossed Substitute Senate Bill No. 5921
19 (social services programs). If the bill is not enacted by June 30,
20 2011, the amounts provided in this subsection shall lapse.

21 **Sec. 1213.** 2012 2nd sp.s. c 7 s 213 (uncodified) is amended to
22 read as follows:

23 **FOR THE STATE HEALTH CARE AUTHORITY**

24	General Fund--State Appropriation (FY 2012)	\$2,034,296,000
25	General Fund--State Appropriation (FY 2013)	((\$2,031,185,000))
26		<u>\$2,113,980,000</u>
27	General Fund--Federal Appropriation	((\$5,307,323,000))
28		<u>\$5,336,887,000</u>
29	General Fund--Private/Local Appropriation	((\$62,597,000))
30		<u>\$60,582,000</u>
31	Emergency Medical Services and Trauma Care Systems	
32	Trust Account--State Appropriation	((\$15,077,000))
33		<u>\$14,032,000</u>
34	Hospital Safety Net Assessment Fund--State	
35	Appropriation	((\$434,087,000))
36		<u>\$442,930,000</u>

1	State Health Care Authority Administration Account--	
2	State Appropriation	\$34,040,000
3	Basic Health Plan Stabilization Account--	
4	State Appropriation	\$44,000,000
5	Medical Aid Account--State Appropriation	\$529,000
6	Medicaid Fraud Penalty Account--State Appropriation	\$9,200,000
7	TOTAL APPROPRIATION	(\$9,972,334,000)
8		<u>\$10,090,476,000</u>

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

11 (1) The appropriations to the authority in this act shall be
12 expended for the purposes and in the amounts specified in this act. To
13 the extent that appropriations in this section are insufficient to fund
14 actual expenditures in excess of caseload forecasts and utilization
15 assumptions, the authority, after May 1, ~~((2012))~~ 2013, may transfer
16 general fund--state appropriations for fiscal year ~~((2012))~~ 2013 that
17 are provided solely for a specified purpose. The authority shall not
18 transfer funds, and the director of financial management shall not
19 approve the transfer, unless the transfer is consistent with the
20 objective of conserving, to the maximum extent possible, the
21 expenditure of state funds. The director of financial management shall
22 notify the appropriate fiscal committees of the senate and house of
23 representatives in writing seven days prior to approving any allotment
24 modifications or transfers under this subsection. The written
25 notification shall include a narrative explanation and justification of
26 the changes, along with expenditures and allotments by budget unit and
27 appropriation, both before and after any allotment modifications or
28 transfers.

29 (2) Within amounts appropriated in this section and sections 205
30 and 206 of this act, the health care authority shall continue to
31 provide an enhanced basic health plan subsidy for foster parents
32 licensed under chapter 74.15 RCW and workers in state-funded home care
33 programs. Under this enhanced subsidy option, foster parents eligible
34 to participate in the basic health plan as subsidized enrollees and
35 home care workers with family incomes below 200 percent of the federal
36 poverty level shall be allowed to enroll in the basic health plan at
37 the minimum premium amount charged to enrollees with incomes below
38 sixty-five percent of the federal poverty level.

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

6 (4)(a) \$1,200,000 of the general fund--state appropriation for
7 fiscal year 2012 is provided solely to plan the implementation of a
8 system of consolidated public school employee health benefits
9 purchasing.

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

15 To further this legislative intent, the state health care authority
16 shall develop a plan to implement a consolidated health benefits'
17 system for K-12 employees for the 2013-14 school year. The health care
18 authority shall deliver a report to the legislature by December 15,
19 2011, that sets forth the implementation plan to the ways and means
20 committees of the house of representatives and the senate.

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

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

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

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

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

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

31 (ii) The costs and benefits of providing a new statewide K-12
32 employees' health benefits pool to school districts and school
33 employees;

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

36 (iv) Recommendations of ways to limit administrative duplication
37 and costs, improve transparency to employees, the legislature, and the

1 public and assure equity among beneficiaries of publicly provided
2 employee health benefits;

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

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

9 (vii) Recommendations regarding the implementation of a new K-12
10 employee benefit plan, with separate options for voluntary
11 participation and mandatory statewide participation;

12 (viii) Recommendations regarding methods to reduce inequities
13 between individual and family coverage;

14 (ix) Consolidation of the purchasing and budget accountability for
15 school employee benefits to maximize administrative efficiency and
16 leverage existing skills and resources; and

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

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

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

27 (C) Options for including potential changes to: Eligibility
28 standardization, the public employees benefits risk pools, the movement
29 of school employee retirees into the new K-12 pool or pools, and the
30 movement of educational service district employees into the new K-12
31 pool or pools.

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

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

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

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

4 (e) The office of the superintendent of public instruction and the
5 office of the insurance commissioner shall provide information and
6 technical assistance to the health care authority as requested by the
7 health care authority. The health care authority shall not implement
8 the new school employee benefits pool until authorized to do so by the
9 legislature.

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

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

33 (7) \$23,700,000 of the general fund--federal appropriation is
34 provided solely for planning and implementation of a health benefit
35 exchange under the federal patient protection and affordable care act.
36 Within the amounts provided in this subsection, funds used by the
37 authority for information technology projects are conditioned on the

1 authority satisfying the requirements of Engrossed Second Substitute
2 Senate Bill No. 5931 (central service agencies).

3 (8) Based on quarterly expenditure reports and caseload forecasts,
4 if the health care authority estimates that expenditures for the
5 medical assistance program will exceed the appropriations, the health
6 care authority shall take steps including but not limited to reduction
7 of rates or elimination of optional services to reduce expenditures so
8 that total program costs do not exceed the annual appropriation
9 authority.

10 (9) In determining financial eligibility for medicaid-funded
11 services, the health care authority is authorized to disregard
12 recoveries by Holocaust survivors of insurance proceeds or other
13 assets, as defined in RCW 48.104.030.

14 (10) The legislature affirms that it is in the state's interest for
15 Harborview medical center to remain an economically viable component of
16 the state's health care system.

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

22 (12) \$4,261,000 of the general fund--state appropriation for fiscal
23 year 2012, \$4,261,000 of the general fund--state appropriation for
24 fiscal year 2013, and \$8,522,000 of the general fund--federal
25 appropriation are provided solely for low-income disproportionate share
26 hospital payments (~~(under RCW 74.09.730(1)(a))~~).

27 (13) \$6,000,000 of the general fund--federal appropriation is
28 provided solely for supplemental payments to nursing homes operated by
29 public hospital districts. The public hospital district shall be
30 responsible for providing the required nonfederal match for the
31 supplemental payment, and the payments shall not exceed the maximum
32 allowable under federal rules. It is the legislature's intent that the
33 payments shall be supplemental to and shall not in any way offset or
34 reduce the payments calculated and provided in accordance with part E
35 of chapter 74.46 RCW. It is the legislature's further intent that
36 costs otherwise allowable for rate-setting and settlement against
37 payments under chapter 74.46 RCW shall not be disallowed solely because
38 such costs have been paid by revenues retained by the nursing home from

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

11 (14) The health care authority shall continue the inpatient
12 hospital certified public expenditures program for the 2011-2013 fiscal
13 biennium. The program shall apply to all public hospitals, including
14 those owned or operated by the state, except those classified as
15 critical access hospitals or state psychiatric institutions. The
16 health care authority shall submit reports to the governor and
17 legislature by November 1, 2011, and by November 1, 2012, that evaluate
18 whether savings continue to exceed costs for this program. If the
19 certified public expenditures (CPE) program in its current form is no
20 longer cost-effective to maintain, the health care authority shall
21 submit a report to the governor and legislature detailing
22 cost-effective alternative uses of local, state, and federal resources
23 as a replacement for this program. During fiscal year 2012 and fiscal
24 year 2013, hospitals in the program shall be paid and shall retain one
25 hundred percent of the federal portion of the allowable hospital cost
26 for each medicaid inpatient fee-for-service claim payable by medical
27 assistance and one hundred percent of the federal portion of the
28 maximum disproportionate share hospital payment allowable under federal
29 regulations. Inpatient medicaid payments shall be established using an
30 allowable methodology that approximates the cost of claims submitted by
31 the hospitals. Payments made to each hospital in the program in each
32 fiscal year of the biennium shall be compared to a baseline amount.
33 The baseline amount will be determined by the total of (a) the
34 inpatient claim payment amounts that would have been paid during the
35 fiscal year had the hospital not been in the CPE program based on the
36 reimbursement rates developed, implemented, and consistent with
37 policies approved in the 2011-13 biennial operating appropriations act
38 and in effect on July 1, 2011, (b) one half of the indigent assistance

1 disproportionate share hospital payment amounts paid to and retained by
2 each hospital during fiscal year 2005, and (c) all of the other
3 disproportionate share hospital payment amounts paid to and retained by
4 each hospital during fiscal year 2005 to the extent the same
5 disproportionate share hospital programs exist in the 2011-13 biennium.
6 If payments during the fiscal year exceed the hospital's baseline
7 amount, no additional payments will be made to the hospital except the
8 federal portion of allowable disproportionate share hospital payments
9 for which the hospital can certify allowable match. If payments during
10 the fiscal year are less than the baseline amount, the hospital will be
11 paid a state grant equal to the difference between payments during the
12 fiscal year and the applicable baseline amount. Payment of the state
13 grant shall be made in the applicable fiscal year and distributed in
14 monthly payments. The grants will be recalculated and redistributed as
15 the baseline is updated during the fiscal year. The grant payments are
16 subject to an interim settlement within eleven months after the end of
17 the fiscal year. A final settlement shall be performed. To the extent
18 that either settlement determines that a hospital has received funds in
19 excess of what it would have received as described in this subsection,
20 the hospital must repay the excess amounts to the state when requested.
21 \$8,102,000 of the general fund--state appropriation for fiscal year
22 2012, of which \$6,570,000 is appropriated in section 204(1) of this
23 act, and (~~(\$3,162,000)~~) \$10,722,000 of the general fund--state
24 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated
25 in section 204(1) of this act, are provided solely for state grants for
26 the participating hospitals. CPE hospitals will receive the inpatient
27 and outpatient reimbursement rate restorations in RCW 74.60.080 and
28 rate increases in RCW 74.60.090 funded through the hospital safety net
29 assessment fund rather than through the baseline mechanism specified in
30 this subsection.

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

36 (16) The health care authority shall target funding for maternity
37 support services towards pregnant women with factors that lead to
38 higher rates of poor birth outcomes, including hypertension, a preterm

1 or low birth weight birth in the most recent previous birth, a
2 cognitive deficit or developmental disability, substance abuse, severe
3 mental illness, unhealthy weight or failure to gain weight, tobacco
4 use, or African American or Native American race. The health care
5 authority shall prioritize evidence-based practices for delivery of
6 maternity support services. To the extent practicable, the health care
7 authority shall develop a mechanism to increase federal funding for
8 maternity support services by leveraging local public funding for those
9 services.

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

18 ~~(18))~~ Within the amounts appropriated in this section, the health
19 care authority shall provide disproportionate share hospital payments
20 to hospitals that provide services to children in the children's health
21 program who are not eligible for services under Title XIX or XXI of the
22 federal social security act due to their citizenship status.

23 ~~((19))~~ (18) \$859,000 of the general fund--state appropriation for
24 fiscal year 2012, \$979,000 of the general fund--state appropriation for
25 fiscal year 2013, and \$1,841,000 of the general fund--federal
26 appropriation are provided solely to increase prior authorization
27 activities for advanced imaging procedures.

28 ~~((20))~~ (19) \$196,000 of the general fund--state appropriation for
29 fiscal year 2012, \$246,000 of the general fund--state appropriation for
30 fiscal year 2013, and \$442,000 of the general fund--federal
31 appropriation are provided solely to increase prior authorization
32 activities for surgical procedures, which may include orthopedic
33 procedures, spinal procedures and interventions, and nerve procedures.

34 ~~((21))~~ (20) \$300,000 of the general fund--private/local
35 appropriation and \$300,000 of the general fund--federal appropriation
36 are provided solely for a prescriptive practices improvement
37 collaborative focusing upon atypical antipsychotics and other
38 medications commonly used in the treatment of severe and persistent

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

19 ~~((+22))~~ (21) \$570,000 of the general fund--private/local
20 appropriation is provided solely for continued operation of the
21 partnership access line for child mental health consultations. The
22 health care authority shall enter into an interagency agreement with
23 the office of the attorney general for expenditure of \$570,000 of the
24 state's proceeds of the *cy pres* settlement in *State of Washington v.*
25 *AstraZeneca* (Seroquel) for this purpose.

26 ~~((+23))~~ (22) \$80,000 of the general fund--state appropriation for
27 fiscal year 2012, \$80,000 of the general fund--state appropriation for
28 fiscal year 2013, and \$160,000 of the general fund--federal
29 appropriation are provided solely to fund the Tacoma-Pierce county
30 health department for access and outreach activities to reduce infant
31 mortality.

32 ~~((+24))~~ (23) \$75,000 of the general fund--state appropriation for
33 fiscal year 2012, \$75,000 of the general fund--state appropriation for
34 fiscal year 2013, and \$150,000 of the general fund--federal
35 appropriation are provided solely to assist with development and
36 implementation of evidence-based strategies regarding the appropriate,
37 safe, and effective role of C-section surgeries and early induced labor
38 in births and neonatal care. The strategies shall be identified and

1 implemented in consultation with clinical research specialists,
2 physicians, hospitals, advanced registered nurse practitioners, and
3 organizations concerned with maternal and child health.

4 ~~((+25+))~~ (24) Within the amounts appropriated in this section, the
5 health care authority shall continue to provide school-based medical
6 services by means of an intergovernmental transfer arrangement. Under
7 the arrangement, the state shall provide forty percent and school
8 districts sixty percent of the nonfederal matching funds required for
9 receipt of federal medicaid funding for the service.

10 ~~((+26+))~~ (25) \$263,000 of the general fund--state appropriation for
11 fiscal year 2012, \$88,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$351,000 of the general fund--federal
13 appropriation are provided solely for development and submission to the
14 federal government by October 1, 2011, of a demonstration project
15 proposal as provided in Substitute Senate Bill No. 5596 (medicaid
16 demonstration waiver).

17 ~~((+27+))~~ (26) Within the amounts appropriated in this section, the
18 health care authority shall provide spoken-language interpreter
19 services. The authority shall develop and implement a new model for
20 delivery of such services no later than July 1, 2012. The model shall
21 include:

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

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

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

1 Nothing in this subsection affects the ability of health care
2 providers to provide interpretive services through employed staff or
3 through telephone and video remote technologies when not reimbursed
4 directly by the department. The amounts in this subsection do not
5 include federal administrative funds provided to match nonstate
6 expenditures by local health jurisdictions and governmental hospitals.

7 ~~((+28+))~~ (27) In its procurement of contractors for delivery of
8 medical managed care services for nondisabled, nonelderly persons, the
9 medical assistance program shall (a) place substantial emphasis upon
10 price competition in the selection of successful bidders; and (b) not
11 require delivery of any services that would increase the actuarial cost
12 of service beyond the levels included in current healthy options
13 contracts.

14 ~~((+29+))~~ (28) \$1,430,000 of the general fund--state appropriation
15 for fiscal year 2012, \$1,430,000 of the general fund--state
16 appropriation for fiscal year 2013, and \$2,860,000 of the general
17 fund--federal appropriation are provided solely to pay
18 federally-designated rural health clinics their standard encounter rate
19 for prenatal and well-child visits, whether delivered under a managed
20 care contract or fee-for-service. In reconciling managed care
21 enhancement payments for calendar years 2009 and 2010, the department
22 shall treat well-child and prenatal care visits as encounters subject
23 to the clinic's encounter rate.

24 ~~((+30+))~~ (29) \$280,000 of the general fund--state appropriation for
25 fiscal year 2012 and \$282,000 of the general fund--federal
26 appropriation are provided solely to increase utilization management of
27 drugs and drug classes for which there is evidence of over-utilization,
28 off-label use, excessive dosing, duplicative therapy, or opportunities
29 to shift utilization to less expensive, equally effective formulations.

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

36 ~~((+32+))~~ (31) \$400,000 of the general fund--state appropriation for
37 fiscal year 2012 and \$400,000 of the general fund--state appropriation
38 for fiscal year 2013 is provided solely for the local outreach, case

1 management, and coordination with dental providers needed to execute
2 the access to baby and child dentistry program, which provides dental
3 care to Medicaid eligible children up to age six.

4 ~~((+33+))~~ (32) Within the amounts appropriated in this section, the
5 health care authority shall continue to provide dental services to
6 pregnant women. Services shall include preventive, routine, and
7 emergent dental care.

8 ~~((+34+))~~ (33) \$395,000 of the general fund--state appropriation for
9 fiscal year 2012, \$395,000 of the general fund--state appropriation for
10 fiscal year 2013, and \$790,000 of the general fund--federal
11 appropriation are provided solely for continued operation of the
12 dental education in care of persons with disabilities (DECOD) program
13 at the University of Washington.

14 ~~((+35+))~~ (34) \$159,000 of the general fund--state appropriation for
15 fiscal year 2012, \$302,000 of the general fund--private/local
16 appropriation, and \$146,072,000 of the general fund--federal
17 appropriation are provided solely for the provider incentive program
18 and other initiatives related to the health information technology
19 Medicaid plan. The general fund--private/local appropriation in this
20 subsection shall be funded with proceeds from settlements in the case
21 of *State of Washington vs. GlaxoSmithKline*. The authority and the
22 office of the attorney general shall enter an interagency agreement
23 regarding use of these funds.

24 ~~((+36+))~~ (35) \$2,926,000 of the general fund--local appropriation
25 and \$2,928,000 of the general fund--federal appropriation are provided
26 solely to support medical airlift services.

27 ~~((+37+))~~ (36) The authority shall collect data on enrollment and
28 utilization to study whether the expansion of family planning coverage
29 under Substitute Senate Bill No. 5912 is reducing state medical
30 expenditures by reducing unwanted pregnancies. The authority shall
31 report its findings to the legislature by December 1, 2012.

32 ~~((+38+))~~ (37) \$480,000 of the general fund--state appropriation for
33 fiscal year 2012, \$480,000 of the general fund--state appropriation for
34 fiscal year 2013, and \$824,000 of the general fund--federal
35 appropriation are provided solely for customer services staff. The
36 authority will attempt to improve the phone answer rate to 40 percent
37 and reduce the response times to written questions to ten days for
38 clients and 25 days for providers. The authority will report to the

1 legislature on its progress toward achieving these goals by January 1,
2 2012. If the authority has not achieved these goals by July 1, 2012,
3 then the authority shall reduce expenditures on management staff in
4 order to increase expenditures on customer service staff until the
5 goals are achieved.

6 ~~((+39+))~~ (38) The department shall purchase a brand name drug when
7 it determines that the cost of the brand name drug after rebates is
8 less than the cost of generic alternatives and that purchase of the
9 brand rather than generic version can save at least \$250,000. The
10 department may purchase generic alternatives when changes in market
11 prices make the price of the brand name drug after rebates more
12 expensive than the generic alternatives.

13 ~~((+41+))~~ (39) \$150,000 of the general fund--state appropriation for
14 fiscal year 2012 and \$1,964,000 of the general fund--state
15 appropriation for fiscal year 2013 are provided solely to implement
16 Engrossed Second Substitute House Bill No. 2319 (affordable care act).
17 If the bill is not enacted by June 30, 2012, the amounts provided in
18 this subsection shall lapse.

19 ~~((+42+))~~ (40) \$1,109,000 of the general fund--state appropriation
20 for fiscal year 2012, \$1,471,000 of the general fund--state
21 appropriation for fiscal year 2013, and \$21,890,000 of the general
22 fund--federal appropriation are provided solely to implement phase two
23 of the project to create a single provider payment system that
24 consolidates medicaid medical and social services payments and replaces
25 the social service payment system.

26 ~~((+43+))~~ (41) In order to achieve the twelve percent reduction in
27 emergency room expenditures in the fiscal year 2013 appropriations
28 provided in this section, the authority, in consultation with the
29 Washington state hospital association, the Washington state medical
30 association, and the Washington chapter of the American college of
31 emergency physicians shall designate best practices and performance
32 measures to reduce medically unnecessary emergency room visits of
33 medicaid clients. The Washington state hospital association, the
34 Washington state medical association, and the Washington chapter of the
35 American college of emergency physicians will work with the authority
36 to promote these best practices. The best practices and performance
37 measures shall consist of the following items:

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

3 (b) Active dissemination of patient educational materials produced
4 by the Washington state hospital association, Washington state medical
5 association, and the Washington chapter of the American college of
6 emergency physicians that instruct patients on appropriate facilities
7 for nonemergent health care needs;

8 (c) Designation of hospital personnel and emergency room physician
9 personnel to receive and appropriately disseminate information on
10 clients participating in the medicaid patient review and coordination
11 program and to review monthly utilization reports on those clients
12 provided by the authority;

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

19 (e) Implementation of narcotic guidelines that incorporate the
20 Washington chapter of the American college of emergency physician
21 guidelines;

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

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

35 The requirements for best practices for a critical access hospital
36 should not include adoption of a system to exchange patient information
37 if doing so would pose a financial burden, and should not include

1 requirements related to the authority's patient review and coordination
2 program if the volume of those patients seen at the critical access
3 hospital are small.

4 Hospitals participating in this medicaid best practices program
5 shall submit to the authority a declaration from executive level
6 leadership indicating hospital adoption of and compliance with the best
7 practices enumerated above. In the declaration, hospitals will affirm
8 that they have in place written policies, procedures, or guidelines to
9 implement these best practices and are willing to share them upon
10 request. The declaration must also give consent for the authority to
11 disclose feedback reports and performance measures on its web site.
12 The authority shall submit a list of declaring hospitals to the
13 relevant policy and fiscal committees of the legislature by July 15,
14 2012.

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

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

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

4 ~~((+46+))~~ (42) The ~~((department))~~ authority shall seek a medicaid
5 state plan amendment to create a ~~((graduate medical education))~~
6 professional services supplemental payment managed care program for
7 professional services delivered to managed care recipients by
8 University of Washington medicine and other public professional
9 providers. This program shall be effective as soon as administratively
10 possible and shall operate concurrently with the existing professional
11 services supplemental payment program. ~~((Providers that participate in
12 the graduate medical education supplemental payment program are not
13 eligible to participate in the professional services supplemental
14 payment program.))~~ The ~~((department))~~ authority shall apply federal
15 rules for identifying the difference between ~~((current physician
16 encounter))~~ average commercial rates and fee-for-service medicaid
17 payments ~~((to participating providers and the applicable federal upper
18 payment limit))~~. This difference will be multiplied by the number of
19 managed care encounters and incorporated into the managed care plan
20 capitation rates by a certified actuary. The managed care plans will
21 pay the providers the difference attributable to the increased
22 capitation rate. Participating providers shall be solely responsible
23 for providing the local funds required to obtain federal matching
24 funds. Any incremental costs incurred by the ~~((department))~~ authority
25 in the development, implementation, and maintenance of this program
26 shall be the responsibility of the participating providers.
27 Participating providers shall retain the full amount of supplemental
28 payments provided under this program, net of any costs related to the
29 program that are disallowed due to audits or litigation against the
30 state.

31 ~~((+47+))~~ (43) The authority shall exclude antiretroviral drugs used
32 to treat HIV/AIDS, anticancer medication that is used to kill or slow
33 the growth of cancerous cells, antihemophilic drugs, insulin and other
34 drugs to lower blood glucose, and immunosuppressive drugs from any
35 formulary limitations implemented to operate within the appropriations
36 provided in this section.

37 ~~((+48+))~~ (44) If Engrossed Substitute Senate Bill No. 5978
38 (medicaid fraud) is not enacted by June 30, 2012, the amounts

1 appropriated in this section from the medicaid fraud penalty account--
2 state appropriation shall lapse and an additional \$3,608,000 shall be
3 appropriated from the general fund--state for fiscal year 2013 for
4 medicaid services, fraud detection and prevention activities, recovery
5 of improper payments, and for other medicaid fraud enforcement
6 activities.

7 ~~((+50+))~~ (45) Within the amounts appropriated in this section, the
8 health care authority and the department of social and health services
9 shall implement the state option to provide health homes for enrollees
10 with chronic conditions under section 2703 of the federal affordable
11 care act. The total state match for enrollees who are dually-eligible
12 for both medicare and medicaid and not enrolled in managed care shall
13 be no more than the net savings to the state from the enhanced match
14 rate for its medicaid-only managed care enrollees under section 2703.

15 ~~((+51+))~~ (46) The health care authority shall not initiate any
16 services that require expenditure of state general fund moneys unless
17 expressly authorized in this act or other law. The health care
18 authority may seek, receive, and spend, under RCW 43.79.260 through
19 43.79.282, federal moneys not anticipated in this act as long as the
20 federal funding does not require expenditure of state moneys for the
21 program in excess of amounts anticipated in this act. If the health
22 care authority receives unanticipated unrestricted federal moneys,
23 those moneys shall be spent for services authorized in this act or in
24 any other legislation providing appropriation authority, and an equal
25 amount of appropriated state general fund moneys shall lapse. Upon the
26 lapsing of any moneys under this subsection, the office of financial
27 management shall notify the legislative fiscal committees. As used in
28 this subsection, "unrestricted federal moneys" includes block grants
29 and other funds that federal law does not require to be spent on
30 specifically defined projects or matched on a formula basis by state
31 funds.

32 ~~((+52+))~~ (47) \$66,000 of the general fund--state appropriation for
33 fiscal year 2013 and \$66,000 of the general fund--federal appropriation
34 are provided solely to implement Engrossed Second Substitute House Bill
35 No. 2536 (children services/delivery). The department of social and
36 health services' programs responsible for administration of mental
37 health, child welfare, and juvenile justice programs will coordinate
38 with the health care authority on the development of contract terms

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

4 ~~((+53+))~~ (48) The health care authority shall participate in the
5 work group established by the department of corrections in section
6 220(2) of this act to review release options for elderly and infirm
7 offenders.

8 (49) \$208,000 of the general fund--state appropriation for fiscal
9 year 2013 and \$728,000 of the general fund--federal appropriation are
10 provided solely for the rebasing of outpatient and inpatient payment
11 methods.

12 **Sec. 1214.** 2012 2nd sp.s. c 7 s 216 (uncodified) is amended to
13 read as follows:

14 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

15	General Fund--State Appropriation (FY 2012)	\$14,589,000
16	General Fund--State Appropriation (FY 2013)	((\$14,147,000))
17		<u>\$14,549,000</u>
18	General Fund--Federal Appropriation	\$456,000
19	General Fund--Private/Local Appropriation	((\$4,048,000))
20		<u>\$3,895,000</u>
21	Death Investigations Account--State Appropriation	\$148,000
22	Municipal Criminal Justice Assistance Account--	
23	State Appropriation	\$460,000
24	Washington Auto Theft Prevention Authority Account--	
25	State Appropriation	\$8,597,000
26	TOTAL APPROPRIATION	((\$42,445,000))
27		<u>\$42,694,000</u>

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

30 (1) \$5,000,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$5,000,000 of the general fund--state appropriation for
32 fiscal year 2013, are provided to the Washington association of
33 sheriffs and police chiefs solely to verify the address and residency
34 of registered sex offenders and kidnapping offenders under RCW
35 9A.44.130.

36 (2) \$321,000 of the general fund--local appropriation is provided
37 solely to purchase ammunition for the basic law enforcement academy.

1 Jurisdictions shall reimburse to the criminal justice training
2 commission the costs of ammunition, based on the average cost of
3 ammunition per cadet, for cadets that they enroll in the basic law
4 enforcement academy.

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

7 (4) \$100,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$100,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for a school safety program. The
10 commission, in collaboration with the school safety center advisory
11 committee, shall provide the school safety training for all school
12 administrators and school safety personnel hired after the effective
13 date of this section.

14 (5) \$96,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$96,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the school safety center
17 within the commission. The safety center shall act as an information
18 dissemination and resource center when an incident occurs in a school
19 district in Washington or in another state, coordinate activities
20 relating to school safety, and review and approve manuals and curricula
21 used for school safety models and training. Through an interagency
22 agreement, the commission shall provide funding for the office of the
23 superintendent of public instruction to continue to develop and
24 maintain a school safety information web site. The school safety
25 center advisory committee shall develop and revise the training
26 program, using the best practices in school safety, for all school
27 safety personnel. The commission shall provide research-related
28 programs in school safety and security issues beneficial to both law
29 enforcement and schools.

30 (6) \$1,000,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$1,000,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for grants to counties enforcing
33 illegal drug laws and which have been underserved by federally funded
34 state narcotics task forces. The Washington association of sheriffs
35 and police chiefs, the Washington association of prosecuting attorneys,
36 and the Washington association of county officials shall jointly
37 develop funding allocations for the offices of the county sheriff,

1 county prosecutor, and county clerk in qualifying counties. The
2 commission shall not impose an administrative cost on this program.

3 **Sec. 1215.** 2012 2nd sp.s. c 7 s 218 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

6 (1) HEADQUARTERS

7	General Fund--State Appropriation (FY 2012)	\$1,829,000
8	General Fund--State Appropriation (FY 2013)	\$1,801,000
9	Charitable, Educational, Penal, and Reformatory	
10	Institutions Account--State Appropriation	\$10,000
11	TOTAL APPROPRIATION	\$3,640,000

12 (2) FIELD SERVICES

13	General Fund--State Appropriation (FY 2012)	\$5,002,000
14	General Fund--State Appropriation (FY 2013)	\$4,964,000
15	General Fund--Federal Appropriation	\$3,348,000
16	General Fund--Private/Local Appropriation	(\$4,722,000)
17		<u>\$5,172,000</u>
18	Veterans Innovations Program Account--State	
19	Appropriation	\$810,000
20	Veteran Estate Management Account--Private/Local	
21	Appropriation	\$1,079,000
22	TOTAL APPROPRIATION	(\$19,925,000)
23		<u>\$20,375,000</u>

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

31 (3) INSTITUTIONAL SERVICES

32	General Fund--State Appropriation (FY 2012)	\$1,743,000
33	General Fund--Federal Appropriation	(\$61,437,000)
34		<u>\$60,019,000</u>
35	General Fund--Private/Local Appropriation	(\$29,506,000)

1 \$30,569,000
 2 TOTAL APPROPRIATION (~~(\$92,686,000)~~)
 3 \$92,331,000

4 **Sec. 1216.** 2012 2nd sp.s. c 7 s 219 (uncodified) is amended to
 5 read as follows:

6 **FOR THE DEPARTMENT OF HEALTH**
 7 General Fund--State Appropriation (FY 2012) \$79,404,000
 8 General Fund--State Appropriation (FY 2013) (~~(\$78,114,000)~~)
 9 \$77,589,000
 10 General Fund--Federal Appropriation (~~(\$553,078,000)~~)
 11 \$573,078,000
 12 General Fund--Private/Local Appropriation (~~(\$148,055,000)~~)
 13 \$144,055,000
 14 Hospital Data Collection Account--State Appropriation \$214,000
 15 Health Professions Account--State Appropriation \$99,085,000
 16 Aquatic Lands Enhancement Account--State Appropriation \$604,000
 17 Emergency Medical Services and Trauma Care Systems
 18 Trust Account--State Appropriation (~~(\$12,300,000)~~)
 19 \$10,523,000
 20 Safe Drinking Water Account--State Appropriation \$4,464,000
 21 Drinking Water Assistance Account--Federal
 22 Appropriation \$21,965,000
 23 Waterworks Operator Certification--State
 24 Appropriation \$1,528,000
 25 Drinking Water Assistance Administrative Account--
 26 State Appropriation \$326,000
 27 Site Closure Account--State Appropriation \$79,000
 28 Biotoxin Account--State Appropriation (~~(\$1,167,000)~~)
 29 \$1,231,000
 30 State Toxics Control Account--State Appropriation \$3,628,000
 31 Medical Test Site Licensure Account--State
 32 Appropriation \$2,311,000
 33 Youth Tobacco Prevention Account--State
 34 Appropriation (~~(\$1,512,000)~~)
 35 \$1,348,000
 36 Community and Economic Development Fee Account--State
 37 Appropriation \$298,000

1	Public Health Supplemental Account--Private/Local	
2	Appropriation	\$3,598,000
3	Accident Account--State Appropriation	\$295,000
4	Medical Aid Account--State Appropriation	\$50,000
5	Tobacco Prevention and Control Account--State	
6	Appropriation	\$1,729,000
7	TOTAL APPROPRIATION	((\$1,013,804,000))
8		<u>\$1,027,402,000</u>

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

11 (1) The department of health shall not initiate any services that
12 will require expenditure of state general fund moneys unless expressly
13 authorized in this act or other law. The department of health and the
14 state board of health shall not implement any new or amended rules
15 pertaining to primary and secondary school facilities until the rules
16 and a final cost estimate have been presented to the legislature, and
17 the legislature has formally funded implementation of the rules through
18 the omnibus appropriations act or by statute. The department may seek,
19 receive, and spend, under RCW 43.79.260 through 43.79.282, federal
20 moneys not anticipated in this act as long as the federal funding does
21 not require expenditure of state moneys for the program in excess of
22 amounts anticipated in this act. If the department receives
23 unanticipated unrestricted federal moneys, those moneys shall be spent
24 for services authorized in this act or in any other legislation that
25 provides appropriation authority, and an equal amount of appropriated
26 state moneys shall lapse. Upon the lapsing of any moneys under this
27 subsection, the office of financial management shall notify the
28 legislative fiscal committees. As used in this subsection,
29 "unrestricted federal moneys" includes block grants and other funds
30 that federal law does not require to be spent on specifically defined
31 projects or matched on a formula basis by state funds.

32 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
33 is authorized to establish and raise fees in fiscal year 2012 as
34 necessary to meet the actual costs of conducting business and the
35 appropriation levels in this section. This authorization applies to
36 fees required for: The review of health care facility construction;
37 review of health facility requests for certificate of need; the
38 regulation and inspection of farm worker housing, hospital licensing,

1 in-home health service agencies, and producers of radioactive waste;
2 the regulation and inspection of shellfish sanitary control, surgical
3 facility licensing, and; fees associated with the following
4 professions: Dieticians and nutritionists, occupational therapists,
5 pharmacy, veterinarian, orthotics and prosthetics, surgical
6 technicians, nursing home administrators, health care assistants,
7 hearing and speech, psychology, hypnotherapy, chiropractic, social
8 workers, physicians, and physician assistants.

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

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

15 (5) \$1,969,000 of the health professions account--state
16 appropriation is provided solely to implement online licensing for
17 health care providers. The department must submit a detailed
18 investment plan for this project to the office of financial management.
19 The office of financial management must review and approve this plan
20 before funding may be expended. The department of health must
21 successfully implement online application and renewal for at least one
22 profession as a pilot project before pursuing additional professions.
23 The department must report to the office of financial management on the
24 outcome of the pilot project.

25 (6) \$16,000 of the health professions account--state appropriation
26 is provided solely for the implementation of House Bill No. 1181 (board
27 of naturopathy). If the bill is not enacted by June 30, 2011, the
28 amount provided in this subsection shall lapse.

29 (7) \$21,000 of the health professions account--state appropriation
30 is provided solely for the implementation of Substitute House Bill No.
31 1304 (health care assistants). If the bill is not enacted by June 30,
32 2011, the amount provided in this subsection shall lapse.

33 (8) \$54,000 of the health professions account--state appropriation
34 is provided solely for the implementation of House Bill No. 1353
35 (pharmacy technicians). If the bill is not enacted by June 30, 2011,
36 the amount provided in this subsection shall lapse.

37 (9) \$142,000 of the health professions account--state appropriation

1 is provided solely for the implementation of Engrossed Substitute
2 Senate Bill No. 5020 (social workers). If the bill is not enacted by
3 June 30, 2011, the amount provided in this subsection shall lapse.

4 (10) \$336,000 of the health professions account--state
5 appropriation is provided solely for the implementation of Senate Bill
6 No. 5480 (physicians and physician assistants). If the bill is not
7 enacted by June 30, 2011, the amount provided in this subsection shall
8 lapse.

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

14 (12) \$137,000 of the health professions account--state
15 appropriation is provided solely for implementation of Substitute House
16 Bill No. 1133 (massage practitioner license). If the bill is not
17 enacted by June 30, 2011, the amount provided in this subsection shall
18 lapse.

19 (13) \$85,000 of the general fund--state appropriation for fiscal
20 year 2012 is provided solely for the developmental disabilities council
21 to contract for a family-to-family mentor program to provide
22 information and support to families and guardians of persons who are
23 transitioning out of residential habilitation centers. To the maximum
24 extent allowable under federal law, these funds shall be matched under
25 medicaid through the department of social and health services and
26 federal funds shall be transferred to the department for the purposes
27 stated in this subsection. If Second Substitute Senate Bill No. 5459
28 (people with developmental disabilities) is not enacted by June 30,
29 2011, the amounts provided in this subsection shall lapse.

30 (14) \$57,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$58,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the midwifery licensure and
33 regulatory program to offset a reduction in revenue from fees. There
34 shall be no change to the current annual fees for new or renewed
35 licenses for the midwifery program, except from online access to HEAL-
36 WA. The department shall convene the midwifery advisory committee on
37 a quarterly basis to address issues related to licensed midwifery.

1 (15) \$118,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$118,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for prevention of youth suicides.

4 (16) \$87,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$87,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the senior falls prevention
7 program.

8 (17) \$19,000 of the health professions account--state appropriation
9 is provided solely for implementation of Senate Bill No. 6290 (military
10 spouses and partners). If the bill is not enacted by June 30, 2012,
11 the amount provided in this subsection shall lapse.

12 (18) \$102,000 of the health professions account--state
13 appropriation is provided solely for implementation of Engrossed
14 Substitute Senate Bill No. 6237 (career pathway/medical assistants).
15 If the bill is not enacted by June 30, 2012, the amount provided in
16 this subsection shall lapse.

17 (19) \$21,000 of the health professions account--state appropriation
18 is provided solely for implementation of Substitute Senate Bill No.
19 6328 (mental health professionals). If the bill is not enacted by June
20 30, 2012, the amount provided in this subsection shall lapse.

21 (20) \$61,000 of the health professions account--state appropriation
22 is provided solely for implementation of Engrossed Substitute Senate
23 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,
24 2012, the amount provided in this subsection shall lapse.

25 (21) \$28,000 of the health professions account--state appropriation
26 is provided solely for implementation of Engrossed Second Substitute
27 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is
28 not enacted by June 30, 2012, the amount provided in this subsection
29 shall lapse.

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

33 (23) During the remainder of the 2011-2013 fiscal biennium, each
34 person subject to RCW 43.70.110(3)(c) is required to pay only one
35 surcharge of up to twenty-five dollars annually for the purposes of RCW
36 43.70.112, regardless of how many professional licenses the person
37 holds.

1 (24) \$15,000 of the health professions account--state appropriation
2 is provided solely to implement Substitute House Bill No. 2056
3 (assisted living facilities). If the bill is not enacted by June 30,
4 2012, the amount provided in this subsection shall lapse.

5 (25) \$11,000 of the health professions account--state appropriation
6 is provided solely to implement Engrossed House Bill No. 2186 (licensed
7 midwives). If the bill is not enacted by June 30, 2012, the amount
8 provided in this subsection shall lapse.

9 (26) \$11,000 of the general fund--state appropriation for fiscal
10 year 2013 is provided solely to implement Engrossed Substitute House
11 Bill No. 2229 (hospital employees). If the bill is not enacted by June
12 30, 2012, the amount provided in this subsection shall lapse.

13 (27) \$48,000 of the health professions account--state appropriation
14 is provided solely to implement Engrossed Substitute House Bill No.
15 2314 (long-term care workers). If the bill is not enacted by June 30,
16 2012, the amount provided in this subsection shall lapse.

17 (28) \$280,000 of the health professions account--state
18 appropriation is provided solely to implement Engrossed Substitute
19 House Bill No. 2366 (suicide assessment and training). If the bill is
20 not enacted by June 30, 2012, the amounts provided in this subsection
21 shall lapse.

22 (29) \$11,000 of the general fund--state appropriation for fiscal
23 year 2013 is provided solely to implement Engrossed Substitute House
24 Bill No. 2582 (health care services billing). If the bill is not
25 enacted by June 30, 2012, the amount provided in this subsection shall
26 lapse.

27 (30) \$22,000 of the general fund--state appropriation for fiscal
28 year 2013 is provided solely to implement Substitute Senate Bill No.
29 6105 (prescription monitoring program). If the bill is not enacted by
30 June 30, 2012, the amount provided in this subsection shall lapse.

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

36 (32) General fund--state appropriations for fiscal year 2013
37 includes funding to subsidize operating license and inspection fees in
38 the temporary worker housing program. In implementing this subsidy,

1 the department shall evaluate program regulations including but not
2 limited to the use of occupancy levels to determine the fee structure
3 and the frequency of inspections.

4 **Sec. 1217.** 2012 2nd sp.s. c 7 s 220 (uncodified) is amended to
5 read as follows:

6 **FOR THE DEPARTMENT OF CORRECTIONS**

7 The appropriations to the department of corrections in this act
8 shall be expended for the programs and in the amounts specified in this
9 section. However, after May 1, ((2012)) 2013, after approval by the
10 director of financial management and unless specifically prohibited by
11 this act, the department may transfer general fund--state
12 appropriations for fiscal year ((2012)) 2013 between programs. The
13 department shall not transfer funds, and the director of financial
14 management shall not approve the transfer, unless the transfer is
15 consistent with the objective of conserving, to the maximum extent
16 possible, the expenditure of state funds. The director of financial
17 management shall notify the appropriate fiscal committees of the senate
18 and house of representatives in writing seven days prior to approving
19 any deviations from appropriation levels. The written notification
20 shall include a narrative explanation and justification of the changes,
21 along with expenditures and allotments by budget unit and
22 appropriation, both before and after any allotment modifications or
23 transfers.

24 (1) ADMINISTRATION AND SUPPORT SERVICES

25 General Fund--State Appropriation (FY 2012)	\$52,025,000
26 General Fund--State Appropriation (FY 2013)	((\$52,981,000))
	<u>\$52,706,000</u>
28 TOTAL APPROPRIATION	((\$105,006,000))
	<u>\$104,731,000</u>

30 The appropriations in this subsection are subject to the following
31 conditions and limitations: \$35,000 of the general fund--state
32 appropriation for fiscal year 2012 and \$35,000 of the general fund--
33 state appropriation for fiscal year 2013 are provided solely for the
34 support of a statewide council on mentally ill offenders that includes
35 as its members representatives of community-based mental health
36 treatment programs, current or former judicial officers, and directors
37 and commanders of city and county jails and state prison facilities.

1 The council will investigate and promote cost-effective approaches to
2 meeting the long-term needs of adults and juveniles with mental
3 disorders who have a history of offending or who are at-risk of
4 offending, including their mental health, physiological, housing,
5 employment, and job training needs.

6 (2) CORRECTIONAL OPERATIONS

7	General Fund--State Appropriation (FY 2012)	\$598,237,000
8	General Fund--State Appropriation (FY 2013)	(\$575,457,000)
9		<u>\$581,723,000</u>
10	General Fund--Federal Appropriation	\$3,324,000
11	Washington Auto Theft Prevention Authority Account--	
12	State Appropriation	(\$14,079,000)
13		<u>\$13,177,000</u>
14	Enhanced 911 Account--State Appropriation	\$2,000,000
15	TOTAL APPROPRIATION	(\$1,193,097,000)
16		<u>\$1,198,461,000</u>

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

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

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

34 (c) \$102,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$102,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely to implement House Bill No. 1290
37 (health care employee overtime). If the bill is not enacted by June
38 30, 2011, the amounts provided in this subsection shall lapse.

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

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

17 (f) \$311,000 of the general fund--state appropriation for fiscal
18 year 2013 is provided solely for implementation of House Bill No. 2346
19 (correctional officer uniforms). If the bill is not enacted by June
20 30, 2012, the amount provided in this subsection shall lapse.

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

31 (h) By December 1, 2012, the department shall provide to the
32 legislative fiscal committees a report that evaluates health care
33 expenditures in Washington state correctional institutions and makes
34 recommendations for controlling health care costs. The report shall
35 evaluate the source of health care costs, including offender health
36 issues, use of pharmaceuticals, offsite and specialist medical care,
37 chronic disease costs, and mental health issues. The department may

1 include information from other states on cost control in offender
2 health care, trends in offender health care that indicate potential
3 cost increases, and management of high-cost diagnoses.

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

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

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

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

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

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

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

37 (3) COMMUNITY SUPERVISION

38 General Fund--State Appropriation (FY 2012) \$127,121,000

1 General Fund--State Appropriation (FY 2013) (~~(\$128,494,000)~~)
 2 \$126,033,000
 3 Federal Narcotics Forfeiture Account--Federal
 4 Appropriation \$372,000
 5 Controlled Substances Account--State
 6 Appropriation \$32,000
 7 TOTAL APPROPRIATION (~~(\$256,019,000)~~)
 8 \$253,558,000

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

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

16 (b) (~~(\$6,362,000)~~) \$3,753,000 of the general fund--state
 17 appropriation for fiscal year 2013 is provided solely to implement an
 18 evidence-based risk-needs-responsivity model for community supervision
 19 of offenders.

20 (4) CORRECTIONAL INDUSTRIES

21 General Fund--State Appropriation (FY 2012) \$2,513,000
 22 General Fund--State Appropriation (FY 2013) \$2,431,000
 23 TOTAL APPROPRIATION \$4,944,000

24 The appropriations in this subsection are subject to the following
 25 conditions and limitations: \$66,000 of the general fund--state
 26 appropriation for fiscal year 2012 is provided solely for transfer to
 27 the jail industries board. The board shall use the amounts provided
 28 only for administrative expenses, equipment purchases, and technical
 29 assistance associated with advising cities and counties in developing,
 30 promoting, and implementing consistent, safe, and efficient offender
 31 work programs.

32 (5) INTERAGENCY PAYMENTS

33 General Fund--State Appropriation (FY 2012) \$35,821,000
 34 General Fund--State Appropriation (FY 2013) (~~(\$27,264,000)~~)
 35 \$27,539,000
 36 TOTAL APPROPRIATION (~~(\$63,085,000)~~)
 37 \$63,360,000

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

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

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

10 (c) The department shall reduce payments to the department of
11 information services or its successor by \$213,000 in fiscal year 2012
12 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall
13 be related to the elimination of the offender base tracking system,
14 including moving remaining portions of the offender base tracking
15 system into the offender management network information system.

16 **Sec. 1218.** 2012 2nd sp.s. c 7 s 221 (uncodified) is amended to
17 read as follows:

18 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

19	General Fund--State Appropriation (FY 2012)	\$2,159,000
20	General Fund--State Appropriation (FY 2013)	\$2,131,000
21	General Fund--Federal Appropriation	((\$19,239,000))
22		<u>\$19,739,000</u>
23	General Fund--Private/Local Appropriation	((\$30,000))
24		<u>\$105,000</u>
25	TOTAL APPROPRIATION	((\$23,559,000))
26		<u>\$24,134,000</u>

27 **Sec. 1219.** 2012 2nd sp.s. c 7 s 222 (uncodified) is amended to
28 read as follows:

29 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

30	General Fund--Federal Appropriation	\$267,069,000
31	General Fund--Private/Local Appropriation	\$33,856,000
32	Unemployment Compensation Administration Account--	
33	Federal Appropriation	((\$349,247,000))
34		<u>\$356,767,000</u>
35	Administrative Contingency Account--State	
36	Appropriation	\$20,940,000

1 Employment Service Administrative Account--State
 2 Appropriation \$33,609,000
 3 TOTAL APPROPRIATION (~~(\$704,721,000)~~)
 4 \$712,241,000

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

7 (1) \$39,666,000 of the unemployment compensation administration
 8 account--federal appropriation is from amounts made available to the
 9 state by section 903 (d), (f), and (g) of the social security act (Reed
 10 act). This amount is provided solely for continuing current
 11 unemployment insurance functions and department services to employers
 12 and job seekers.

13 (2) \$35,584,000 of the unemployment compensation administration
 14 account--federal appropriation is from amounts made available to the
 15 state by section 903 (d), (f), and (g) of the social security act (Reed
 16 act). This amount is provided solely for the replacement of the
 17 unemployment insurance tax information system for the employment
 18 security department. The employment security department shall support
 19 the department of revenue and department of labor and industries to
 20 develop a common vision to ensure technological compatibility between
 21 the three agencies to facilitate a coordinated business tax system for
 22 the future that improves services to business customers. The amounts
 23 provided in this subsection are conditioned on the department
 24 satisfying the requirements of the project management oversight
 25 standards and policies established by the office of the chief
 26 information officer created in Engrossed Substitute Senate Bill No.
 27 5931 (information technology management).

28 (3) \$25,000 of the unemployment compensation administration
 29 account--federal appropriation is from amounts made available to the
 30 state by section 903 (d), (f), and (g) of the social security act (Reed
 31 act). This amount is provided solely for implementation of system
 32 changes to the unemployment insurance tax information system required
 33 under chapter 4, Laws of 2011 (unemployment insurance program).

34 (4) \$1,459,000 of the unemployment compensation administration
 35 account--federal appropriation is from amounts available to the state
 36 by section 903 (d), (f), and (g) of the social security act (Reed act).
 37 This amount is provided solely for implementation of chapter 4, Laws of
 38 2011 (unemployment insurance program).

1 (5) \$80,000 of the unemployment compensation administration
2 account--federal appropriation is provided solely for costs associated
3 with the initial review and evaluation of the training benefits program
4 as directed in section 15(2), chapter 4, Laws of 2011 (unemployment
5 insurance program). The initial review shall be developed by the joint
6 legislative audit and review committee. This appropriation is provided
7 from funds made available to the state by section 903 (d), (f), and (g)
8 of the social security act (Reed act).

(End of part)

PART XIII
NATURAL RESOURCES

Sec. 1301. 2012 2nd sp.s. c 7 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund--State Appropriation (FY 2012)	\$8,955,000
General Fund--State Appropriation (FY 2013)	\$8,379,000
General Fund--Federal Appropriation	\$5,905,000
Winter Recreation Program Account--State Appropriation	(\$1,759,000)
	<u>\$2,034,000</u>
ORV and Nonhighway Vehicle Account--State Appropriation	\$224,000
Snowmobile Account--State Appropriation	\$4,844,000
Aquatic Lands Enhancement Account--State Appropriation	\$4,363,000
Parks Renewal and Stewardship Account--State Appropriation	\$106,505,000
Parks Renewal and Stewardship Account--Private/Local Appropriation	\$300,000
TOTAL APPROPRIATION	(\$141,234,000)
	<u>\$141,509,000</u>

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

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

(2) \$79,000 of the general fund--state appropriation for fiscal year 2012 and \$79,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for a grant for the operation of
2 the Northwest avalanche center.

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

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

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

37 (6) Within the appropriations contained in this section, the
38 commission shall review the removal of trees from Brooks memorial state

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

7 **Sec. 1302.** 2012 2nd sp.s. c 7 s 307 (uncodified) is amended to
8 read as follows:

9 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

10	General Fund--State Appropriation (FY 2012)	\$34,098,000
11	General Fund--State Appropriation (FY 2013)	((23,618,000))
12		<u>\$26,417,000</u>
13	General Fund--Federal Appropriation	((105,481,000))
14		<u>\$105,725,000</u>
15	General Fund--Private/Local Appropriation	((56,923,000))
16		<u>\$57,107,000</u>
17	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation	((12,113,000))
20		<u>\$12,125,000</u>
21	Recreational Fisheries Enhancement--State	
22	Appropriation	((2,794,000))
23		<u>\$2,809,000</u>
24	Warm Water Game Fish Account--State Appropriation . . .	((2,841,000))
25		<u>\$2,842,000</u>
26	Eastern Washington Pheasant Enhancement Account--State	
27	Appropriation	\$849,000
28	Aquatic Invasive Species Enforcement Account--State	
29	Appropriation	\$204,000
30	Aquatic Invasive Species Prevention Account--State	
31	Appropriation	\$848,000
32	State Wildlife Account--State Appropriation	((100,742,000))
33		<u>\$95,241,000</u>
34	Special Wildlife Account--State Appropriation	\$2,382,000
35	Special Wildlife Account--Federal Appropriation	\$500,000
36	Special Wildlife Account--Private/Local Appropriation . . .	\$3,415,000
37	Wildlife Rehabilitation Account--State Appropriation	\$259,000

1	Regional Fisheries Enhancement Salmonid Recovery	
2	Account--Federal Appropriation	\$5,001,000
3	Oil Spill Prevention Account--State Appropriation	\$883,000
4	Oyster Reserve Land Account--State Appropriation	\$919,000
5	Recreation Resources Account--State Appropriation	\$3,300,000
6	Hydraulic Project Approval Account--State Appropriation	\$337,000
7	TOTAL APPROPRIATION	(\$357,900,000)
8		<u>\$355,652,000</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

1 member fishing permit requirements of Colville tribal law on the
2 reservation portion of the waters of Lake Rufus Woods and at designated
3 fishing areas on the north shore of Lake Rufus Woods;

4 (3) Prior to submitting its 2013-2015 biennial operating and
5 capital budget request related to state fish hatcheries to the office
6 of financial management, the department shall contract with the
7 hatchery scientific review group (HSRG) to review this request. This
8 review shall: (a) Determine if the proposed requests are consistent
9 with HSRG recommendations; (b) prioritize the components of the
10 requests based on their contributions to protecting wild salmonid
11 stocks and meeting the recommendations of the HSRG; and (c) evaluate
12 whether the proposed requests are being made in the most cost effective
13 manner. The department shall provide a copy of the HSRG review to the
14 office of financial management with their agency budget proposal.

15 (4) \$400,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$400,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for a state match to support the
18 Puget Sound nearshore partnership between the department and the U.S.
19 army corps of engineers.

20 (5) \$50,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$50,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for removal of derelict gear in
23 Washington waters.

24 (6) \$100,000 of the eastern Washington pheasant enhancement
25 account--state appropriation is provided solely for the department to
26 support efforts to enhance permanent and temporary pheasant habitat on
27 public and private lands in Grant, Franklin, and Adams counties. The
28 department may support efforts by entities including conservation
29 districts, nonprofit organizations, and landowners, and must require
30 such entities to provide significant nonstate matching resources, which
31 may be in the form of funds, material, or labor.

32 (7) Within the amounts appropriated in this section, the department
33 shall identify additional opportunities for partnerships in order to
34 keep fish hatcheries operational. Such partnerships shall aim to
35 maintain fish production and salmon recovery with less reliance on
36 state operating funds.

37 (8) By September 1, 2011, the department shall update its
38 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 (14) \$337,000 of the hydraulic project approval--state
27 appropriation is provided solely for the implementation of Second
28 Engrossed Substitute Senate Bill No. 6406 (state natural resources).
29 If the bill is not enacted by June 30, 2012, the amount provided in
30 this subsection shall lapse.

31 **Sec. 1303.** 2012 2nd sp.s. c 7 s 308 (uncodified) is amended to
32 read as follows:

33 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

34	General Fund--State Appropriation (FY 2012)	\$30,907,000
35	General Fund--State Appropriation (FY 2013)	((35,791,000))
36		<u>\$67,782,000</u>
37	General Fund--Federal Appropriation	\$27,873,000

1	General Fund--Private/Local Appropriation	\$2,372,000
2	Forest Development Account--State Appropriation	(\$46,254,000)
3		<u>\$44,116,000</u>
4	ORV and Nonhighway Vehicle Account--State	
5	Appropriation	\$4,373,000
6	Surveys and Maps Account--State Appropriation	\$2,118,000
7	Aquatic Lands Enhancement Account--State	
8	Appropriation	\$69,000
9	Resources Management Cost Account--State	
10	Appropriation	\$90,131,000
11	Surface Mining Reclamation Account--State	
12	Appropriation	\$3,467,000
13	Disaster Response Account--State Appropriation	\$5,000,000
14	Forest and Fish Support Account--State Appropriation	\$9,784,000
15	Aquatic Land Dredged Material Disposal Site	
16	Account--State Appropriation	\$838,000
17	Natural Resources Conservation Areas Stewardship	
18	Account--State Appropriation	\$34,000
19	State Toxics Control Account--State Appropriation	\$80,000
20	Air Pollution Control Account--State Appropriation	\$540,000
21	NOVA Program Account--State Appropriation	\$635,000
22	Derelict Vessel Removal Account--State Appropriation	\$1,761,000
23	Agricultural College Trust Management Account--State	
24	Appropriation	\$1,848,000
25	Forest Practices Application Account--State Appropriation	\$780,000
26	Marine Resources Stewardship Trust Account--State	
27	Appropriation	\$2,100,000
28	TOTAL APPROPRIATION	(\$262,782,000)
29		<u>\$296,608,000</u>

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

32 (1) \$710,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$915,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for deposit into the agricultural
35 college trust management account and are provided solely to manage
36 approximately 70,700 acres of Washington State University's
37 agricultural college trust lands.

1 (2) \$8,030,000 of the general fund--state appropriation for fiscal
2 year 2012, (~~(\$10,037,000)~~) \$42,028,000 of the general fund--state
3 appropriation for fiscal year 2013, and \$5,000,000 of the disaster
4 response account--state appropriation are provided solely for emergency
5 fire suppression. None of the general fund and disaster response
6 account amounts provided in this subsection may be used to fund agency
7 indirect and administrative expenses. Agency indirect and
8 administrative costs shall be allocated among the agency's remaining
9 accounts and appropriations. The department of natural resources shall
10 submit a quarterly report to the office of financial management and the
11 legislative fiscal committees detailing information on current and
12 planned expenditures from the disaster response account. This work
13 shall be done in coordination with the military department.

14 (3) \$4,500,000 of the forest and fish support account--state
15 appropriation is provided solely for outcome-based, performance
16 contracts with tribes to participate in the implementation of the
17 forest practices program. Contracts awarded in fiscal year 2013 may
18 only contain indirect costs set at or below the rate in the contracting
19 tribe's indirect cost agreement with the federal government. If
20 federal funding for this purpose is reinstated, the amount provided in
21 this subsection shall lapse.

22 (4) \$518,000 of the forest and fish support account--state
23 appropriation is provided solely for outcome-based performance
24 contracts with nongovernmental organizations to participate in the
25 implementation of the forest practices program. Contracts awarded in
26 fiscal year 2013 may only contain indirect cost set at or below a rate
27 of eighteen percent.

28 (5) During the 2011-2013 fiscal biennium, \$717,000 of the forest
29 and fish support account--state appropriation is provided solely to
30 fund interagency agreements with the department of ecology and the
31 department of fish and wildlife as part of the adaptive management
32 process.

33 (6) \$1,000,000 of the general fund--federal appropriation and
34 \$1,000,000 of the forest and fish support account--state appropriation
35 are provided solely for continuing scientific studies already underway
36 as part of the adaptive management process. Funds may not be used to
37 initiate new studies unless the department secures new federal funding
38 for the adaptive management process.

1 (7) The department is authorized to increase the silviculture
2 burning permit fee in the 2011-2013 biennium by up to eighty dollars
3 plus fifty cents per ton for each ton of material burned in excess of
4 one hundred tons.

5 (8) \$440,000 of the state general fund--state appropriation for
6 fiscal year 2012 and \$440,000 of the state general fund--state
7 appropriation for fiscal year 2013 are provided solely for forest work
8 crews that support correctional camps and are contingent upon
9 continuing operations of Naselle youth camp.

10 (9) By September 1, 2011, the department shall update its
11 interagency agreement dated September 30, 2010, with the department of
12 fish and wildlife concerning land management services on the department
13 of fish and wildlife's wildlife conservation and recreation lands. The
14 update shall include rates and terms for services.

15 (10) In partnership with the department of ecology, the departments
16 shall deliver a report to the governor, the appropriate committees of
17 the legislature, and the forest practices board by September 1, 2012,
18 documenting forest practices adaptive management program reforms
19 implemented, or recommended, that streamline existing processes to
20 increase program efficiencies and effectiveness. The departments shall
21 collaborate with interested adaptive management program participants in
22 the development of the report.

23 (11)(a) \$2,100,000 of the marine resources stewardship account--
24 state appropriation is provided solely for the implementation of
25 chapter 252, Laws of 2012 (marine management planning) and 43.372 RCW.
26 The department will work with the marine interagency team, tribes, and
27 the Washington state marine resource committee to develop a spending
28 plan consistent with the priorities in chapter 252, Laws of 2012, for
29 conducting ecosystem assessments and mapping activities related to
30 marine resources use and potential economic development, developing
31 marine management plans for the state's coastal waters, and otherwise
32 aiding in the implementation of marine planning in the state. As
33 appropriate, the team shall develop a competitive process for projects
34 to be funded by the department in fiscal year 2013.

35 (b) The department, in consultation with the marine interagency
36 team, shall submit to the office of financial management and the
37 appropriate legislative committees by September 1, 2012, a prioritized

1 list of projects and activities for funding consideration through the
2 marine resources stewardship account in the 2013-2015 fiscal biennium.
3 ~~((+13+))~~ (12) \$780,000 of the forest practices application
4 account--state appropriation, \$18,000 of the forest development
5 account--state appropriation, \$23,000 of the resources management cost
6 account--state appropriation, and \$2,000 of the surface mining
7 reclamation account--state appropriation are provided solely for the
8 implementation of Second Engrossed Substitute Senate Bill No. 6406
9 (state natural resources). If the bill is not enacted by June 30,
10 2012, the amounts provided in this subsection shall lapse.

(End of part)

PART XIV
TRANSPORTATION

Sec. 1401. 2012 2nd sp.s. c 7 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2012)	\$35,395,000
General Fund--State Appropriation (FY 2013)	(\$32,323,000)
	<u>\$41,947,000</u>
General Fund--Federal Appropriation	\$16,081,000
General Fund--Private/Local Appropriation	\$3,021,000
Death Investigations Account--State Appropriation	\$5,537,000
County Criminal Justice Assistance Account--State Appropriation	\$3,207,000
Municipal Criminal Justice Assistance Account--State Appropriation	\$1,286,000
Fire Service Trust Account--State Appropriation	\$131,000
Disaster Response Account--State Appropriation	\$8,002,000
Fire Service Training Account--State Appropriation	\$9,386,000
Aquatic Invasive Species Enforcement Account--State Appropriation	\$54,000
State Toxics Control Account--State Appropriation	\$505,000
Fingerprint Identification Account--State Appropriation	\$10,067,000
Vehicle License Fraud Account--State Appropriation	\$437,000
TOTAL APPROPRIATION	(\$125,432,000)
	<u>\$135,056,000</u>

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

(1) \$200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

1 (2) \$8,000,000 of the disaster response account--state
2 appropriation is provided solely for Washington state fire service
3 resource mobilization costs incurred in response to an emergency or
4 disaster authorized under RCW 43.43.960 and 43.43.964. The state
5 patrol shall submit a report quarterly to the office of financial
6 management and the legislative fiscal committees detailing information
7 on current and planned expenditures from this account. This work shall
8 be done in coordination with the military department.

9 (3) \$400,000 of the fire service training account--state
10 appropriation is provided solely for the firefighter apprenticeship
11 training program.

12 (4) In accordance with RCW 43.43.742 the state patrol is authorized
13 to increase the following fees in fiscal year ((2012)) 2013 as
14 necessary to meet the actual costs of conducting business and the
15 appropriation levels in this section: Notary service fee.

16 (5) \$59,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Engrossed Second
18 Substitute House Bill No. 1776 (child care center licensing). If the
19 bill is not enacted by June 30, 2011, the amount provided in this
20 subsection shall lapse.

21 (6) \$6,000 of the fingerprint identification account--state
22 appropriation is provided solely for implementation of Engrossed
23 Substitute House Bill No. 1494 (vulnerable adult referrals). If the
24 bill is not enacted by June 30, 2011, the amount provided in this
25 subsection shall lapse.

26 (7) \$1,000 of the fingerprint identification account--state
27 appropriation is provided solely for implementation of Engrossed Senate
28 Bill No. 6296 (background checks). If the bill is not enacted by June
29 30, 2012, the amount provided in this subsection shall lapse.

(End of part)

PART XV
EDUCATION

Sec. 1501. 2013 c 147 s 1 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2012)	\$25,322,000
General Fund--State Appropriation (FY 2013)	((\$27,133,000))
	<u>\$27,793,000</u>
General Fund--Federal Appropriation	((\$77,011,000))
	<u>\$82,011,000</u>
General Fund--Private/Local Appropriation	\$4,000,000
TOTAL APPROPRIATION	((\$133,466,000))
	<u>\$139,126,000</u>

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

(1) A maximum of \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$14,875,000~~)) \$15,526,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$8,169,000~~)) \$8,160,000 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.

(iii) Within the amounts provided, and in consultation with the public school employees of Washington and the Washington school

1 counselors' association, the office of the superintendent of public
2 instruction shall develop a model policy that further defines the
3 recommended roles and responsibilities of graduation coaches and
4 identifies best practices for how graduation coaches work in
5 coordination with school counselors and in the context of a
6 comprehensive school guidance and counseling program.

7 (iv) The office of the superintendent of public instruction shall,
8 no later than August 1, 2011, establish a standard statewide definition
9 of unexcused absence. The definition shall be reported to the ways and
10 means committees of the senate and house of representatives for
11 legislative review in the 2012 legislative session. Beginning no later
12 than January 1, 2012, districts shall report to the office of the
13 superintendent of public instruction, daily student unexcused absence
14 data by school.

15 (b) \$1,964,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$1,017,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for activities associated with the
18 implementation of new school finance systems required by chapter 236,
19 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
20 (state's education system), including technical staff, systems
21 reprogramming, and workgroup deliberations, including the quality
22 education council and the data governance working group.

23 (c)(i) \$851,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$851,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for the operation and expenses of
26 the state board of education, including basic education assistance
27 activities.

28 (ii) \$171,000 of the general fund--state appropriation for fiscal
29 year 2013 is provided solely to the state board of education for
30 implementation of Initiative Measure No. 1240 (charter schools).

31 (d) \$1,744,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$1,387,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely to the professional educator
34 standards board for the following:

35 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year
36 2013 are for the operation and expenses of the Washington professional
37 educator standards board;

1 (ii) \$694,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$312,000 of the general fund--state appropriation for
3 fiscal year 2013 are for conditional scholarship loans and mentor
4 stipends provided through the alternative routes to certification
5 program administered by the professional educator standards board,
6 including the pipeline for paraeducators program and the retooling to
7 teach conditional loan programs. Funding within this subsection
8 (1)(d)(ii) is also provided for the recruiting Washington teachers
9 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-
10 2013 fiscal biennium are intended to be one-time; and

11 (iii) \$25,000 of the general fund--state appropriation for fiscal
12 year 2013 is provided solely for the professional educator standards
13 board to develop educator interpreter standards and identify
14 interpreter assessments that are available to school districts.
15 Interpreter assessments should meet the following criteria: (A)
16 Include both written assessment and performance assessment; (B) be
17 offered by a national organization of professional sign language
18 interpreters and transliterators; and (C) be designed to assess
19 performance in more than one sign system or sign language. The board
20 shall establish a performance standard, defining what constitutes a
21 minimum assessment result, for each educational interpreter assessment
22 identified. The board shall publicize the standards and assessments
23 for school district use.

24 (e) \$133,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$133,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for the implementation of chapter
27 240, Laws of 2010, including staffing the office of equity and civil
28 rights.

29 (f) \$50,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$50,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for the ongoing work of the
32 education opportunity gap oversight and accountability committee.

33 (g) \$45,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$45,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for the implementation of chapter
36 380, Laws of 2009 (enacting the interstate compact on educational
37 opportunity for military children).

1 (h) \$159,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$93,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the implementation of chapter
4 185, Laws of 2011 (bullying prevention), which requires the office of
5 the superintendent of public instruction to convene an ongoing
6 workgroup on school bullying and harassment prevention. Within the
7 amounts provided, \$140,000 is for youth suicide prevention activities.

8 (i) \$1,227,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$1,227,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for implementing a comprehensive
11 data system to include financial, student, and educator data, including
12 development and maintenance of the comprehensive education data and
13 research system (CEDARS).

14 (j) \$25,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$25,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for project citizen, a program
17 sponsored by the national conference of state legislatures and the
18 center for civic education to promote participation in government by
19 middle school students.

20 (k) \$166,000 of the general fund--state appropriation for fiscal
21 year 2012 is provided solely for the implementation of chapter 192,
22 Laws of 2011 (school district insolvency). Funding is provided to
23 develop a clear legal framework and process for dissolution of a school
24 district.

25 (l) \$1,500,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for implementation of House Bill No. 2799
27 (collaborative schools). If such legislation is not enacted by June
28 30, 2012, the amount provided in this subsection shall lapse.

29 (m) \$128,000 of the general fund--state appropriation for fiscal
30 year 2013 is provided solely pursuant to Substitute House Bill No. 2254
31 (foster care outcomes). The office of the superintendent of public
32 instruction shall report on the implementation of the state's plan of
33 cross-system collaboration to promote educational stability and improve
34 education outcomes of foster youth. The first report is due December
35 1, 2012, and annually thereafter through 2015. If the bill is not
36 enacted by June 30, 2012, the amount provided in this subsection shall
37 lapse.

1 (n) \$250,000 of the general fund--state appropriation for fiscal
2 year 2013 is provided solely for implementation of House Bill No. 2337
3 (open K-12 education resources). If the bill is not enacted by June
4 30, 2012, the amount provided in this subsection shall lapse.

5 (o) \$239,000 of the general fund--state appropriation for fiscal
6 year 2013 is provided solely for implementation of Initiative Measure
7 No. 1240 (charter schools).

8 (p) \$250,000 of the general fund--state appropriation for fiscal
9 year 2013 is provided solely for allocation to the office of the
10 superintendent of public instruction to provide financial assistance to
11 nonhigh school districts that are experiencing budgetary shortfalls due
12 to a significant financial condition, including, but not limited to:
13 Declining total enrollment; increased enrollment of students with
14 special education needs; and debts owed to school districts serving the
15 nonhigh school district's high school aged students. The financial
16 assistance shall be in the form of a loan. The loan agreement shall:

17 (i) Include conditions, binding on the school district, designed to
18 improve the district's financial condition;

19 (ii) Include a repayment schedule of no more than five years in
20 length; and

21 (iii) Prohibit districts that receive loans under this subsection
22 from using cash basis accounting.

23 (2) \$9,267,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$12,267,000 of the general fund--state appropriation for
25 fiscal year 2013 are for statewide programs.

26 (a) HEALTH AND SAFETY

27 (i) \$2,541,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$2,541,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for a corps of nurses located at
30 educational service districts, as determined by the superintendent of
31 public instruction, to be dispatched to the most needy schools to
32 provide direct care to students, health education, and training for
33 school staff.

34 (ii) \$50,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$50,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for a nonviolence and leadership
37 training program provided by the institute for community leadership.

38 (b) TECHNOLOGY

1 \$1,221,000 of the general fund--state appropriation for fiscal year
2 2012 and \$1,221,000 of the general fund--state appropriation for fiscal
3 year 2013 are provided solely for K-20 telecommunications network
4 technical support in the K-12 sector to prevent system failures and
5 avoid interruptions in school utilization of the data processing and
6 video-conferencing capabilities of the network. These funds may be
7 used to purchase engineering and advanced technical support for the
8 network.

9 (c) GRANTS AND ALLOCATIONS

10 (i) \$675,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$675,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for the Washington state achievers
13 scholarship program. The funds shall be used to support community
14 involvement officers that recruit, train, and match community volunteer
15 mentors with students selected as achievers scholars.

16 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$1,000,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for contracting with a college
19 scholarship organization with expertise in conducting outreach to
20 students concerning eligibility for the Washington college bound
21 scholarship consistent with chapter 405, Laws of 2007.

22 (iii) \$2,808,000 of the general fund--state appropriation for
23 fiscal year 2012 and \$2,808,000 of the general fund--state
24 appropriation for fiscal year 2013 are provided solely for the
25 dissemination of the navigation 101 curriculum to all districts. The
26 funding shall support electronic student planning tools and software
27 for analyzing the impact of navigation 101 on student performance, as
28 well as grants to a maximum of one hundred school districts each year,
29 based on progress and need for the implementation of the navigation 101
30 program. The implementation grants shall be awarded to a cross-section
31 of school districts reflecting a balance of geographic and demographic
32 characteristics. Within the amounts provided, the office of the
33 superintendent of public instruction will create a navigation 101
34 accountability model to analyze the impact of the program.

35 (iv) \$337,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$337,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for implementation of the building

1 bridges statewide program for comprehensive dropout prevention,
2 intervention, and reengagement strategies.

3 (v) \$135,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$135,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for dropout prevention programs at
6 the office of the superintendent of public instruction, including the
7 jobs for America's graduates (JAG) program.

8 (vi) \$500,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$1,400,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for the implementation of chapter
11 340, Laws of 2011 (assessment of students in state-funded full-day
12 kindergarten classrooms), including the development and implementation
13 of the Washington kindergarten inventory of developing skills (WaKIDS).
14 Of the amounts in this subsection, \$1,000,000 of the fiscal year 2013
15 appropriation is for the implementation of House Bill No. 2586
16 (kindergarten inventory). If the bill is not enacted by June 30, 2012,
17 this amount shall lapse.

18 (vii) \$2,000,000 of the general fund--state appropriation for
19 fiscal year 2013 is provided solely for an urban school turnaround
20 initiative as follows:

21 (A) The office of the superintendent of public instruction shall
22 select two schools in the largest urban school district in the state.
23 The selected schools shall be among the state's lowest-performing
24 schools; be located within the same community and form a continuum of
25 education for the students in that community; have significant
26 educational achievement gaps; and include a mix of elementary, middle,
27 or high schools.

28 (B) The office shall allocate the funds under this subsection
29 (2)(c)(vii) to the school district to be used exclusively in the
30 selected schools. The district may not charge an overhead or indirect
31 fee for the allocated funds or supplant other state, federal, or local
32 funds in the selected schools. The school district shall use the funds
33 for intensive supplemental instruction, services, and materials in the
34 selected schools, including but not limited to professional development
35 for school staff; updated curriculum, materials, and technology;
36 extended learning opportunities for students; reduced class size;
37 summer enrichment activities; school-based health clinics; and other
38 research-based initiatives to dramatically turn around the performance

1 and close the achievement gap in the schools. The office shall enter
 2 into an expenditure agreement with the school district under which any
 3 funds under this subsection (2)(c)(vii) remaining unspent on August 31,
 4 2015, shall be returned to the state. Priorities for the expenditure
 5 of the funds shall be determined by the leadership and staff of each
 6 school.

7 (C) The office shall monitor the activities in the selected schools
 8 and the expenditure of funds to ensure the intent of this subsection
 9 (2)(c)(vii) is met, and submit a report to the legislature by December
 10 1, 2013, including outcomes resulting from the urban school turnaround
 11 initiative. The report submitted to the legislature must include a
 12 comparison of student learning achievement in the selected schools with
 13 schools of comparable demographics that have not participated in the
 14 grant program.

15 (D) Funding provided in this subsection (2)(c)(vii) is intended to
 16 be one-time.

17 (viii) \$100,000 of the general fund--state appropriation for fiscal
 18 year 2013 is provided solely to subsidize advanced placement exam fees
 19 and international baccalaureate class fees and exam fees for low-income
 20 students. To be eligible for the subsidy, a student must be either
 21 enrolled or eligible to participate in the federal free or reduced
 22 price lunch program, and the student must have maximized the allowable
 23 federal contribution. The office of the superintendent of public
 24 instruction shall set the subsidy in an amount so that the advanced
 25 placement exam fee does not exceed \$15.00 and the combined class and
 26 exam fee for the international baccalaureate does not exceed \$14.50.

27 **Sec. 1502.** 2012 2nd sp.s. c 7 s 502 (uncodified) is amended to
 28 read as follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
 30 **APPORTIONMENT**

31	General Fund--State Appropriation (FY 2012)	\$5,241,233,000
32	General Fund--State Appropriation (FY 2013)	((\$5,170,854,000))
33		<u>\$5,139,496,000</u>
34	General Fund--Federal Appropriation	\$22,327,000
35	TOTAL APPROPRIATION	((\$10,434,414,000))
36		<u>\$10,403,056,000</u>

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

3 (1)(a) Each general fund fiscal year appropriation includes such
4 funds as are necessary to complete the school year ending in the fiscal
5 year and for prior fiscal year adjustments.

6 (b) For the 2011-12 and 2012-13 school years, the superintendent
7 shall allocate general apportionment funding to school districts as
8 provided in the funding formulas and salary schedules in sections 502
9 and 503 of this act, excluding (c) of this subsection.

10 (c) From July 1, 2011 to August 31, 2011, the superintendent shall
11 allocate general apportionment funding to school districts programs as
12 provided in sections 502 and 504, chapter 564, Laws of 2009, as amended
13 through sections 1402 and 1403 of this act.

14 (d) The appropriations in this section include federal funds
15 provided through section 101 of P.L. No. 111-226 (education jobs fund),
16 which shall be used to support general apportionment program funding.
17 In distributing general apportionment allocations under this section
18 for the 2011-12 school year, the superintendent shall include the
19 additional amount of \$3,327,000 allocated by the United States
20 department of education on September 16, 2011, provided through 101 of
21 P.L. No. 111-226 (education jobs fund) as part of each district's
22 general apportionment allocation.

23 (e) The enrollment of any district shall be the annual average
24 number of full-time equivalent students and part-time students as
25 provided in RCW 28A.150.350, enrolled on the fourth day of school in
26 September and on the first school day of each month October through
27 June, including students who are in attendance pursuant to RCW
28 28A.335.160 and 28A.225.250 who do not reside within the servicing
29 school district. Any school district concluding its basic education
30 program in May must report the enrollment of the last school day held
31 in May in lieu of a June enrollment.

32 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

33 Allocations for certificated instructional staff salaries for the
34 2011-12 and 2012-13 school years are determined using formula-generated
35 staff units calculated pursuant to this subsection.

36 (a) Certificated instructional staff units, as defined in RCW
37 28A.150.410, shall be allocated to reflect the minimum class size
38 allocations, requirements, and school prototypes assumptions as

1 provided in RCW 28A.150.260. The superintendent shall make allocations
2 to school districts based on the district's annual average full-time
3 equivalent student enrollment in each grade.

4 (b) Additional certificated instructional staff units provided in
5 this subsection (2) that exceed the minimum requirements in RCW
6 28A.150.260 are enhancements outside the program of basic education,
7 except as otherwise provided in this section.

8 (c)(i) The superintendent shall base allocations for each level of
9 prototypical school on the following regular education average class
10 size of full-time equivalent students per teacher, except as provided
11 in (c)(ii) of this subsection:

General education class size:		
Grade		RCW 28A.150.260
Grades K-3	.....	25.23
Grade 4	.....	27.00
Grades 5-6	.....	27.00
Grades 7-8	.....	28.53
Grades 9-12	.....	28.74

19 The superintendent shall base allocations for career and technical
20 education (CTE) and skill center programs average class size as
21 provided in RCW 28A.150.260.

22 (ii) For each level of prototypical school at which more than fifty
23 percent of the students were eligible for free and reduced-price meals
24 in the prior school year, the superintendent shall allocate funding
25 based on the following average class size of full-time equivalent
26 students per teacher:

General education class size in high poverty school:		
Grades		
Grades K-3	.....	24.10
Grade 4	.....	27.00
Grades 5-6	.....	27.00
Grades 7-8	.....	28.53

2 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
3 planning period, expressed as a percentage of a teacher work day, is
4 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

5 (iv) Laboratory science, advanced placement, and international
6 baccalaureate courses are funded at the same class size assumptions as
7 general education schools in the same grade; and

8 (d)(i) Funding for teacher librarians, school nurses, social
9 workers, school psychologists, and guidance counselors is allocated
10 based on the school prototypes as provided in RCW 28A.150.260 and is
11 considered certificated instructional staff, except as provided in
12 (d)(ii) of this subsection.

13 (ii) Students in approved career and technical education and skill
14 center programs generate certificated instructional staff units to
15 provide for the services of teacher librarians, school nurses, social
16 workers, school psychologists, and guidance counselors at the following
17 combined rate per 1000 students:

18	Career and Technical Education	
19	students	2.02 per 1000 student FTE's
20	Skill Center students	2.36 per 1000 student FTE's

21 (3) ADMINISTRATIVE STAFF ALLOCATIONS

22 (a) Allocations for school building-level certificated
23 administrative staff salaries for the 2011-12 and 2012-13 school years
24 for general education students are determined using the formula-
25 generated staff units provided in RCW 28A.150.260, and adjusted based
26 on a district's annual average full-time equivalent student enrollment
27 in each grade.

28 (b) Students in approved career and technical education and skill
29 center programs generate certificated school building-level
30 administrator staff units at per student rates that exceed the general
31 education rate in (a) of this subsection by the following percentages:

32	Career and Technical Education students	2.5 percent
33	Skill Center students	19.75 percent

34 (4) CLASSIFIED STAFF ALLOCATIONS

1 Allocations for classified staff units providing school building-
2 level and district-wide support services for the 2011-12 and 2012-13
3 school years are determined using the formula-generated staff units
4 provided in RCW 28A.150.260, and adjusted based on each district's
5 annual average full-time equivalent student enrollment in each grade.

6
7 (5) CENTRAL OFFICE ALLOCATIONS

8 In addition to classified and administrative staff units allocated
9 in subsections (3) and (4) of this section, classified and
10 administrative staff units are provided for the 2011-12 and 2012-13
11 school year for the central office administrative costs of operating a
12 school district, at the following rates:

13 (a) The total central office staff units provided in this
14 subsection (5) are calculated by first multiplying the total number of
15 eligible certificated instructional, certificated administrative, and
16 classified staff units providing school-based or district-wide support
17 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

18 (b) Of the central office staff units calculated in (a) of this
19 subsection, 74.53 percent are allocated as classified staff units, as
20 generated in subsection (4) of this section, and 25.47 percent shall be
21 allocated as administrative staff units, as generated in subsection (3)
22 of this section.

23 (c) Staff units generated as enhancements outside the program of
24 basic education to the minimum requirements of RCW 28A.150.260, and
25 staff units generated by skill center and career-technical students,
26 are excluded from the total central office staff units calculation in
27 (a) of this subsection.

28 (d) For students in approved career-technical and skill center
29 programs, central office classified units are allocated at the same
30 staff unit per student rate as those generated for general education
31 students of the same grade in this subsection (5), and central office
32 administrative staff units are allocated at staff unit per student
33 rates that exceed the general education rate established for students
34 in the same grade in this subsection (5) by 3.69 percent for career and
35 technical education students, and 21.92 percent for skill center
36 students.

37 (6) FRINGE BENEFIT ALLOCATIONS

38 Fringe benefit allocations shall be calculated at a rate of 16.33
39 percent in the 2011-12 school year and 16.34 percent in the 2012-13

1 school year for certificated salary allocations provided under
 2 subsections (2), (3), and (5) of this section, and a rate of 18.73
 3 percent in the 2011-12 school year and 18.73 percent in the 2012-13
 4 school year for classified salary allocations provided under
 5 subsections (4) and (5) of this section.

6
 7 (7) INSURANCE BENEFIT ALLOCATIONS

8 Insurance benefit allocations shall be calculated at the
 9 maintenance rate specified in section 504 of this act, based on the
 10 number of benefit units determined as follows:

11 (a) The number of certificated staff units determined in
 12 subsections (2), (3), and (5) of this section; and

13 (b) The number of classified staff units determined in subsections
 14 (4) and (5) of this section multiplied by 1.152. This factor is
 15 intended to adjust allocations so that, for the purposes of
 16 distributing insurance benefits, full-time equivalent classified
 17 employees may be calculated on the basis of 1440 hours of work per
 18 year, with no individual employee counted as more than one full-time
 19 equivalent.

20 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

21 Funding is allocated per annual average full-time equivalent
 22 student for the materials, supplies, and operating costs (MSOC)
 23 incurred by school districts, consistent with the requirements of RCW
 24 28A.150.260.

25 (a) MSOC funding for general education students are allocated at
 26 the following per student rates:

27 MSOC RATES/STUDENT FTE

28	29 MSOC Component	30 2011-12 SCHOOL YEAR	31 2012-13 SCHOOL YEAR
32	Technology	\$57.42	\$58.28
33	Utilities and Insurance	\$156.03	\$158.37
34	Curriculum and Textbooks	\$61.65	\$62.58
35	Other Supplies and Library Materials	\$130.89	\$132.85

1	Instructional Professional Development for Certificated		
2	and Classified Staff	\$9.53	\$9.68
3	Facilities Maintenance	\$77.30	\$78.46
4	Security and Central Office	\$53.55	\$54.35
5	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	\$554.57

6 (b) Students in approved skill center programs generate per student
7 FTE MSOC allocations which equal the rate for general education
8 students calculated in (a) of this subsection, multiplied by a factor
9 of 2.171.

10 (c) Students in approved exploratory and preparatory career and
11 technical education programs generate a per student MSOC allocation
12 that is equal to the rate for general education students calculated in
13 (a) of this subsection, multiplied by a factor of 2.442.

14 (d) Students in laboratory science courses generate per student FTE
15 MSOC allocations which equal the per student FTE rate for general
16 education students established in (a) of this subsection.

17 (9) SUBSTITUTE TEACHER ALLOCATIONS

18 For the 2011-12 and 2012-13 school years, funding for substitute
19 costs for classroom teachers is based on four (4) funded substitute
20 days per classroom teacher unit generated under subsection (2) of this
21 section, at a daily substitute rate of \$151.86.

22 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

23 (a) Amounts provided in this section are adjusted to reflect
24 provisions of House Bill No. 2065 (allocation of funding for funding
25 for students enrolled in alternative learning experiences).

26 (b) The superintendent of public instruction shall require all
27 districts receiving general apportionment funding for alternative
28 learning experience (ALE) programs as defined in WAC 392-121-182 to
29 provide separate financial accounting of expenditures for the ALE
30 programs offered in district or with a provider, including but not
31 limited to private companies and multidistrict cooperatives, as well as
32 accurate, monthly headcount and FTE enrollment claimed for basic
33 education, including separate counts of resident and nonresident
34 students.

35 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

1 Funding in this section is sufficient to fund voluntary full day
2 kindergarten programs in qualifying high poverty schools, pursuant to
3 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
4 for the voluntary full-day program in a qualifying school shall count
5 as one-half of one full-time equivalent student for purpose of making
6 allocations under this section. Funding in this section provides full-
7 day kindergarten programs for 21 percent of kindergarten enrollment in
8 the 2011-12 school year, and 22 percent in the 2012-13 school year.
9 Funding priority shall be given to schools with the highest poverty
10 levels, as measured by prior year free and reduced price lunch
11 eligibility rates in each school. Funding in this section is
12 sufficient to fund voluntary full day kindergarten programs for July
13 and August of the 2010-11 school year.

14 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
15 NECESSARY PLANTS

16 For small school districts and remote and necessary school plants
17 within any district which have been judged to be remote and necessary
18 by the superintendent of public instruction, additional staff units are
19 provided to ensure a minimum level of staffing support. Additional
20 administrative and certificated instructional staff units provided to
21 districts in this subsection shall be reduced by the general education
22 staff units, excluding career and technical education and skills center
23 enhancement units, otherwise provided in subsections (2) through (5) of
24 this section on a per district basis.

25 (a) For districts enrolling not more than twenty-five average
26 annual full-time equivalent students in grades K-8, and for small
27 school plants within any school district which have been judged to be
28 remote and necessary by the superintendent of public instruction and
29 enroll not more than twenty-five average annual full-time equivalent
30 students in grades K-8:

31 (i) For those enrolling no students in grades 7 and 8, 1.76
32 certificated instructional staff units and 0.24 certificated
33 administrative staff units for enrollment of not more than five
34 students, plus one-twentieth of a certificated instructional staff unit
35 for each additional student enrolled; and

36 (ii) For those enrolling students in grades 7 or 8, 1.68
37 certificated instructional staff units and 0.32 certificated

1 administrative staff units for enrollment of not more than five
2 students, plus one-tenth of a certificated instructional staff unit for
3 each additional student enrolled;

4 (b) For specified enrollments in districts enrolling more than
5 twenty-five but not more than one hundred average annual full-time
6 equivalent students in grades K-8, and for small school plants within
7 any school district which enroll more than twenty-five average annual
8 full-time equivalent students in grades K-8 and have been judged to be
9 remote and necessary by the superintendent of public instruction:

10 (i) For enrollment of up to sixty annual average full-time
11 equivalent students in grades K-6, 2.76 certificated instructional
12 staff units and 0.24 certificated administrative staff units; and

13 (ii) For enrollment of up to twenty annual average full-time
14 equivalent students in grades 7 and 8, 0.92 certificated instructional
15 staff units and 0.08 certificated administrative staff units;

16 (c) For districts operating no more than two high schools with
17 enrollments of less than three hundred average annual full-time
18 equivalent students, for enrollment in grades 9-12 in each such school,
19 other than alternative schools, except as noted in this subsection:

20 (i) For remote and necessary schools enrolling students in any
21 grades 9-12 but no more than twenty-five average annual full-time
22 equivalent students in grades K-12, four and one-half certificated
23 instructional staff units and one-quarter of a certificated
24 administrative staff unit;

25 (ii) For all other small high schools under this subsection, nine
26 certificated instructional staff units and one-half of a certificated
27 administrative staff unit for the first sixty average annual full-time
28 equivalent students, and additional staff units based on a ratio of
29 0.8732 certificated instructional staff units and 0.1268 certificated
30 administrative staff units per each additional forty-three and one-half
31 average annual full-time equivalent students;

32 (iii) Districts receiving staff units under this subsection shall
33 add students enrolled in a district alternative high school and any
34 grades nine through twelve alternative learning experience programs
35 with the small high school enrollment for calculations under this
36 subsection;

37 (d) For each nonhigh school district having an enrollment of more
38 than seventy annual average full-time equivalent students and less than

1 one hundred eighty students, operating a grades K-8 program or a grades
2 1-8 program, an additional one-half of a certificated instructional
3 staff unit;

4 (e) For each nonhigh school district having an enrollment of more
5 than fifty annual average full-time equivalent students and less than
6 one hundred eighty students, operating a grades K-6 program or a grades
7 1-6 program, an additional one-half of a certificated instructional
8 staff unit;

9 (f)(i) For enrollments generating certificated staff unit
10 allocations under (a) through (e) of this subsection, one classified
11 staff unit for each 2.94 certificated staff units allocated under such
12 subsections;

13 (ii) For each nonhigh school district with an enrollment of more
14 than fifty annual average full-time equivalent students and less than
15 one hundred eighty students, an additional one-half of a classified
16 staff unit; and

17 (g) School districts receiving additional staff units to support
18 small student enrollments and remote and necessary plants under
19 subsection (12) of this section shall generate additional MSOC
20 allocations consistent with the nonemployee related costs (NERC)
21 allocation formula in place for the 2010-11 school year as provided
22 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental
23 budget), adjusted annually for inflation.

24 (13) Any school district board of directors may petition the
25 superintendent of public instruction by submission of a resolution
26 adopted in a public meeting to reduce or delay any portion of its basic
27 education allocation for any school year. The superintendent of public
28 instruction shall approve such reduction or delay if it does not impair
29 the district's financial condition. Any delay shall not be for more
30 than two school years. Any reduction or delay shall have no impact on
31 levy authority pursuant to RCW 84.52.0531 and local effort assistance
32 pursuant to chapter 28A.500 RCW.

33 (14) The superintendent may distribute funding for the following
34 programs outside the basic education formula during fiscal years 2012
35 and 2013 as follows:

36 (a) \$589,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$598,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for fire protection for school
2 districts located in a fire protection district as now or hereafter
3 established pursuant to chapter 52.04 RCW.

4 (b) \$436,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$436,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for programs providing skills
7 training for secondary students who are enrolled in extended day
8 school-to-work programs, as approved by the superintendent of public
9 instruction. The funds shall be allocated at a rate not to exceed \$500
10 per full-time equivalent student enrolled in those programs.

11 (c) Funding in this section is sufficient to fund adjustments to
12 school districts' allocations resulting from the implementation of the
13 prototypical school funding formula, pursuant to chapter 236, Laws of
14 2010 (K-12 education funding). The funding in this section is intended
15 to hold school districts harmless in total for funding changes
16 resulting from conversion to the prototypical school formula in the
17 general apportionment program, the learning assistance program, the
18 transitional bilingual program, and the highly capable program, after
19 adjustment for changes in enrollment and other caseload adjustments.

20 (15) \$208,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$211,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for school district emergencies as
23 certified by the superintendent of public instruction. At the close of
24 the fiscal year the superintendent of public instruction shall report
25 to the office of financial management and the appropriate fiscal
26 committees of the legislature on the allocations provided to districts
27 and the nature of the emergency.

28 (16) Funding in this section is sufficient to fund a maximum of
29 1.6 FTE enrollment for skills center students pursuant to chapter 463,
30 Laws of 2007.

31 (17) Beginning in the 2011-12 school year, students participating
32 in running start programs may be funded up to a combined maximum
33 enrollment of 1.2 FTE including school district and institution of
34 higher education enrollment. In calculating the combined 1.2 FTE, the
35 office of the superintendent of public instruction may average the
36 participating student's September through June enrollment to account
37 for differences in the start and end dates for courses provided by the
38 high school and higher education institution. Additionally, the office

1 of the superintendent of public instruction, in consultation with the
2 state board for community and technical colleges, the higher education
3 coordinating board, and the education data center, shall annually track
4 and report to the fiscal committees of the legislature on the combined
5 FTE experience of students participating in the running start program,
6 including course load analyses at both the high school and community
7 and technical college system.

8 (18) If two or more school districts consolidate and each district
9 was receiving additional basic education formula staff units pursuant
10 to subsection (12) of this section, the following apply:

11 (a) For three school years following consolidation, the number of
12 basic education formula staff units shall not be less than the number
13 of basic education formula staff units received by the districts in the
14 school year prior to the consolidation; and

15 (b) For the fourth through eighth school years following
16 consolidation, the difference between the basic education formula staff
17 units received by the districts for the school year prior to
18 consolidation and the basic education formula staff units after
19 consolidation pursuant to subsection (12) of this section shall be
20 reduced in increments of twenty percent per year.

21 (19)(a) Indirect cost charges by a school district to approved
22 career and technical education middle and secondary programs shall not
23 exceed 15 percent of the combined basic education and career and
24 technical education program enhancement allocations of state funds.
25 Middle and secondary career and technical education programs are
26 considered separate programs for funding and financial reporting
27 purposes under this section.

28 (b) Career and technical education program full-time equivalent
29 enrollment shall be reported on the same monthly basis as the
30 enrollment for students eligible for basic support, and payments shall
31 be adjusted for reported career and technical education program
32 enrollments on the same monthly basis as those adjustments for
33 enrollment for students eligible for basic support.

34 **Sec. 1503.** 2012 2nd sp.s. c 7 s 505 (uncodified) is amended to
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**
37 General Fund--State Appropriation (FY 2012) \$322,243,000

1 General Fund--State Appropriation (FY 2013) (~~(\$273,642,000)~~)
2 \$273,893,000
3 TOTAL APPROPRIATION (~~(\$595,885,000)~~)
4 \$596,136,000

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

7 (1) Each general fund fiscal year appropriation includes such funds
8 as are necessary to complete the school year ending in the fiscal year
9 and for prior fiscal year adjustments.

10 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
11 shall allocate funding to school district programs for the
12 transportation of students as provided in RCW 28A.160.192.

13 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
14 allocate funding to school districts programs for the transportation of
15 students as provided in section 505, chapter 564, Laws of 2009, as
16 amended through section 1404 of this act.

17 (3) Any amounts appropriated for maintenance level funding for
18 pupil transportation that exceed actual maintenance level expenditures
19 as calculated under the funding formula that takes effect September 1,
20 2011, shall be distributed to districts according to RCW
21 28A.160.192(2)(b).

22 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation
23 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be
24 expended for regional transportation coordinators and related
25 activities. The transportation coordinators shall ensure that data
26 submitted by school districts for state transportation funding shall,
27 to the greatest extent practical, reflect the actual transportation
28 activity of each district.

29 (5) The office of the superintendent of public instruction shall
30 provide reimbursement funding to a school district for school bus
31 purchases only after the superintendent of public instruction
32 determines that the school bus was purchased from the list established
33 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
34 based on the lowest price quote based on similar bus categories to
35 those used to establish the list pursuant to RCW 28A.160.195.

36 (6) The superintendent of public instruction shall base
37 depreciation payments for school district buses on the pre-sales tax
38 five-year average of lowest bids in the appropriate category of bus.

1 In the final year on the depreciation schedule, the depreciation
2 payment shall be based on the lowest bid in the appropriate bus
3 category for that school year.

4 (7) Funding levels in this section reflect waivers granted by the
5 state board of education for four-day school weeks as allowed under RCW
6 28A.305.141.

7 (8) Starting with the 2012-13 school year, the office of the
8 superintendent of public instruction shall disburse payments for bus
9 depreciation in August.

10 **Sec. 1504.** 2011 2nd sp.s. c 9 s 506 (uncodified) is amended to
11 read as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
13 **PROGRAMS**

14	General Fund--State Appropriation (FY 2012)	\$7,111,000
15	General Fund--State Appropriation (FY 2013)	\$7,111,000
16	General Fund--Federal Appropriation	(\$436,400,000)
17		<u>\$506,000,000</u>
18	TOTAL APPROPRIATION	(\$450,622,000)
19		<u>\$520,222,000</u>

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

22 (1) \$7,111,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$7,111,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for state matching money for
25 federal child nutrition programs, and may support the meals for kids
26 program through the following allowable uses:

27 (a) Elimination of breakfast copays for eligible public school
28 students and lunch copays for eligible public school students in grades
29 kindergarten through third grade who are eligible for reduced price
30 lunch;

31 (b) Assistance to school districts and authorized public and
32 private nonprofit organizations for supporting summer food service
33 programs, and initiating new summer food service programs in low-income
34 areas;

35 (c) Reimbursements to school districts for school breakfasts served
36 to students eligible for free and reduced price lunch, pursuant to
37 chapter 287, Laws of 2005; and

1 (d) Assistance to school districts in initiating and expanding
2 school breakfast programs.

3 The office of the superintendent of public instruction shall report
4 annually to the fiscal committees of the legislature on annual
5 expenditures in (a), (b), and (c) of this subsection.

6 **Sec. 1505.** 2012 2nd sp.s. c 7 s 506 (uncodified) is amended to
7 read as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
9 **PROGRAMS**

10	General Fund--State Appropriation (FY 2012)	\$648,369,000
11	General Fund--State Appropriation (FY 2013)	(\$679,832,000)
12		<u>\$659,919,000</u>
13	General Fund--Federal Appropriation	(\$486,922,000)
14		<u>\$499,922,000</u>
15	Education Legacy Trust Account--State Appropriation	\$756,000
16	TOTAL APPROPRIATION	(\$1,815,879,000)
17		<u>\$1,808,966,000</u>

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

20 (1) Funding for special education programs is provided on an excess
21 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
22 that special education students as a class receive their full share of
23 the general apportionment allocation accruing through sections 502 and
24 504 of this act. To the extent a school district cannot provide an
25 appropriate education for special education students under chapter
26 28A.155 RCW through the general apportionment allocation, it shall
27 provide services through the special education excess cost allocation
28 funded in this section.

29 (2)(a) The superintendent of public instruction shall ensure that:

30 (i) Special education students are basic education students first;

31 (ii) As a class, special education students are entitled to the
32 full basic education allocation; and

33 (iii) Special education students are basic education students for
34 the entire school day.

35 (b) The superintendent of public instruction shall continue to
36 implement the full cost method of excess cost accounting, as designed

1 by the committee and recommended by the superintendent, pursuant to
2 section 501(1)(k), chapter 372, Laws of 2006.

3 (c) Beginning with the 2010-11 school year award cycle, the office
4 of the superintendent of public instruction shall make award
5 determinations for state safety net funding in August of each school
6 year. Determinations on school district eligibility for state safety
7 net awards shall be based on analysis of actual expenditure data from
8 the current school year.

9 (3) Each fiscal year appropriation includes such funds as are
10 necessary to complete the school year ending in the fiscal year and for
11 prior fiscal year adjustments.

12 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
13 shall allocate funding to school district programs for special
14 education students as provided in RCW 28A.150.390.

15 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
16 allocate funding to school district programs for special education
17 students as provided in section 507, chapter 564, Laws of 2009, as
18 amended through section 1406 of this act.

19 (5) The following applies throughout this section: The definitions
20 for enrollment and enrollment percent are as specified in RCW
21 28A.150.390(3). Each district's general fund--state funded special
22 education enrollment shall be the lesser of the district's actual
23 enrollment percent or 12.7 percent.

24 (6) At the request of any interdistrict cooperative of at least 15
25 districts in which all excess cost services for special education
26 students of the districts are provided by the cooperative, the maximum
27 enrollment percent shall be calculated in accordance with RCW
28 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
29 rather than individual district units. For purposes of this
30 subsection, the average basic education allocation per full-time
31 equivalent student shall be calculated in the aggregate rather than
32 individual district units.

33 (7) \$8,914,000 of the general fund--state appropriation for fiscal
34 year 2012, (~~(\$34,200,000)~~) \$9,469,000 of the general fund--state
35 appropriation for fiscal year 2013, and (~~(\$29,574,000)~~) \$32,574,000 of
36 the general fund--federal appropriation are provided solely for safety
37 net awards for districts with demonstrated needs for special education
38 funding beyond the amounts provided in subsection (4) of this section.

1 If the federal safety net awards based on the federal eligibility
2 threshold exceed the federal appropriation in this subsection (7) in
3 any fiscal year, the superintendent shall expend all available federal
4 discretionary funds necessary to meet this need. At the conclusion of
5 each school year, the superintendent shall recover safety net funds
6 that were distributed prospectively but for which districts were not
7 subsequently eligible.

8 (a) For the 2011-12 and 2012-13 school years, safety net funds
9 shall be awarded by the state safety net oversight committee as
10 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

11 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
12 operate the safety net oversight committee and shall award safety net
13 funds as provided in section 507, chapter 564, Laws of 2009, as amended
14 through section 1406 of this act.

15 (8) A maximum of \$678,000 may be expended from the general fund--
16 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
17 full-time equivalent aides at children's orthopedic hospital and
18 medical center. This amount is in lieu of money provided through the
19 home and hospital allocation and the special education program.

20 (9) The superintendent shall maintain the percentage of federal
21 flow-through to school districts at 85 percent. In addition to other
22 purposes, school districts may use increased federal funds for high-
23 cost students, for purchasing regional special education services from
24 educational service districts, and for staff development activities
25 particularly relating to inclusion issues.

26 (10) A school district may carry over from one year to the next
27 year up to 10 percent of the general fund--state funds allocated under
28 this program; however, carryover funds shall be expended in the special
29 education program.

30 (11) \$251,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$251,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for two additional full-time
33 equivalent staff to support the work of the safety net committee and to
34 provide training and support to districts applying for safety net
35 awards.

36 (12) \$50,000 of the general fund--state appropriation for fiscal
37 year 2012, \$50,000 of the general fund--state appropriation for fiscal

1 year 2013, and \$100,000 of the general fund--federal appropriation
2 shall be expended to support a special education ombudsman program
3 within the office of superintendent of public instruction.

4 **Sec. 1506.** 2012 2nd sp.s. c 7 s 507 (uncodified) is amended to
5 read as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
7 **DISTRICTS**

8	General Fund--State Appropriation (FY 2012)	\$7,894,000
9	General Fund--State Appropriation (FY 2013)	(\$7,912,000)
10		<u>\$7,895,000</u>
11	TOTAL APPROPRIATION	(\$15,806,000)
12		<u>\$15,789,000</u>

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

15 (1) The educational service districts shall continue to furnish
16 financial services required by the superintendent of public instruction
17 and RCW 28A.310.190 (3) and (4).

18 (2) Funding within this section is provided for regional
19 professional development related to mathematics and science curriculum
20 and instructional strategies. Funding shall be distributed among the
21 educational service districts in the same proportion as distributions
22 in the 2007-2009 biennium. Each educational service district shall use
23 this funding solely for salary and benefits for a certificated
24 instructional staff with expertise in the appropriate subject matter
25 and in professional development delivery, and for travel, materials,
26 and other expenditures related to providing regional professional
27 development support.

28 (3) The educational service districts, at the request of the state
29 board of education pursuant to RCW 28A.310.010 and ~~((28A.310.340))~~
30 28A.305.130, may receive and screen applications for school
31 accreditation, conduct school accreditation site visits pursuant to
32 state board of education rules, and submit to the state board of
33 education post-site visit recommendations for school accreditation.
34 The educational service districts may assess a cooperative service fee
35 to recover actual plus reasonable indirect costs for the purposes of
36 this subsection.

1 **Sec. 1507.** 2012 2nd sp.s. c 7 s 508 (uncodified) is amended to
2 read as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
4 **ASSISTANCE**

5	General Fund--State Appropriation (FY 2012)	\$300,768,000
6	General Fund--State Appropriation (FY 2013)	(\$298,166,000)
7		<u>\$299,537,000</u>
8	General Fund--Federal Appropriation	\$4,400,000
9	TOTAL APPROPRIATION	(\$603,334,000)
10		<u>\$604,705,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: For purposes of RCW 84.52.0531, the
13 increase per full-time equivalent student is 3 percent from the 2010-11
14 school year to the 2011-12 school year and 5 percent from the 2011-12
15 school year to the 2012-13 school year.

16 **Sec. 1508.** 2012 2nd sp.s. c 7 s 509 (uncodified) is amended to
17 read as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
19 **EDUCATION PROGRAMS**

20	General Fund--State Appropriation (FY 2012)	\$16,694,000
21	General Fund--State Appropriation (FY 2013)	(\$15,867,000)
22		<u>\$14,547,000</u>
23	TOTAL APPROPRIATION	(\$32,561,000)
24		<u>\$31,241,000</u>

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

27 (1) Each general fund--state fiscal year appropriation includes
28 such funds as are necessary to complete the school year ending in the
29 fiscal year and for prior fiscal year adjustments.

30 (2) State funding provided under this section is based on salaries
31 and other expenditures for a 220-day school year. The superintendent
32 of public instruction shall monitor school district expenditure plans
33 for institutional education programs to ensure that districts plan for
34 a full-time summer program.

35 (3) State funding for each institutional education program shall be
36 based on the institution's annual average full-time equivalent student

1 enrollment. Staffing ratios for each category of institution shall
2 remain the same as those funded in the 1995-97 biennium.

3 (4) The funded staffing ratios for education programs for juveniles
4 age 18 or less in department of corrections facilities shall be the
5 same as those provided in the 1997-99 biennium.

6 (5) \$586,000 of the general fund--state appropriation for fiscal
7 year 2012 and (~~(\$549,000)~~) \$899,000 of the general fund--state
8 appropriation for fiscal year 2013 are provided solely to maintain at
9 least one certificated instructional staff and related support services
10 at an institution whenever the K-12 enrollment is not sufficient to
11 support one full-time equivalent certificated instructional staff to
12 furnish the educational program. The following types of institutions
13 are included: Residential programs under the department of social and
14 health services for developmentally disabled juveniles, programs for
15 juveniles under the department of corrections, programs for juveniles
16 under the juvenile rehabilitation administration, and programs for
17 juveniles operated by city and county jails.

18 (6) Ten percent of the funds allocated for each institution may be
19 carried over from one year to the next.

20 **Sec. 1509.** 2012 2nd sp.s. c 7 s 510 (uncodified) is amended to
21 read as follows:

22 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

23	General Fund--State Appropriation (FY 2012)	\$8,745,000
24	General Fund--State Appropriation (FY 2013)	((\$8,788,000))
25		<u>\$9,159,000</u>
26	TOTAL APPROPRIATION	((\$17,533,000))
27		<u>\$17,904,000</u>

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

30 (1) Each general fund fiscal year appropriation includes such funds
31 as are necessary to complete the school year ending in the fiscal year
32 and for prior fiscal year adjustments.

33 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
34 shall allocate funding to school district programs for highly capable
35 students as provided in RCW 28A.150.260(10)(c). In calculating the
36 allocations, the superintendent shall assume the following: (i)
37 Additional instruction of 2.1590 hours per week per funded highly

1 capable program student; (ii) fifteen highly capable program students
2 per teacher; (iii) 36 instructional weeks per year; (iv) 900
3 instructional hours per teacher; and (v) the district's average staff
4 mix and compensation rates as provided in sections 503 and 504 of this
5 act.

6 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
7 allocate funding to school districts programs for highly capable
8 students as provided in section 511, chapter 564, Laws of 2009, as
9 amended through section 1409 of this act.

10 (3) \$85,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$85,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for the centrum program at Fort
13 Worden state park.

14 **Sec. 1510.** 2012 2nd sp.s. c 7 s 511 (uncodified) is amended to
15 read as follows:

16 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
17 **PROGRAMS**

18	General Fund--State Appropriation (FY 2012)	\$58,078,000
19	General Fund--State Appropriation (FY 2013)	(\$103,655,000)
20		<u>\$103,455,000</u>
21	General Fund--Federal Appropriation	(\$219,147,000)
22		<u>\$221,147,000</u>
23	General Fund--Private/Local Appropriation	\$4,000,000
24	Education Legacy Trust Account--State Appropriation	\$1,596,000
25	TOTAL APPROPRIATION	(\$386,476,000)
26		<u>\$388,276,000</u>

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

- 29 (1) \$40,822,000 of the general fund--state appropriation for fiscal
30 year 2012, \$41,614,000 of the general fund--state appropriation for
31 fiscal year 2013, \$1,350,000 of the education legacy trust
32 account--state appropriation, and \$15,868,000 of the general fund--
33 federal appropriation are provided solely for development and
34 implementation of the Washington state assessment system, including:
35 (a) Development and implementation of retake assessments for high
36 school students who are not successful in one or more content areas and
37 (b) development and implementation of alternative assessments or

1 appeals procedures to implement the certificate of academic
2 achievement. The superintendent of public instruction shall report
3 quarterly on the progress on development and implementation of
4 alternative assessments or appeals procedures. Within these amounts,
5 the superintendent of public instruction shall contract for the early
6 return of 10th grade student assessment results, on or around June 10th
7 of each year. State funding shall be limited to one collection of
8 evidence payment per student, per content-area assessment.

9 (2) \$356,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$356,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for the Washington state
12 leadership and assistance for science education reform (LASER) regional
13 partnership activities coordinated at the Pacific science center,
14 including instructional material purchases, teacher and principal
15 professional development, and school and community engagement events.

16 (3) \$980,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$980,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for improving technology
19 infrastructure, monitoring and reporting on school district technology
20 development, promoting standards for school district technology,
21 promoting statewide coordination and planning for technology
22 development, and providing regional educational technology support
23 centers, including state support activities, under chapter 28A.650 RCW.

24 (4) \$3,852,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$2,624,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for continued implementation of
27 chapter 235, Laws of 2010 (education reform) including development of
28 new performance-based evaluation systems for certificated educators.

29 (5)(a) \$39,296,000 of the general fund--state appropriation for
30 fiscal year 2013 is provided solely for the following bonuses for
31 teachers who hold valid, unexpired certification from the national
32 board for professional teaching standards and who are teaching in a
33 Washington public school, subject to the following conditions and
34 limitations:

35 (i) For national board certified teachers, a bonus of \$5,090 per
36 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation
37 in each school year in which Initiative 732 cost of living adjustments
38 are provided;

1 (ii) An additional \$5,000 annual bonus shall be paid to national
2 board certified teachers who teach in either: (A) High schools where
3 at least 50 percent of student headcount enrollment is eligible for
4 federal free or reduced price lunch, (B) middle schools where at least
5 60 percent of student headcount enrollment is eligible for federal free
6 or reduced price lunch, or (C) elementary schools where at least 70
7 percent of student headcount enrollment is eligible for federal free or
8 reduced price lunch;

9 (iii) The superintendent of public instruction shall adopt rules to
10 ensure that national board certified teachers meet the qualifications
11 for bonuses under (a)(ii) of this subsection for less than one full
12 school year receive bonuses in a pro-rated manner. Beginning in the
13 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection
14 will be paid in July of each school year. Bonuses in (a)(i) and (ii)
15 of this subsection shall be reduced by a factor of 40 percent for first
16 year NBPTS certified teachers, to reflect the portion of the
17 instructional school year they are certified; and

18 (iv) During the 2011-12 and 2012-13 school years, and within
19 available funds, certificated instructional staff who have met the
20 eligibility requirements and have applied for certification from the
21 national board for professional teaching standards may receive a
22 conditional loan of two thousand dollars or the amount set by the
23 office of the superintendent of public instruction to contribute toward
24 the current assessment fee, not including the initial up-front
25 candidacy payment. The fee shall be an advance on the first annual
26 bonus under RCW 28A.405.415. The conditional loan is provided in
27 addition to compensation received under a district's salary schedule
28 and shall not be included in calculations of a district's average
29 salary and associated salary limitation under RCW 28A.400.200.
30 Recipients who fail to receive certification after three years are
31 required to repay the conditional loan. The office of the
32 superintendent of public instruction shall adopt rules to define the
33 terms for initial grant of the assessment fee and repayment, including
34 applicable fees. To the extent necessary, the superintendent may use
35 revenues from the repayment of conditional loan scholarships to ensure
36 payment of all national board bonus payments required by this section
37 in each school year.

1 (6) \$477,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$477,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the leadership internship
4 program for superintendents, principals, and program administrators.

5 (7) \$950,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$950,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for the Washington reading corps.
8 The superintendent shall allocate reading corps members to low-
9 performing schools and school districts that are implementing
10 comprehensive, proven, research-based reading programs. Two or more
11 schools may combine their Washington reading corps programs.

12 (8) \$810,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$810,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for the development of a
15 leadership academy for school principals and administrators. The
16 superintendent of public instruction shall contract with an independent
17 organization to design, field test, and implement a state-of-the-art
18 education leadership academy that will be accessible throughout the
19 state. Initial development of the content of the academy activities
20 shall be supported by private funds. Semiannually the independent
21 organization shall report on amounts committed by foundations and
22 others to support the development and implementation of this program.
23 Leadership academy partners shall include the state level organizations
24 for school administrators and principals, the superintendent of public
25 instruction, the professional educator standards board, and others as
26 the independent organization shall identify.

27 (9) \$3,234,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$3,234,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for grants to school districts to
30 provide a continuum of care for children and families to help children
31 become ready to learn. Grant proposals from school districts shall
32 contain local plans designed collaboratively with community service
33 providers. If a continuum of care program exists in the area in which
34 the school district is located, the local plan shall provide for
35 coordination with existing programs to the greatest extent possible.

36 (10) \$1,500,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$1,500,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for the implementation of chapter

1 288, Laws of 2011 (actual student success program), including
2 allocations to the opportunity internship program, the jobs for
3 America's graduates program, the building bridges program, services
4 provided by a college scholarship organization. Funding shall not be
5 used in the 2011-2013 fiscal biennium to provide awards for schools and
6 school districts.

7 (11) \$859,000 of the general fund--state appropriation for fiscal
8 year 2012, \$808,000 of the general fund--state appropriation for fiscal
9 year 2013, and \$248,000 of the education legacy trust account--state
10 appropriation are for administrative support of education reform
11 programs.

12 (12) \$2,000,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$2,000,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for a statewide information
15 technology (IT) academy program. This public-private partnership will
16 provide educational software, as well as IT certification and software
17 training opportunities for students and staff in public schools.

18 (13) \$977,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$1,077,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for secondary career and technical
21 education grants pursuant to chapter 170, Laws of 2008. If equally
22 matched by private donations, \$300,000 of the 2012 appropriation and
23 \$300,000 of the 2013 appropriation shall be used to support FIRST
24 robotics programs. Of the amounts in this subsection, \$100,000 of the
25 fiscal year 2013 appropriation is provided solely for the purpose of
26 statewide supervision activities for career and technical education
27 student leadership organizations.

28 (14) \$125,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$125,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for (a) staff at the office of the
31 superintendent of public instruction to coordinate and promote efforts
32 to develop integrated math, science, technology, and engineering
33 programs in schools and districts across the state; and (b) grants of
34 \$2,500 to provide twenty middle and high school teachers each year with
35 professional development training for implementing integrated math,
36 science, technology, and engineering programs in their schools.

37 (15) \$135,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$135,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for science, technology,
2 engineering and mathematics lighthouse projects, consistent with
3 chapter 238, Laws of 2010.

4 (16) \$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 a beginning educator support
7 program. School districts and/or regional consortia may apply for
8 grant funding. The superintendent shall implement this program in 5 to
9 15 school districts and/or regional consortia. The program provided by
10 a district and/or regional consortia shall include: A paid
11 orientation; assignment of a qualified mentor; development of a
12 professional growth plan for each beginning teacher aligned with
13 professional certification; release time for mentors and new teachers
14 to work together; and teacher observation time with accomplished peers.
15 \$250,000 may be used to provide statewide professional development
16 opportunities for mentors and beginning educators.

17 (17) \$5,767,000 of the general fund--state appropriation for fiscal
18 year 2013 is provided solely pursuant to Engrossed Substitute Senate
19 Bill No. 5895 (certificated employee evaluations). If the bill is not
20 enacted by June 30, 2012, the amount provided in this subsection shall
21 lapse.

22 (~~(19)~~) (18) \$250,000 of the general fund--state appropriation for
23 fiscal year 2013 is provided solely for advanced project lead the way
24 courses at ten high schools. To be eligible for funding, a high school
25 must have offered a foundational project lead the way course during the
26 2011-12 school year. The funding must be used for one-time start-up
27 course costs for an advanced project lead the way course, to be offered
28 to students beginning in the 2012-13 school year. The office of the
29 superintendent of public instruction and the education research and
30 data center at the office of financial management shall track student
31 participation and long-term outcome data.

32 (~~(20)~~) (19) \$150,000 of the general fund--state appropriation for
33 fiscal year 2013 is provided solely for aerospace and manufacturing
34 technical programs housed at two skill centers. The one-time funding
35 is provided for start-up equipment and curriculum purchases. To be
36 eligible for funding, the skill center must agree to provide regional
37 high schools with access to a technology laboratory, expand
38 manufacturing certificate and course offerings at the skill center, and

1 provide a laboratory space for local high school teachers to engage in
2 professional development in the instruction of courses leading to
3 student employment certification in the aerospace and manufacturing
4 industries. The office of the superintendent of public instruction
5 shall administer the grants in consultation with the center for
6 excellence for aerospace and advanced materials manufacturing.

7 ~~((+21+))~~ (20) \$300,000 of the general fund--state appropriation for
8 fiscal year 2013 is provided solely for start-up grants to twelve high
9 schools to implement the aerospace assembler program. Participating
10 high schools must agree to offer the aerospace assembler training
11 program to students by spring semester of school year 2012-13. The
12 office of the superintendent of public instruction and the education
13 research and data center at the office of financial management shall
14 track student participation and long-term outcome data.

15 **Sec. 1511.** 2012 2nd sp.s. c 7 s 512 (uncodified) is amended to
16 read as follows:

17 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
18 **BILINGUAL PROGRAMS**

19	General Fund--State Appropriation (FY 2012)	\$79,575,000
20	General Fund--State Appropriation (FY 2013)	(\$80,666,000)
21		<u>\$83,896,000</u>
22	General Fund--Federal Appropriation	\$71,001,000
23	TOTAL APPROPRIATION	(\$231,242,000)
24		<u>\$234,472,000</u>

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

27 (1) Each general fund fiscal year appropriation includes such funds
28 as are necessary to complete the school year ending in the fiscal year
29 and for prior fiscal year adjustments.

30 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
31 shall allocate funding to school districts for transitional bilingual
32 programs as provided in RCW 28A.150.260(10)(b). In calculating the
33 allocations, the superintendent shall assume the following averages:
34 (i) Additional instruction of 4.7780 hours per week per transitional
35 bilingual program student; (ii) fifteen transitional bilingual program
36 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
37

1 instructional hours per teacher; and (v) the district's average staff
2 mix and compensation rates as provided in sections 503 and 504 of this
3 act.

4 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
5 allocate funding to school districts for transitional bilingual
6 instruction programs as provided in section 514, chapter 564, Laws of
7 2009, as amended through section 1411 of this act.

8 (c) The allocations in this section reflect the implementation of
9 a new funding formula for the transitional bilingual instructional
10 program, effective September 1, 2011, as specified in RCW
11 28A.150.260(10)(b).

12 (3) The superintendent may withhold allocations to school districts
13 in subsection (2) of this section solely for the central provision of
14 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
15 following amounts: 2.79 percent for school year 2011-12 and 2.11
16 percent for school year 2012-13.

17 (4) The general fund--federal appropriation in this section is for
18 migrant education under Title I Part C and English language
19 acquisition, and language enhancement grants under Title III of the
20 elementary and secondary education act.

21 (5) In preparing its 2013-15 biennial budget request, the office of
22 the superintendent of public instruction shall prepare for
23 implementation of a funding model for the transitional bilingual
24 program, beginning in school year 2013-14, that is scaled to provide
25 more support to students requiring most intensive intervention,
26 (students with beginning levels of English language proficiency) and
27 less support to students requiring less intervention. The funding
28 model shall also provide up to two years of bonus funding upon
29 successful exit from the bilingual program to facilitate successful
30 transition to a standard program of education.

31 \$35,000 of the general fund--state appropriation for fiscal year
32 2012 and \$35,000 of the general fund--state appropriation for fiscal
33 year 2013 are provided solely to track current and former transitional
34 bilingual program students.

35 **Sec. 1512.** 2012 2nd sp.s. c 7 s 513 (uncodified) is amended to
36 read as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
2 **ASSISTANCE PROGRAM**

3	General Fund--State Appropriation (FY 2012)	\$102,619,000
4	General Fund--State Appropriation (FY 2013)	(\$128,779,000)
5		<u>\$127,422,000</u>
6	General Fund--Federal Appropriation	(\$492,207,000)
7		<u>\$506,207,000</u>
8	Education Legacy Trust Account--State	
9	Appropriation	\$23,990,000
10	TOTAL APPROPRIATION	(\$747,595,000)
11		<u>\$760,238,000</u>

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

14 (1) The general fund--state appropriations in this section are
15 subject to the following conditions and limitations:

16 (a) The appropriations include such funds as are necessary to
17 complete the school year ending in the fiscal year and for prior fiscal
18 year adjustments.

19 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent
20 shall allocate funding to school districts for learning assistance
21 programs as provided in RCW 28A.150.260(10)(a). In calculating the
22 allocations, the superintendent shall assume the following averages:
23 (A) Additional instruction of 1.51560 hours per week per funded
24 learning assistance program student; (B) fifteen learning assistance
25 program students per teacher; (C) 36 instructional weeks per year; (D)
26 900 instructional hours per teacher; and (E) the district's average
27 staff mix and compensation rates as provided in sections 503 and 504 of
28 this act.

29 (ii) From July 1, 2011, to August 31, 2011, the superintendent
30 shall allocate funding to school districts for learning assistance
31 programs as provided in section 515, chapter 564, Laws of 2009, as
32 amended through section 1412 of this act.

33 (c) A school district's funded students for the learning assistance
34 program shall be the sum of the district's full-time equivalent
35 enrollment in grades K-12 for the prior school year multiplied by the
36 district's percentage of October headcount enrollment in grades K-12
37 eligible for free or reduced price lunch in the prior school year.

1 (2) Allocations made pursuant to subsection (1) of this section
2 shall be adjusted to reflect ineligible applications identified through
3 the annual income verification process required by the national school
4 lunch program, as recommended in the report of the state auditor on the
5 learning assistance program dated February, 2010.

6 (3) The general fund--federal appropriation in this section is
7 provided for Title I Part A allocations of the no child left behind act
8 of 2001.

9 (4) A school district may carry over from one year to the next up
10 to 10 percent of the general fund-state or education legacy trust funds
11 allocated under this program; however, carryover funds shall be
12 expended for the learning assistance program.

13 (5) The office of the superintendent of public instruction shall
14 research and recommend options for an adjustment factor for middle
15 school and high school free and reduced price lunch eligibility
16 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
17 to the fiscal committees of the legislature by June 1, 2012. For the
18 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

19 **Sec. 1513.** 2012 2nd sp.s. c 7 s 514 (uncodified) is amended to
20 read as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

22 (1) Amounts distributed to districts by the superintendent through
23 part V of this act are for allocations purposes only and do not entitle
24 a particular district, district employee, or student to a specific
25 service, beyond what has been expressly provided in statute. Part V of
26 this act restates the requirements of various sections of Title 28A
27 RCW. If any conflict exists, the provisions of Title 28A RCW control
28 unless this act explicitly states that it is providing an enhancement.

29 Any amounts provided in part V of this act in excess of the amounts
30 required by Title 28A RCW provided in statute, are not within the
31 program of basic education.

32 (2) To the maximum extent practicable, when adopting new or revised
33 rules or policies relating to the administration of allocations in part
34 V of this act that result in fiscal impact, the office of the
35 superintendent of public instruction shall attempt to seek legislative
36 approval through the budget request process.

1 (3) Appropriations made in this act to the office of the
2 superintendent of public instruction shall initially be allotted as
3 required by this act. Subsequent allotment modifications shall not
4 include transfers of moneys between sections of this act except as
5 expressly provided in subsection (4) of this section.

6 (4) The appropriations to the office of the superintendent of
7 public instruction in this act shall be expended for the programs and
8 amounts specified in this act. However, after May 1, (~~(2012)~~) 2013,
9 unless specifically prohibited by this act and after approval by the
10 director of financial management, the superintendent of public
11 instruction may transfer state general fund appropriations for fiscal
12 year (~~(2012)~~) 2013 among the following programs to meet the
13 apportionment schedule for a specified formula in another of these
14 programs: General apportionment; employee compensation adjustments;
15 pupil transportation; special education programs; institutional
16 education programs; transitional bilingual programs; highly capable;
17 and learning assistance programs.

18 (5) The director of financial management shall notify the
19 appropriate legislative fiscal committees in writing prior to approving
20 any allotment modifications or transfers under this section.

(End of part)

PART XVI
HIGHER EDUCATION

Sec. 1601. 2012 2nd sp.s. c 7 s 602 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2012)	\$201,226,000
General Fund--State Appropriation (FY 2013)	\$201,612,000
Education Legacy Trust Account--State Appropriation	\$18,579,000
Economic Development Strategic Reserve Account--	
State Appropriation	\$1,500,000
Biotoxin Account--State Appropriation	(\$450,000)
	<u>\$350,000</u>
Accident Account--State Appropriation	\$6,681,000
Medical Aid Account--State Appropriation	\$6,488,000
TOTAL APPROPRIATION	(\$436,536,000)
	<u>\$436,436,000</u>

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) \$150,000 of the general fund--state appropriation for fiscal year 2012 and \$150,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the development of integrated medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to Washington State University for WWAMI program expansion in Spokane and eastern Washington.

(3) \$52,000 of the general fund--state appropriation for fiscal year 2012 and \$52,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the center for international trade in forest products in the college of forest resources.

(4) \$88,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for implementation of Engrossed Second

1 Substitute Senate Bill No. 5485 (state's natural resources). If the
2 bill is not enacted by June 30, 2011, the amount provided in this
3 subsection shall lapse.

4 (5) \$143,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$144,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the ongoing management of the
7 Washington park arboretum.

8 (6) \$3,800,000 of the general fund--state appropriation for fiscal
9 year 2013 is provided solely for an expansion in engineering
10 enrollments, including enrollments in the field of computer science.
11 Amounts provided in this subsection may be used only to cover direct
12 costs of instruction associated with this enrollment expansion. By
13 June 30, 2012, the university shall provide a report to the legislature
14 that provides specific detail on how these amounts will be spent. Each
15 September 1st thereafter, the university shall provide an updated
16 report that provides specific detail on how these amounts were spent in
17 the preceding twelve months.

18 (7) Amounts appropriated in this section are sufficient for the
19 university to conduct a comprehensive review of its tuition waiver
20 policies. The resulting report shall include an overview of tuition
21 waiver uses and costs (forgone revenue) and outcomes and any
22 recommendations for changes to tuition waiver policy and shall be
23 provided to the legislature no later than December 1, 2012.

24 (8) \$610,000 of the general fund--state appropriation for fiscal
25 year 2012 is provided solely to expand health sciences capacity at the
26 University of Washington for Washington, Wyoming, Alaska, Montana,
27 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for
28 fiscal year 2012 is provided solely to expand health sciences capacity
29 at the University of Washington for Regional Initiatives in Dental
30 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full
31 ramp-up of first-year medical students and dental students each year of
32 the four-year programs.

33 (9) The University of Washington shall not use funds appropriated
34 in this section to support intercollegiate athletics programs.

35 (10) Amounts appropriated in this section are sufficient to cover
36 the costs associated with the implementation of Engrossed Substitute
37 Senate Bill No. 6486 (collective bargaining for post-doctoral
38 researchers).

1 **Sec. 1602.** 2012 2nd sp.s. c 7 s 613 (uncodified) is amended to
2 read as follows:

3 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**
4 **ASSISTANCE**

5	General Fund--State Appropriation (FY 2013)	\$247,034,000
6	General Fund--Federal Appropriation	\$5,812,000
7	Washington Opportunity Pathways Account--State	
8	Appropriation	\$73,500,000
9	<u>Aerospace Training Student Loan Account--State</u>	
10	<u>Appropriation</u>	<u>\$12,000</u>
11	TOTAL APPROPRIATION	(((\$326,346,000))
12		<u>\$326,358,000</u>

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

15 (1) \$237,018,000 of the general fund--state appropriation for
16 fiscal year 2013, and \$73,500,000 of the opportunity pathways account--
17 state appropriation are provided solely for student financial aid
18 payments under the state need grant and the state work study programs
19 including up to a four percent administrative allowance for the state
20 work study program.

21 (2) Within the funds appropriated in this section, eligibility for
22 the state need grant shall include students with family incomes at or
23 below 70 percent of the state median family income (MFI), adjusted for
24 family size, and shall include students enrolled in three to five
25 credit-bearing quarter credits, or the equivalent semester credits.
26 The higher education coordinating board shall report to the legislature
27 by December 1, 2013, regarding the number of students enrolled in three
28 to five credit-bearing quarter credits, or the equivalent semester
29 credits, and their academic progress including degree completion.
30 Awards for all students shall be adjusted by the estimated amount by
31 which Pell grant increases exceed projected increases in the
32 noninstructional costs of attendance. Awards for students with incomes
33 between 51 and 70 percent of the state median shall be prorated at the
34 following percentages of the award amount granted to those with incomes
35 below 51 percent of the MFI: 70 percent for students with family
36 incomes between 51 and 55 percent MFI; 65 percent for students with
37 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) \$1,250,000 of the general fund--state appropriation for fiscal
4 year 2013 is provided solely for implementation of the aerospace
5 training scholarship and student loan program as specified in Engrossed
6 Substitute House Bill No. 1846 (aerospace student loans). If the bill
7 is not enacted by June 30, 2012, the amount provided in this subsection
8 shall lapse.

9 (4) For fiscal year 2013, the board shall defer loan or conditional
10 scholarship repayments to the future teachers conditional scholarship
11 and loan repayment program for up to one year for each participant if
12 the participant has shown evidence of efforts to find a teaching job
13 but has been unable to secure a teaching job per the requirements of
14 the program.

15 (5) \$1,000,000 of the education legacy trust account--state
16 appropriation is provided solely for the gaining early awareness and
17 readiness for undergraduate programs project.

18 (6) \$1,500,000 of the general fund--state appropriation for fiscal
19 year 2013 is provided solely for the leadership 1000 program.

20 (7) \$2,436,000 of the general fund--state appropriation for fiscal
21 year 2013 is provided solely for the passport to college program. The
22 maximum scholarship award shall be \$5,000. The board shall contract
23 with a nonprofit organization to provide support services to increase
24 student completion in their postsecondary program and shall, under this
25 contract, provide a minimum of \$500,000 in fiscal year 2013 for this
26 purpose.

27 (8) In addition to the entities listed in RCW 28B.122.010, the
28 aerospace student loan program may provide loans to students attending
29 an aerospace training program at Renton technical college.

30 (9) The office of student financial assistance and the department
31 of health shall prioritize a portion of any nonfederal balances in the
32 health professional loan repayment and scholarship fund for conditional
33 loan repayment contracts with psychiatrists and with advanced
34 registered nurse practitioners for work at one of the state-operated
35 psychiatric hospitals. The office and department shall designate the
36 state hospitals as health professional shortage areas if necessary for
37 this purpose. The office of student financial assistance shall
38 coordinate with the department of social and health services to

1 effectively incorporate these conditional loan repayments into the
2 department's advanced psychiatric professional recruitment and
3 retention strategies.

4 (10) \$50,000 of the amount provided in this section shall be used
5 to convene the higher education loan program work group. The work
6 group shall develop methods for funding the loan program in the future,
7 as well as recommendations regarding the best loan program structure
8 for providing financial aid to underserved populations. The work group
9 shall seek out technical advice from the housing finance commission.
10 At a minimum, the recommendations regarding the proposed loan program
11 must take into account the following: Whether students could benefit
12 from the creation of a new student loan program; the relationship
13 between the student loan program and the state need grant program and
14 the state need grant qualified student population; mechanisms to
15 achieve interest rates that are below those offered in federally
16 guaranteed and private bank student loans; sources of initial and
17 on-going funding for loans and program operation; and default risks,
18 reserve requirements, and other conditions required for the student
19 loan program. The work group shall provide a report to the legislature
20 no later than December 1, 2012.

21 **Sec. 1603.** 2012 2nd sp.s. c 7 s 615 (uncodified) is amended to
22 read as follows:

23 **FOR THE DEPARTMENT OF EARLY LEARNING**

24	General Fund--State Appropriation (FY 2012)	\$25,497,000
25	General Fund--State Appropriation (FY 2013)	(\$27,190,000)
26		<u>\$26,658,000</u>
27	General Fund--Federal Appropriation	\$280,619,000
28	<u>Children's Trust Account--State Appropriation</u>	<u>\$142,000</u>
29	Opportunity Pathways Account--State Appropriation	\$78,000,000
30	Home Visiting Services Account--Federal Appropriation	\$300,000
31	TOTAL APPROPRIATION	(\$411,606,000)
32		<u>\$411,216,000</u>

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

35 (1) \$16,028,000 of the general fund--state appropriation for fiscal
36 year 2012, \$18,028,000 of the general fund--state appropriation of
37 fiscal year 2013, \$78,000,000 of the opportunity pathways account

1 appropriation, and \$2,256,000 of the general fund--federal
2 appropriation are provided solely for the early childhood education
3 assistance program services. Of these amounts, \$10,284,000 is a
4 portion of the biennial amount of state maintenance of effort dollars
5 required to receive federal child care and development fund grant
6 dollars.

7 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the
8 department is authorized to increase child care center and child care
9 family home licensure fees in fiscal years 2012 and 2013 for costs to
10 the department for the licensure activity, including costs of necessary
11 inspection. These increases are necessary to support expenditures
12 authorized in this section.

13 (3) \$64,000 of the general fund--state appropriation for fiscal
14 year 2012, \$638,000 of the general fund--state appropriation for fiscal
15 year 2013, and \$574,000 of the general fund--federal appropriation are
16 provided solely for child care resource and referral network services.

17 (4) \$200,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$200,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely to develop and provide culturally
20 relevant supports for parents, family, and other caregivers.

21 (5) The department is the lead agency for and recipient of the
22 federal child care and development fund grant. Amounts within this
23 grant shall be used to fund child care licensing, quality initiatives,
24 agency administration, and other costs associated with child care
25 subsidies. The department shall transfer a portion of this grant to
26 the department of social and health services to fund the child care
27 subsidies paid by the department of social and health services on
28 behalf of the department of early learning.

29 (6) The appropriations in this section reflect reductions in the
30 appropriations for the department's administrative expenses. It is the
31 intent of the legislature that these reductions shall be achieved, to
32 the greatest extent possible, by reducing those administrative costs
33 that do not affect direct client services or direct service delivery or
34 program.

35 (7) \$934,000 of the general fund--state appropriation for fiscal
36 year 2012, \$934,000 of the general fund--state appropriation for fiscal
37 year 2013, and \$2,400,000 of the general fund--federal appropriation

1 are provided solely for expenditure into the home visiting services
2 account. This funding is intended to meet federal maintenance of
3 effort requirements and to secure private matching funds.

4 (a) All federal funds received by the department for home visiting
5 activities must be deposited into the home visiting services account.

6 (b) The department must consult with stakeholders during the
7 development of the Washington home visiting plan and any future
8 proposals for federal funding.

9 (c) No more than \$300,000 of the home visiting services account--
10 federal appropriation may be expended for program administration for
11 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be
12 expended for that purpose.

13 (8)(a) \$153,558,000 of the general fund--federal appropriation is
14 provided solely for the working connections child care program under
15 RCW 43.215.135.

16 (b) In addition to groups that were given prioritized access to the
17 working connections child care program effective March 1, 2011, the
18 department shall also give prioritized access into the program to
19 families in which a parent of a child in care is a minor who is not
20 living with a parent or guardian and who is a full-time student in a
21 high school that has a school-sponsored on-site child care center.

22 (9)(a) \$50,000 of the general fund--state appropriation for fiscal
23 year 2012 and (~~(\$1,050,000)~~) \$329,000 of the general fund--state
24 appropriation for fiscal year 2013 are provided solely for
25 implementation and administration of an electronic benefit transfer
26 system. The system shall include electronic time keeping, integrated
27 with an eligibility information technology system, and an electronic
28 payment system. The department shall coordinate implementation of this
29 system with the department of social and health services.

30 (b) \$100,000 of the general fund--state appropriation in this
31 subsection is provided solely for the department to contract for an
32 independent consultant to evaluate and recommend the optimum system for
33 the eligibility determination process. The evaluation must include an
34 analysis of lean management processes that, if adopted, could improve
35 the cost effectiveness and delivery of eligibility determination. The
36 department shall coordinate with the department of social and health
37 services for this evaluation. The department must report to the office

1 of financial management and the appropriate fiscal and policy
2 committees of the legislature by December 1, 2012.

3 (10) Within available amounts, the department in consultation with
4 the office of financial management and the department of social and
5 health services shall report quarterly enrollments and active caseload
6 for the working connections child care program to the legislative
7 fiscal committees and the legislative-executive WorkFirst oversight
8 task force. The report shall also identify the number of cases
9 participating in both temporary assistance for needy families and
10 working connections child care.

11 (11) \$1,025,000 of the general fund--state appropriation for fiscal
12 year 2013 and \$6,712,000 of the general fund--federal appropriation are
13 provided solely for the seasonal child care program in fiscal year
14 2013.

15 (12) \$2,522,000 of the general fund--state appropriation for fiscal
16 year 2012, \$2,522,000 of the general fund--state appropriation for
17 fiscal year 2013, and \$4,304,000 of the general fund--federal
18 appropriation are provided solely for the medicaid treatment child care
19 (MTCC) program. The department shall contract for MTCC services to
20 provide therapeutic child care and other specialized treatment services
21 to abused, neglected, at-risk, and/or drug-affected children. Priority
22 for services shall be given to children referred from the department of
23 social and health services children's administration. In addition to
24 referrals made by children's administration, the department shall
25 authorize services for children referred to the MTCC program, as long
26 as the children meet the eligibility requirements as outlined in the
27 Washington state plan for the MTCC program. Of the amounts
28 appropriated in this subsection, \$60,000 per fiscal year may be used by
29 the department for administering the MTCC program, if needed.

30 (13)(a) The department shall establish a birth-to-three
31 subcommittee of the early learning advisory council. The subcommittee
32 will be cochaired by the department and nongovernmental private-public
33 partnership created in RCW 43.215.070. The subcommittee shall include
34 at least one representative from each of the following:

- 35 (i) The early learning advisory council;
- 36 (ii) The office of the superintendent of public instruction;
- 37 (iii) The department of social and health services;
- 38 (iv) The department of early learning;

1 (v) The nongovernmental private-public partnership created in RCW
2 43.215.070;

3 (vi) The early learning action alliance; and

4 (vii) Additional stakeholders with expertise in birth-to-three
5 policy and programs and quality child care, as designated by the early
6 learning advisory council.

7 (b) The subcommittee may convene advisory subgroups on specific
8 topics as necessary to assure participation and input from a broad
9 array of diverse stakeholders.

10 (c) The subcommittee shall be monitored and overseen by the early
11 learning advisory council created in RCW 43.215.090.

12 (d) The subcommittee shall develop a birth-to-three implementation
13 proposal, which shall include further development of the Washington
14 state birth-to-three plan.

15 (e) The subcommittee must include recommendations on the following
16 in its birth-to-three proposal:

17 (i) Eligibility criteria for providers and programs;

18 (ii) The level of funding necessary to implement birth-to-three
19 programs, including an option which makes available funding equivalent
20 to thirty percent of the funding provided for the program of early
21 learning established in RCW 43.215.141;

22 (iii) Options for funding sources for birth-to-three programs;

23 (iv) Governance responsibilities for the department of early
24 learning; and

25 (v) A timeline for implementation that is concurrent with the
26 expansion to the early learning program outlined in RCW 43.215.142.

27 The subcommittee must present its recommendations to the early
28 learning advisory council and the appropriate committees of the
29 legislature by December 1, 2012.

30 (14) \$300,000 of the general fund--federal appropriation is
31 provided solely for a contract with a nonprofit entity experienced in
32 the provision of promoting early literacy for children through
33 pediatric office visits.

34 **Sec. 1604.** 2012 2nd sp.s. c 7 s 616 (uncodified) is amended to
35 read as follows:

36 **FOR THE STATE SCHOOL FOR THE BLIND**

37 General Fund--State Appropriation (FY 2012) \$5,776,000

1 General Fund--State Appropriation (FY 2013) (~~(\$5,671,000)~~)
2 \$5,691,000
3 TOTAL APPROPRIATION (~~(\$11,447,000)~~)
4 \$11,467,000

5 **Sec. 1605.** 2012 2nd sp.s. c 7 s 617 (uncodified) is amended to
6 read as follows:

7 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
8 **LOSS**

9 General Fund--State Appropriation (FY 2012) \$8,439,000
10 General Fund--State Appropriation (FY 2013) (~~(\$8,335,000)~~)
11 \$8,431,000
12 TOTAL APPROPRIATION (~~(\$16,774,000)~~)
13 \$16,870,000

(End of part)

PART XVII

SPECIAL APPROPRIATIONS

Sec. 1701. 2012 2nd sp.s. c 7 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2012), General Fund--State Appropriation (FY 2013), State Building Construction Account--State Appropriation, Columbia River Basin Water Supply Development Account--State Appropriation, Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation, State Taxable Building Construction Account--State Appropriation, Gardner-Evans Higher Education Construction Account--State Appropriation, Debt-Limit Reimbursable Bond Retire Account--State Appropriation, and TOTAL APPROPRIATION.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

1 **Sec. 1702.** 2012 2nd sp.s. c 7 s 702 (uncodified) is amended to
2 read as follows:

3 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
4 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**
5 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

6	General Fund--State Appropriation (FY 2012)	. . . . .	\$27,400,000
7	General Fund--State Appropriation (FY 2013)	. . . . .	\$30,572,000
8	Nondebt-Limit Reimbursable Bond Retirement		
9	Account--State Appropriation	. . . . .	((\$140,128,000))
10			<u>\$137,290,000</u>
11	TOTAL APPROPRIATION	. . . . .	((\$198,100,000))
12			<u>\$195,262,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations: The general fund appropriation is for
15 expenditure into the nondebt-limit general fund bond retirement
16 account. The entire general fund--state appropriation for fiscal year
17 2012 shall be expended into the nondebt-limit general fund bond
18 retirement account by June 30, 2012.

19 **Sec. 1703.** 2011 2nd sp.s. c 9 s 703 (uncodified) is amended to
20 read as follows:

21 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
22 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

23	General Fund--State Appropriation (FY 2012)	. . . . .	\$1,357,000
24	General Fund--State Appropriation (FY 2013)	. . . . .	((\$1,357,000))
25			<u>\$616,000</u>
26	State Building Construction Account--State		
27	Appropriation	. . . . .	((\$356,000))
28			<u>\$697,000</u>
29	Columbia River Basin Water Supply Development		
30	Account--State Appropriation	. . . . .	\$21,000
31	Hood Canal Aquatic Rehabilitation Bond Account--State		
32	Appropriation	. . . . .	\$1,000
33	State Taxable Building Construction Account--State		
34	Appropriation	. . . . .	((\$25,000))
35			<u>\$31,000</u>
36	Gardner-Evans Higher Education Construction		
37	Account--State Appropriation	. . . . .	((\$2,000))

1 \$3,000
 2 TOTAL APPROPRIATION ((~~\$3,119,000~~))
 3 \$2,726,000

4 NEW SECTION. **Sec. 1704.** A new section is added to 2011 1st sp.s.
 5 c 50 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
 7 **COSTS**

8 General Fund--State Appropriation (FY 2013) \$728,000

9 The appropriation in this section is subject to the following
 10 conditions and limitations: The director of financial management shall
 11 distribute \$545,000 to Grant county and \$183,000 to Yakima county for
 12 extraordinary criminal justice costs.

13 **Sec. 1705.** 2012 2nd sp.s. c 7 s 707 (uncodified) is amended to
 14 read as follows:

15 **FOR SUNDRY CLAIMS**

16 The following sums, or so much thereof as may be necessary, are
 17 appropriated from the general fund for fiscal year 2012, unless
 18 otherwise indicated, for relief of various individuals, firms, and
 19 corporations for sundry claims. These appropriations are to be
 20 disbursed on vouchers approved by the director of financial management,
 21 except as otherwise provided, for reimbursement of criminal defendants
 22 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as
 23 follows:

- 24 (1) Clint L. Powell, Jr., claim number 99970048 \$58,155.10
- 25 (2) Chance L. Hawkins, claim number 99970049 \$28,838.95
- 26 (3) Edgar L. Hawkins, claim number 99970050 \$25,507.00
- 27 (4) James Abbott, claim number 99970051 \$9,880.00
- 28 (5) Richard Frisk, claim number 99970052 \$32,788.50
- 29 (6) Brian Barnd-Spjut, claim number 99970053 \$122,821.79
- 30 (7) Dwijen Buckendorf, claim number 99970059 \$2,100.00
- 31 (8) Todd Chism, claim number 99970061 \$56,183.26
- 32 (9) James Glasco, claim number 99970062 \$18,800.00
- 33 (10) David Holtzclaw, claim number 99970057 \$15,154.52
- 34 (11) Gary Richey, claim number 99970063 \$9,020.00
- 35 (12) Shelly Porter, claim number 99970054 \$12,525.72
- 36 (13) Yakov Topik, claim number 99970047 \$28,500.00

1	<u>(14) Luther Wallace, claim number 99970060</u>	<u>\$76,256.93</u>
2	<u>(15) Mark Fenton, claim number 99970064</u>	<u>\$27,637.50</u>
3	<u>(16) Reid Woods, claim number 99970065</u>	<u>\$7,296.38</u>
4	<u>(17) James Daniel Emmett, claim number 99970067</u>	<u>\$9,000.00</u>
5	<u>(18) Matthew Collet, claim number 99970068</u>	<u>\$55,000.00</u>
6	<u>(19) Michael Otto, claim number SCJ-2008-12</u>	<u>\$4,250.00</u>

(End of part)

PART XVIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1801. 2012 2nd sp.s. c 7 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 ((~~\$8,289,000~~)) \$7,773,000

General Fund Appropriation for public utility district excise tax distributions ((~~\$44,078,000~~)) \$49,883,000

General Fund Appropriation for prosecuting attorney distributions ((~~\$6,281,000~~)) \$5,804,000

General Fund Appropriation for boating safety and education distributions \$4,000,000

General Fund Appropriation for other tax distributions ((~~\$58,000~~)) \$63,000

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 ((~~\$58,229,000~~)) \$61,983,000

County Criminal Justice Assistance Appropriation ((~~\$69,566,000~~)) \$69,532,000

Municipal Criminal Justice Assistance Appropriation ((~~\$26,843,000~~)) \$26,833,000

City-County Assistance Account Appropriation for local government financial assistance distribution ((~~\$12,159,000~~)) \$14,922,000

1	Liquor Excise Tax Account Appropriation for liquor	
2	excise tax distribution	((\$25,617,000))
3		<u>\$25,889,000</u>
4	Streamlined Sales and Use Tax Mitigation Account	
5	Appropriation for distribution to local taxing	
6	jurisdictions to mitigate the unintended revenue	
7	redistribution effect of the sourcing law	
8	changes	\$49,309,000
9	Columbia River Water Delivery Account Appropriation for	
10	the Confederated Tribes of the Colville	
11	Reservation	((\$7,478,000))
12		<u>\$7,481,000</u>
13	Columbia River Water Delivery Account Appropriation for	
14	the Spokane Tribe of Indians	((\$4,794,000))
15		<u>\$4,795,000</u>
16	Liquor Revolving Account Appropriation for liquor	
17	profits distribution	((\$85,132,000))
18		<u>\$96,456,000</u>
19	TOTAL APPROPRIATION	((\$407,953,000))
20		<u>\$426,843,000</u>

21 The total expenditures from the state treasury under the
22 appropriations in this section shall not exceed the funds available
23 under statutory distributions for the stated purposes.

24 **Sec. 1802.** 2012 2nd sp.s. c 7 s 802 (uncodified) is amended to
25 read as follows:

26 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
27 **ACCOUNT**

28	Impaired Driver Safety Account Appropriation	((\$2,439,000))
29		<u>\$2,422,000</u>

30 The appropriation in this section is subject to the following
31 conditions and limitations: The amount appropriated in this section
32 shall be distributed quarterly during the 2011-2013 fiscal biennium in
33 accordance with RCW 82.14.310. This funding is provided to counties
34 for the costs of implementing criminal justice legislation including,
35 but not limited to: Chapter 206, Laws of 1998 (drunk driving
36 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
37 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998

1 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
2 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
3 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
4 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
5 215, Laws of 1998 (DUI provisions).

6 **Sec. 1803.** 2012 2nd sp.s. c 7 s 803 (uncodified) is amended to
7 read as follows:

8 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
9 Impaired Driver Safety Account Appropriation ((~~\$1,626,000~~))
10 \$1,615,000

11 The appropriation in this section is subject to the following
12 conditions and limitations: The amount appropriated in this section
13 shall be distributed quarterly during the 2011-2013 biennium to all
14 cities ratably based on population as last determined by the office of
15 financial management. The distributions to any city that substantially
16 decriminalizes or repeals its criminal code after July 1, 1990, and
17 that does not reimburse the county for costs associated with criminal
18 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
19 which the city is located. This funding is provided to cities for the
20 costs of implementing criminal justice legislation including, but not
21 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
22 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
23 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
24 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
25 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
26 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
27 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
28 Laws of 1998 (DUI provisions).

29 **Sec. 1804.** 2011 1st sp.s. c 50 s 804 (uncodified) is amended to
30 read as follows:

31 **FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**
32 General Fund Appropriation for federal flood control
33 funds distribution ((~~\$74,000~~))
34 \$52,000
35 General Fund Appropriation for federal grazing fees
36 distribution ((~~\$2,430,000~~))

1		<u>\$1,747,000</u>
2	Forest Reserve Fund Appropriation for federal forest	
3	reserve fund distribution	((\$29,175,000))
4		<u>\$39,776,000</u>
5	TOTAL APPROPRIATION	((\$31,679,000))
6		<u>\$41,575,000</u>

7 The total expenditures from the state treasury under the
8 appropriations in this section shall not exceed the funds available
9 under statutory distributions for the stated purposes.

10 **Sec. 1805.** 2012 2nd sp.s. c 7 s 804 (uncodified) is amended to
11 read as follows:

12 **FOR THE STATE TREASURER--TRANSFERS**

13 State Treasurer's Service Account: For transfer to
14 the state general fund, \$16,300,000
15 for fiscal year 2012 and
16 ((~~\$24,800,000~~)) \$26,600,000 for fiscal
17 year 2013 ((~~\$41,100,000~~))
18 \$42,900,000

19 Waste Reduction, Recycling, and Litter Control
20 Account: For transfer to the state general
21 fund, \$4,847,000 for fiscal year
22 2012 and \$4,847,000 for fiscal year
23 2013 \$9,694,000

24 Aquatics Lands Enhancement Account: For transfer to
25 the state general fund, \$3,500,000 for fiscal
26 year 2012 and \$3,500,000 for fiscal year 2013 \$7,000,000

27 Savings Incentive Account: For transfer to the state
28 general fund, \$44,618,000 for fiscal year 2012 \$44,618,000

29 Distinguished Professorship Trust Fund: For transfer to
30 the state general fund for fiscal year 2012, an amount
31 not to exceed the actual cash balance of the fund \$3,024,000

32 Washington Graduate Fellowship Trust Fund: For transfer
33 to the state general fund for fiscal year 2012, an
34 amount not to exceed the actual cash balance of
35 the fund \$1,028,000

36 College Faculty Awards Trust Fund: For transfer
37 to the state general fund for fiscal year 2012, an amount

1 not to exceed the actual cash balance of the fund \$1,996,000
2 Data Processing Revolving Account: For transfer
3 to the state general fund, \$5,960,000 for fiscal
4 year 2012 \$5,960,000
5 Drinking Water Assistance Account: For transfer to
6 the drinking water assistance repayment account \$38,000,000
7 Economic Development Strategic Reserve Account: For
8 transfer to the state general fund, \$2,100,000
9 for fiscal year 2012 and \$2,100,000 for fiscal
10 year 2013 \$4,200,000
11 General Fund: For transfer to the streamlined sales
12 and use tax account, \$24,520,000
13 for fiscal year 2012 and \$24,789,000 for fiscal
14 year 2013 \$49,309,000
15 Public Works Assistance Account: For transfer to the
16 water pollution control revolving account,
17 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
18 fiscal year 2013 \$15,500,000
19 The Charitable, Educational, Penal, and Reformatory
20 Institutions Account: For transfer to the state
21 general fund, \$4,500,000 for fiscal year 2012 and
22 \$4,500,000 for fiscal year 2013 \$9,000,000
23 Thurston County Capital Facilities Account: For
24 transfer to the state general fund, \$4,000,000
25 for fiscal year 2012 and \$4,000,000 for fiscal
26 year 2013 \$8,000,000
27 Public Works Assistance Account: For transfer to the
28 drinking water assistance account, \$10,000,000 for
29 fiscal year 2012 and \$5,000,000 for fiscal year
30 2013 \$15,000,000
31 Liquor Control Board Construction and Maintenance
32 Account: For transfer to the state general fund,
33 \$500,000 for fiscal year 2012 \$500,000
34 Education Savings Account: For transfer to the state
35 general fund, \$54,431,000 for fiscal
36 year 2012 \$54,431,000
37 Department of Retirement Systems Expense Account:
38 For transfer to the state general fund,

1 \$2,330,000 for fiscal year 2012 and
 2 \$4,330,000 for fiscal year 2013 \$6,660,000
 3 Education Construction Account: For transfer to the
 4 state general fund, \$102,000,000 for fiscal year
 5 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000
 6 Public Works Assistance Account: For transfer to the
 7 state general fund, \$40,000,000
 8 for fiscal year 2012 and \$40,000,000
 9 for fiscal year 2013 \$80,000,000
 10 Foster Care Endowed Scholarship Trust Fund: For transfer
 11 to the state general fund, \$200,000 for fiscal year
 12 2012 and \$200,000 for fiscal year 2013 \$400,000
 13 Affordable Housing For All Account: For transfer to
 14 the home security fund, \$1,000,000 for fiscal year
 15 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
 16 Tobacco Settlement Account: For transfer to the state
 17 general fund, in an amount not to exceed the actual
 18 amount of the annual base payment to the tobacco
 19 settlement account \$158,205,000
 20 Tobacco Settlement Account: For transfer to the basic
 21 health plan stabilization account from the amounts
 22 deposited in the account that are attributable to the
 23 annual strategic contribution payment received in
 24 fiscal year 2012 \$22,000,000
 25 Tobacco Settlement Account: For transfer to the basic
 26 health plan stabilization account from the amounts
 27 deposited in the account that are attributable to the
 28 annual strategic contribution payment received in
 29 fiscal year 2013 \$22,000,000
 30 Tobacco Settlement Account: For transfer to the life
 31 sciences discovery fund, in an amount not to exceed
 32 the actual remaining amount of the annual strategic
 33 contribution payment to the tobacco settlement account
 34 for fiscal year 2012 \$6,000,000
 35 Tobacco Settlement Account: For transfer to the life
 36 sciences discovery fund, in an amount not to exceed
 37 the actual remaining amount of the annual strategic
 38 contribution payment to the tobacco settlement account

1 for fiscal year 2013 \$6,000,000

2 The transfer to the life sciences discovery fund is subject to the

3 following conditions: All new grants awarded during the 2011-2013

4 fiscal biennium shall support and accelerate the commercialization of

5 an identifiable product.

6 Financial Services Regulation Fund: For transfer to

7 the state general fund, \$4,000,000 for fiscal

8 year 2012 \$4,000,000

9 State Nursery Revolving Account: For transfer to the

10 state general fund, \$250,000 for fiscal year 2012 and

11 \$250,000 for fiscal year 2013 \$500,000

12 Washington State Heritage Center Account: For transfer

13 to the state general fund, \$2,000,000 for fiscal

14 year 2013 \$2,000,000

15 Local Toxics Control Account: For transfer to the state

16 toxics control account, \$15,000,000 for fiscal

17 year 2012 and \$16,000,000 for fiscal year 2013 \$31,000,000

18 Coastal Protection Account: For transfer to the state

19 general fund, \$500,000 for fiscal year 2012 and

20 \$500,000 for fiscal year 2013 \$1,000,000

21 Multimodal Transportation Account--State: For transfer

22 to the Public Transportation Grant Program Account

23 for the purposes of distributions of \$3,000,000 on

24 each of the last working days of December, March,

25 and June in fiscal year 2013 \$9,000,000

26 Aquatic Lands Enhancement Account: For transfer to

27 the marine resources stewardship trust account,

28 \$2,100,000 for fiscal year 2013 \$2,100,000

(End of part)

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**PART XIX
MISCELLANEOUS**

Sec. 1901. 2011 1st sp.s. c 41 s 3 (uncodified) is amended to read as follows:

Upon implementation of the expansion directed in RCW 74.09.659, the office of financial management shall reduce general fund--state allotments for the medical assistance program by one million five hundred thousand dollars for fiscal year 2012 (~~and by two million three hundred fifty thousand dollars for fiscal year 2013~~). The amounts reduced from allotments shall be placed in reserve status and remain unexpended.

NEW SECTION. **Sec. 1902.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 1903.** Except for section 966 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately; except for section 948 of this act which takes effect August 1, 2013, section 958 of this act which takes effect June 30, 2013, and section 983 of this act which takes effect July 28, 2013.

NEW SECTION. **Sec. 1904.** Section 966 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2013, subject to section 967 of this act.

NEW SECTION. **Sec. 1905.** Section 950 of this act expires January 1, 2018.

(End of Bill)

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