



1       **Sec. 101.** 2017 3rd sp.s. c 1 s 101 (uncodified) is amended to  
2 read as follows:

3 **FOR THE HOUSE OF REPRESENTATIVES**

4	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$37,642,000</del> ))
5		<u>\$35,492,000</u>
6	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$39,205,000</del> ))
7		<u>\$37,096,000</u>
8	<del>((Motor Vehicle Account—State Appropriation. . . . .</del>	<del>\$2,011,000))</del>
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u>Appropriation. . . . .</u>	<u>\$4,280,000</u>
11	TOTAL APPROPRIATION. . . . .	(( <del>\$78,858,000</del> ))
12		<u>\$76,868,000</u>

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

15       (1) \$27,000 of the general fund—state appropriation for fiscal  
16 year 2019 is provided solely for the tax structure reform work group.  
17 The speaker shall designate one member from each of the major  
18 caucuses in the house of representatives as a work group to  
19 facilitate public discussions throughout the state regarding  
20 Washington's tax structure. As part of this effort, the work group  
21 may hold up to seven public meetings in geographically dispersed  
22 areas of the state throughout the 2017-2019 fiscal biennium. These  
23 discussions may include but are not limited to the advantages and  
24 disadvantages of the state's current tax structure and potential  
25 options to improve the current structure for the benefit of  
26 individuals, families, and businesses in Washington state. The work  
27 group is staffed by the office of program research. The work group  
28 may report to the house of representatives finance committee and  
29 other house of representatives committees upon request of the  
30 committee chair.

31       (2) The joint select committee on health care oversight shall  
32 collaborate with the health care authority and the department of  
33 health to develop a plan to restructure and strengthen the rural  
34 health care system. To the extent possible, the committee shall  
35 leverage findings of the Washington rural health access preservation  
36 pilot.

37       **Sec. 102.** 2017 3rd sp.s. c 1 s 102 (uncodified) is amended to  
38 read as follows:

1 **FOR THE SENATE**

2	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$26,369,000</del> ))
3		<u>\$24,908,000</u>
4	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$29,451,000</del> ))
5		<u>\$27,998,000</u>
6	<del>((Motor Vehicle Account—State Appropriation. . . . .</del>	<del>\$1,903,000))</del>
7	<u>Pension Funding Stabilization Account—State</u>	
8	<u>Appropriation. . . . .</u>	<u>\$2,941,000</u>
9	TOTAL APPROPRIATION. . . . .	(( <del>\$57,723,000</del> ))
10		<u>\$55,847,000</u>

11 The appropriations in this section are subject to the following  
12 conditions and limitations: The joint select committee on health care  
13 oversight shall collaborate with the health care authority and the  
14 department of health to develop a plan to restructure and strengthen  
15 the rural health care system. To the extent possible, the committee  
16 shall leverage findings of the Washington rural health access  
17 preservation pilot.

18 **Sec. 103.** 2017 3rd sp.s. c 1 s 103 (uncodified) is amended to  
19 read as follows:

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

21	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$135,000</del> ))
22		<u>\$208,000</u>
23	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$29,000</del> ))
24		<u>\$341,000</u>
25	Performance Audits of Government—State	
26	Appropriation. . . . .	(( <del>\$8,619,000</del> ))
27		<u>\$8,119,000</u>
28	TOTAL APPROPRIATION. . . . .	(( <del>\$8,783,000</del> ))
29		<u>\$8,668,000</u>

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

32 (1) Notwithstanding the provisions of this section, the joint  
33 legislative audit and review committee may adjust the due dates for  
34 projects included on the committee's 2017-2019 work plan as necessary  
35 to efficiently manage workload.

36 (2) The committee shall complete its analysis of fire suppression  
37 funding and costs for the department of natural resources and the  
38 state fire marshal. A report on the results of the analysis with any

1 findings and recommendations shall be submitted to the appropriate  
2 committees of the legislature by December 2017.

3 (3) \$308,000 of the performance audits of government account—  
4 state appropriation is provided solely for the implementation of  
5 chapter 303, Laws of 2017 (ESHB 1594) (public records  
6 administration).

7 ~~((+5))~~ (4) \$100,000 of the performance audits of government  
8 account—state appropriation is provided solely for an evaluation of:  
9 (a) The adequacy and effectiveness of the department of commerce  
10 office of youth homelessness performance based contracting with  
11 homelessness service providers; and (b) compliance with the  
12 performance measurement, reporting, and quality award program  
13 application requirements of chapter 43.185C RCW.

14 ~~((+6))~~ (5) The agency is directed to use its moneys in the  
15 savings incentive account for one-time relocation, furniture,  
16 equipment, and tenant improvements costs to move to the 1063  
17 building.

18 ~~((+7))~~ (6)(a) \$250,000 of the performance audit of government—  
19 state appropriation is provided solely for the committee to conduct a  
20 study of the employment services and community access services  
21 provided by the department of social and health services for  
22 individuals with a developmental disability. The study should explore  
23 the following topics:

24 (i) The costs and benefits associated with prevocational training  
25 programs;

26 (ii) The process of requesting and authorizing prevocational  
27 services;

28 (iii) The costs and benefits associated with employment programs,  
29 including a review of hours worked each month and the usage of job  
30 coaches;

31 (iv) The process of requesting and authorizing employment  
32 services, including a review of clients over the age of 21 who have  
33 requested service and received a denial due to a lack of funding;

34 (v) The costs and benefits associated with community access  
35 services; and

36 (vi) The process of requesting and authorizing community access  
37 services, including a review of who have been denied an exception to  
38 policy for community access services.

1 (b) The evaluation must solicit input from interested  
2 stakeholders to include, but not be limited to, the ARC of  
3 Washington, the developmental disabilities council, the Washington  
4 association of counties, and disability rights of Washington.

5 (c) The evaluation is due to the legislature by December 1, 2018.

6 (7) \$9,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$7,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for implementation of Substitute  
9 House Bill No. 1154 (fishing and seafood processing). If the bill is  
10 not enacted by June 30, 2018, the amounts provided in this subsection  
11 shall lapse.

12 (8) \$9,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$5,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for implementation of Substitute  
15 House Bill No. 2269 (adaptive automotive equipment tax). If the bill  
16 is not enacted by June 30, 2018, the amounts provided in this  
17 subsection shall lapse.

18 (9) \$9,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$4,000 of the general fund—state appropriation for  
20 fiscal year 2019 are provided solely for implementation of Substitute  
21 House Bill No. 2448 (developmental disability housing/tax). If the  
22 bill is not enacted by June 30, 2018, the amounts provided in this  
23 subsection shall lapse.

24 (10) \$9,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$4,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for implementation of Substitute  
27 House Bill No. 2550 (disabled veteran assistance/tax). If the bill is  
28 not enacted by June 30, 2018, the amounts provided in this subsection  
29 shall lapse.

30 (11) \$22,000 of the general fund—state appropriation for fiscal  
31 year 2019 is provided solely for implementation of Substitute House  
32 Bill No. 2580 (renewable natural gas). If the bill is not enacted by  
33 June 30, 2018, the amount provided in this subsection shall lapse.

34 (12) \$9,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$2,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for implementation of House Bill  
37 No. 2928 (cooperative finance organizations B&O). If the bill is not  
38 enacted by June 30, 2018, the amounts provided in this subsection  
39 shall lapse.

1 (13) \$9,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$4,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for implementation of House Bill  
4 No. 2947 (rural manufacturers B&O tax). If the bill is not enacted by  
5 June 30, 2018, the amounts provided in this subsection shall lapse.

6 (14) \$220,000 of the general fund—state appropriation for fiscal  
7 year 2019 is provided solely for implementation of Engrossed Third  
8 Substitute House Bill No. 1144 (greenhouse gas emissions). If the  
9 bill is not enacted by June 30, 2018, the amount provided in this  
10 subsection shall lapse.

11 (15)(a) \$10,000 of the general fund—state appropriation for  
12 fiscal year 2018 and \$40,000 of the general fund—state appropriation  
13 for fiscal year 2019 are provided solely for the joint legislative  
14 audit and review committee to identify the following:

15 (i) The currently operating guardianship monitoring practices in  
16 each county of the state; and

17 (ii) The currently operating lay guardian training practices in  
18 each county of the state.

19 (b) The results of the review in (a) of this subsection must be  
20 provided to the advisory group and the joint legislative executive  
21 committee on aging and disability, as described in section 206(29) of  
22 this act, with sufficient time for the advisory group to present to  
23 the joint legislative executive committee on aging and disability by  
24 December 1, 2018.

25 (16) \$13,000 of the general fund—state appropriation for fiscal  
26 year 2019 is provided solely for implementation of Engrossed Second  
27 Substitute House Bill No. 2396 (child care access). If the bill is  
28 not enacted by June 30, 2018, the amount provided in this subsection  
29 shall lapse.

30 **Sec. 104.** 2017 3rd sp.s. c 1 s 105 (uncodified) is amended to  
31 read as follows:

32 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

33	General Fund—State Appropriation (FY 2018). . . . .	(( \$10,730,000 ))
34		<u>\$10,317,000</u>
35	General Fund—State Appropriation (FY 2019). . . . .	(( \$10,254,000 ))
36		<u>\$10,724,000</u>
37	<u>Pension Funding Stabilization Account—State</u>	
38	<u>Appropriation. . . . .</u>	<u>\$825,000</u>

1 TOTAL APPROPRIATION. . . . . ((~~\$20,984,000~~))  
2 \$21,866,000

3 **Sec. 105.** 2017 3rd sp.s. c 1 s 106 (uncodified) is amended to  
4 read as follows:

5 **FOR THE OFFICE OF THE STATE ACTUARY**  
6 General Fund—State Appropriation (FY 2018). . . . . ((~~\$302,000~~))  
7 \$288,000  
8 General Fund—State Appropriation (FY 2019). . . . . ((~~\$308,000~~))  
9 \$294,000  
10 State Health Care Authority Administrative Account—State  
11 Appropriation. . . . . \$406,000  
12 Department of Retirement Systems Expense  
13 Account—State Appropriation. . . . . \$5,110,000  
14 Pension Funding Stabilization Account—State  
15 Appropriation. . . . . \$28,000  
16 TOTAL APPROPRIATION. . . . . \$6,126,000

17 **Sec. 106.** 2017 3rd sp.s. c 1 s 107 (uncodified) is amended to  
18 read as follows:

19 **FOR THE STATUTE LAW COMMITTEE**  
20 General Fund—State Appropriation (FY 2018). . . . . ((~~\$4,936,000~~))  
21 \$4,650,000  
22 General Fund—State Appropriation (FY 2019). . . . . ((~~\$5,455,000~~))  
23 \$5,171,000  
24 Pension Funding Stabilization Account—State  
25 Appropriation. . . . . \$568,000  
26 TOTAL APPROPRIATION. . . . . ((~~\$10,391,000~~))  
27 \$10,389,000

28 **Sec. 107.** 2017 3rd sp.s. c 1 s 108 (uncodified) is amended to  
29 read as follows:

30 **FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES**  
31 General Fund—State Appropriation (FY 2018). . . . . ((~~\$4,043,000~~))  
32 \$3,823,000  
33 General Fund—State Appropriation (FY 2019). . . . . ((~~\$4,485,000~~))  
34 \$4,267,000  
35 Pension Funding Stabilization Account—State  
36 Appropriation. . . . . \$438,000

1 TOTAL APPROPRIATION. . . . . \$8,528,000

2 **Sec. 108.** 2017 3rd sp.s. c 1 s 110 (uncodified) is amended to  
3 read as follows:  
4 **FOR THE SUPREME COURT**

5 General Fund—State Appropriation (FY 2018). . . . . (~~(\$8,046,000)~~)  
6 \$7,711,000

7 General Fund—State Appropriation (FY 2019). . . . . (~~(\$8,368,000)~~)  
8 \$8,028,000

9 Pension Funding Stabilization Account—State  
10 Appropriation. . . . . \$671,000

11 TOTAL APPROPRIATION. . . . . (~~(\$16,414,000)~~)  
12 \$16,410,000

13 **Sec. 109.** 2017 3rd sp.s. c 1 s 111 (uncodified) is amended to  
14 read as follows:  
15 **FOR THE LAW LIBRARY**

16 General Fund—State Appropriation (FY 2018). . . . . (~~(\$1,685,000)~~)  
17 \$1,621,000

18 General Fund—State Appropriation (FY 2019). . . . . (~~(\$1,714,000)~~)  
19 \$1,649,000

20 Pension Funding Stabilization Account—State  
21 Appropriation. . . . . \$128,000

22 TOTAL APPROPRIATION. . . . . (~~(\$3,399,000)~~)  
23 \$3,398,000

24 **Sec. 110.** 2017 3rd sp.s. c 1 s 112 (uncodified) is amended to  
25 read as follows:  
26 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

27 General Fund—State Appropriation (FY 2018). . . . . (~~(\$1,340,000)~~)  
28 \$1,246,000

29 General Fund—State Appropriation (FY 2019). . . . . (~~(\$1,236,000)~~)  
30 \$1,200,000

31 Pension Funding Stabilization Account—State  
32 Appropriation. . . . . \$130,000

33 TOTAL APPROPRIATION. . . . . \$2,576,000

34 **Sec. 111.** 2017 3rd sp.s. c 1 s 113 (uncodified) is amended to  
35 read as follows:



1 **FOR THE COURT OF APPEALS**

2	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$18,077,000</del> ))
3		<u>\$17,341,000</u>
4	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$18,860,000</del> ))
5		<u>\$18,109,000</u>
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation. . . . .</u>	<u>\$1,477,000</u>
8	TOTAL APPROPRIATION. . . . .	(( <del>\$36,937,000</del> ))
9		<u>\$36,927,000</u>

10       **Sec. 112.** 2017 3rd sp.s. c 1 s 114 (uncodified) is amended to  
11 read as follows:

12 **FOR THE ADMINISTRATOR FOR THE COURTS**

13	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$56,910,000</del> ))
14		<u>\$55,101,000</u>
15	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$58,751,000</del> ))
16		<u>\$62,381,000</u>
17	General Fund—Federal Appropriation. . . . .	\$2,175,000
18	General Fund—Private/Local Appropriation. . . . .	\$677,000
19	Judicial Information Systems Account—State	
20	Appropriation. . . . .	(( <del>\$58,486,000</del> ))
21		<u>\$61,141,000</u>
22	Judicial Stabilization Trust Account—State	
23	Appropriation. . . . .	(( <del>\$6,691,000</del> ))
24		<u>\$4,851,000</u>
25	<u>Pension Funding Stabilization Account—State</u>	
26	<u>Appropriation. . . . .</u>	<u>\$4,580,000</u>
27	TOTAL APPROPRIATION. . . . .	(( <del>\$183,690,000</del> ))
28		<u>\$190,906,000</u>

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

31       (1) The distributions made under this subsection and  
32 distributions from the county criminal justice assistance account  
33 made pursuant to section 801 of this act constitute appropriate  
34 reimbursement for costs for any new programs or increased level of  
35 service for purposes of RCW 43.135.060.

36       (2) \$1,399,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$1,399,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for school districts for

1 petitions to juvenile court for truant students as provided in RCW  
2 28A.225.030 and 28A.225.035. The administrator for the courts shall  
3 develop an interagency agreement with the superintendent of public  
4 instruction to allocate the funding provided in this subsection.  
5 Allocation of this money to school districts shall be based on the  
6 number of petitions filed. This funding includes amounts school  
7 districts may expend on the cost of serving petitions filed under RCW  
8 28A.225.030 by certified mail or by personal service or for the  
9 performance of service of process for any hearing associated with RCW  
10 28A.225.030.

11 (3)(a) \$7,313,000 of the general fund—state appropriation for  
12 fiscal year 2018 and \$7,313,000 of the general fund—state  
13 appropriation for fiscal year 2019 are provided solely for  
14 distribution to county juvenile court administrators to fund the  
15 costs of processing truancy, children in need of services, and at-  
16 risk youth petitions. The administrator for the courts, in  
17 conjunction with the juvenile court administrators, shall develop an  
18 equitable funding distribution formula. The formula shall neither  
19 reward counties with higher than average per-petition processing  
20 costs nor shall it penalize counties with lower than average per-  
21 petition processing costs.

22 (b) Each fiscal year during the 2017-2019 fiscal biennium, each  
23 county shall report the number of petitions processed and the total  
24 actual costs of processing truancy, children in need of services, and  
25 at-risk youth petitions. Counties shall submit the reports to the  
26 administrator for the courts no later than 45 days after the end of  
27 the fiscal year. The administrator for the courts shall  
28 electronically transmit this information to the chairs and ranking  
29 minority members of the house of representatives and senate fiscal  
30 committees no later than 60 days after a fiscal year ends. These  
31 reports are deemed informational in nature and are not for the  
32 purpose of distributing funds.

33 (4) \$12,000,000 of the judicial information systems account—state  
34 appropriation is provided solely for the continued implementation of  
35 the superior courts case management system. Of the amount  
36 appropriated, \$8,300,000 is provided solely for expenditures in  
37 fiscal year 2018. The remaining appropriation of \$3,700,000 is  
38 provided solely for expenditures in fiscal year 2019 and shall lapse  
39 and remain unexpended if the superior court case management system is

1 not live and fully functional in Cowlitz, Grays Harbor, Klickitat,  
2 Mason, Pacific, and Skamania counties by July 1, 2017, and Clallum,  
3 Jefferson, Kitsap, Skagit, and Whatcom counties by January 1, 2018.

4 (5) (~~(\$4,339,000)~~) \$4,216,000 of the judicial information systems  
5 account—state appropriation is provided solely for the information  
6 network hub project.

7 (6)(a) (~~(\$10,000,000)~~) \$2,500,000 of the general fund—state  
8 appropriation for fiscal year 2019 and \$8,077,000 of the judicial  
9 information systems account—state appropriation (~~(is)~~) are provided  
10 solely for other judicial branch information technology projects,  
11 including:

12 (i) The superior court case management system;

13 (ii) The appellate court case management system;

14 (iii) The courts of limited jurisdiction case management system;

15 (~~(iii)~~) (iv) Equipment replacement; and

16 (~~(iv)~~) (v) Support staff for information technology projects.

17 (b) Expenditures from the judicial information systems account  
18 shall not exceed available resources. The office must coordinate with  
19 the steering committee for the superior court case management system  
20 and the steering committee for the courts of limited jurisdiction  
21 case management system to prioritize expenditures for judicial branch  
22 information technology projects. For any competitive procurement  
23 using amounts appropriated, the office of the chief information  
24 officer must review the qualifications and proposed work plan of the  
25 apparently successful bidder prior to final selection and review the  
26 proposed vendor contract prior to its execution. The office shall not  
27 enter into any contract using appropriated amounts that would cause  
28 total information technology expenditures to exceed projected  
29 resources in the judicial information systems account in the  
30 2019-2021 fiscal biennium.

31 (7) (~~(\$406,000)~~) \$811,000 of the general fund—state appropriation  
32 for fiscal year 2018 and (~~(\$405,000)~~) \$811,000 of the general fund—  
33 state appropriation for fiscal year 2019 are provided solely for the  
34 statewide fiscal impact on Thurston county courts. The administrative  
35 office of the courts must collaborate with Thurston county to create  
36 a new fee formula that accurately represents the state's impact on  
37 Thurston county courts.

1 (8) \$53,000 of the general fund—state appropriation for fiscal  
2 year 2018 is provided solely for implementation of chapter 272, Laws  
3 of 2017 (E2SHB 1163) (domestic violence).

4 (9) \$61,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$58,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely for implementation of chapter  
7 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

8 (10) \$570,000 of the general fund—state appropriation for fiscal  
9 year 2019 is provided solely for the implementation of Substitute  
10 House Bill No. 1186 (court interpreter services). If the bill is not  
11 enacted by June 30, 2018, the amount provided in this subsection  
12 shall lapse.

13 (11) \$602,000 of the general fund—state appropriation for fiscal  
14 year 2019 is provided solely for the implementation of Engrossed  
15 Second Substitute House Bill No. 1783 (legal financial obligations).  
16 If the bill is not enacted by June 30, 2018, the amount provided in  
17 this subsection shall lapse.

18 **Sec. 113.** 2017 3rd sp.s. c 1 s 115 (uncodified) is amended to  
19 read as follows:

20 **FOR THE OFFICE OF PUBLIC DEFENSE**

21	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$41,558,000</del> ))
22		<u>\$42,129,000</u>
23	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$42,539,000</del> ))
24		<u>\$43,494,000</u>
25	Judicial Stabilization Trust Account—State	
26	Appropriation. . . . .	(( <del>\$3,710,000</del> ))
27		<u>\$3,709,000</u>
28	<u>Pension Funding Stabilization Account—State</u>	
29	<u>Appropriation. . . . .</u>	<u>\$278,000</u>
30	TOTAL APPROPRIATION. . . . .	(( <del>\$87,807,000</del> ))
31		<u>\$89,610,000</u>

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

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

36 (2) \$1,101,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$1,101,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for parents representation

1 program costs related to increased parental rights termination  
2 filings from the department of social and health services permanency  
3 initiative.

4 (3) \$900,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$900,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely for the purpose of improving the  
7 quality of trial court public defense services. The department must  
8 allocate these amounts so that \$450,000 per fiscal year is  
9 distributed to counties, and \$450,000 per fiscal year is distributed  
10 to cities, for grants under chapter 10.101 RCW.

11 (4) \$2,384,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$3,364,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for the office to complete the  
14 expansion of the parents representation program in the following  
15 counties: Adams, Douglas, Island, Lewis, Lincoln, Okanogan, San Juan,  
16 Walla Walla, and the remainder of Pierce.

17 (5) \$490,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$490,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for the parents for parents  
20 program. Funds must be used to expand services in four new sites, and  
21 maintain and improve service models for the current programs in Grays  
22 Harbor/Pacific, King, Kitsap, Pierce, Snohomish, Spokane, and  
23 Thurston/Mason counties.

24 (6) \$432,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$432,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for vendor rate increases. Of  
27 the amounts provided in this subsection, \$188,000 each fiscal year is  
28 provided solely for an increase in the rate for contracted social  
29 workers.

30 **Sec. 114.** 2017 3rd sp.s. c 1 s 116 (uncodified) is amended to  
31 read as follows:

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

33 General Fund—State Appropriation (FY 2018). . . . .	(\$14,855,000))
34	<u>\$14,833,000</u>
35 General Fund—State Appropriation (FY 2019). . . . .	(\$16,490,000))
36	<u>\$17,523,000</u>
37 Judicial Stabilization Trust Account—State	
38 Appropriation. . . . .	\$1,463,000

1 Pension Funding Stabilization Account—State

2	<u>Appropriation. . . . .</u>	<u>\$44,000</u>
3	TOTAL APPROPRIATION. . . . .	(( <del>\$32,808,000</del> ))
4		<u>\$33,863,000</u>

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

7 (1) An amount not to exceed \$40,000 of the general fund—state  
8 appropriation for fiscal year 2018 and an amount not to exceed  
9 \$40,000 of the general fund—state appropriation for fiscal year 2019  
10 may be used to provide telephonic legal advice and assistance to  
11 otherwise eligible persons who are sixty years of age or older on  
12 matters authorized by RCW 2.53.030(2) (a) through (k) regardless of  
13 household income or asset level.

14 (2) \$1,075,000 of the general fund—state appropriation for fiscal  
15 year 2018 and ((~~\$2,600,000~~)) \$3,275,000 of the general fund—state  
16 appropriation for fiscal year 2019 are provided solely for the office  
17 to partially implement the civil legal aid reinvestment plan.

18 (3) \$300,000 of the general fund—state appropriation for fiscal  
19 year 2019 is provided solely for the office of civil legal aid to  
20 automate, deploy, and host a plain language family law form document  
21 assembly system.

22 (4)(a) \$80,000 of the general fund—state appropriation for fiscal  
23 year 2019 is provided solely for a statewide kinship care legal  
24 assistance support and training coordinator. The coordinator may be  
25 hosted at the office of civil legal aid or through a contract with an  
26 appropriate nonprofit legal aid provider.

27 (b) The office of civil legal aid must create a kinship care  
28 legal assistance advisory committee to define the scope of activities  
29 to be carried out by the coordinator, including, but not limited to,  
30 developing training and technical support and assisting volunteer  
31 attorneys and attorneys providing below-market rate legal services to  
32 kinship care providers.

33 **Sec. 115.** 2017 3rd sp.s. c 1 s 117 (uncodified) is amended to  
34 read as follows:

35 **FOR THE OFFICE OF THE GOVERNOR**

36	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$6,406,000</del> ))
37		<u>\$6,216,000</u>
38	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$5,833,000</del> ))

1 \$7,042,000

2 Pension Funding Stabilization Account—State

3 Appropriation. . . . . \$676,000

4 Economic Development Strategic Reserve Account—State

5 Appropriation. . . . . \$4,000,000

6 TOTAL APPROPRIATION. . . . . (~~(\$12,239,000)~~)

7 \$17,934,000

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

10 (1) \$703,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$703,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely for the office of the education  
13 ombuds.

14 (2) \$730,000 of the general fund—state appropriation for fiscal  
15 year 2018 is provided solely for implementation of Engrossed Second  
16 Substitute House Bill No. 1661 (child, youth, families/department).  
17 The amount of state and federal funding to be transferred from the  
18 department of social and health services to the department of  
19 children, youth, and families for the working connections child care  
20 services, administration, and staff must be included in the report  
21 required by the bill on how to incorporate the staff responsible for  
22 determining eligibility for the working connections child care  
23 program into the department of children, youth, and families. If the  
24 bill is not enacted by July 31, 2017, the amount provided in this  
25 subsection shall lapse.

26 (3) \$1,216,000 of the general fund—state appropriation for fiscal  
27 year 2019 is provided solely for implementation of Engrossed Second  
28 Substitute House Bill No. 1889 (corrections ombuds). If the bill is  
29 not enacted by June 30, 2018, the amount provided in this subsection  
30 shall lapse.

31 (4) \$5,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$5,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided to the office of the governor to  
34 support the Ruth Woo fellow. Funding will provide financial support  
35 for the Ruth Woo fellow participating in the governor's leadership  
36 academy internship program.

37 **Sec. 116.** 2017 3rd sp.s. c 1 s 118 (uncodified) is amended to  
38 read as follows:

1 **FOR THE LIEUTENANT GOVERNOR**

2	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$833,000</del> ))
3		<u>\$807,000</u>
4	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$859,000</del> ))
5		<u>\$831,000</u>
6	General Fund—Private/Local Appropriation. . . . .	\$90,000
7	<u>Pension Funding Stabilization Account—State</u>	
8	<u>Appropriation. . . . .</u>	<u>\$54,000</u>
9	TOTAL APPROPRIATION. . . . .	\$1,782,000

10 **Sec. 117.** 2017 3rd sp.s. c 1 s 119 (uncodified) is amended to  
11 read as follows:

12 **FOR THE PUBLIC DISCLOSURE COMMISSION**

13	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$2,826,000</del> ))
14		<u>\$2,696,000</u>
15	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$2,872,000</del> ))
16		<u>\$3,970,000</u>
17	<u>Pension Funding Stabilization Account—State</u>	
18	<u>Appropriation. . . . .</u>	<u>\$260,000</u>
19	TOTAL APPROPRIATION. . . . .	(( <del>\$5,698,000</del> ))
20		<u>\$6,926,000</u>

21 The appropriations in this section are subject to the following  
22 conditions and limitations: \$37,000 of the general fund—state  
23 appropriation for fiscal year 2019 is provided solely for modernizing  
24 and migrating the public disclosure commission's business  
25 applications from an agency-based data center to the state data  
26 center or a cloud environment.

27 **Sec. 118.** 2017 3rd sp.s. c 1 s 120 (uncodified) is amended to  
28 read as follows:

29 **FOR THE SECRETARY OF STATE**

30	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$15,131,000</del> ))
31		<u>\$15,691,000</u>
32	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$13,465,000</del> ))
33		<u>\$13,554,000</u>
34	General Fund—Federal Appropriation. . . . .	\$7,801,000
35	Public Records Efficiency, Preservation, and Access	
36	Account—State Appropriation. . . . .	(( <del>\$9,223,000</del> ))
37		<u>\$9,218,000</u>



1	Charitable Organization Education Account—State	
2	Appropriation. . . . .	\$673,000
3	Local Government Archives Account—State	
4	Appropriation. . . . .	(( <del>\$10,946,000</del> ))
5		<u>\$10,943,000</u>
6	Election Account—Federal Appropriation. . . . .	\$4,387,000
7	Washington State Heritage Center Account—State	
8	Appropriation. . . . .	(( <del>\$10,383,000</del> ))
9		<u>\$10,625,000</u>
10	<u>Pension Funding Stabilization Account—State</u>	
11	<u>Appropriation. . . . .</u>	<u>\$959,000</u>
12	TOTAL APPROPRIATION. . . . .	(( <del>\$72,009,000</del> ))
13		<u>\$73,851,000</u>

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

16       (1) \$3,301,000 of the general fund—state appropriation for fiscal  
17 year 2018 is provided solely to reimburse counties for the state's  
18 share of primary and general election costs and the costs of  
19 conducting mandatory recounts on state measures. Counties shall be  
20 reimbursed only for those odd-year election costs that the secretary  
21 of state validates as eligible for reimbursement.

22       (2)(a) \$2,932,000 of the general fund—state appropriation for  
23 fiscal year 2018 and \$3,011,000 of the general fund—state  
24 appropriation for fiscal year 2019 are provided solely for  
25 contracting with a nonprofit organization to produce gavel-to-gavel  
26 television coverage of state government deliberations and other  
27 events of statewide significance during the 2017-2019 fiscal  
28 biennium. The funding level for each year of the contract shall be  
29 based on the amount provided in this subsection. The nonprofit  
30 organization shall be required to raise contributions or commitments  
31 to make contributions, in cash or in kind, in an amount equal to  
32 forty percent of the state contribution. The office of the secretary  
33 of state may make full or partial payment once all criteria in this  
34 subsection have been satisfactorily documented.

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

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

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

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

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

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

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

20 (4) \$15,000 of the general fund—state appropriation for fiscal  
21 year 2018, \$15,000 of the general fund—state appropriation for fiscal  
22 year 2019, \$4,000 of the public records efficiency, preservation and  
23 access account, and \$2,253,000 of the local government archives  
24 account appropriation are provided solely for the implementation of  
25 chapter 303, Laws of 2017 (ESHB 1594) (public records  
26 administration).

27 (5) The office of the secretary of state will enter into an  
28 agreement with the office of the attorney general to reimburse costs  
29 associated with the requirements of chapter 303, Laws of 2017.

30 (6) \$102,000 of the general fund—state appropriation for fiscal  
31 year 2019 is provided solely for implementation of Engrossed Second  
32 Substitute House Bill No. 2595 (automatic voter registration). If the  
33 bill is not enacted by June 30, 2018, the amount provided in this  
34 subsection shall lapse.

35 (7) \$100,000 of the general fund—state appropriation for fiscal  
36 year 2019 is provided solely for a study to determine any benefits,  
37 the full cost to the state, and any potential impact on voter turnout  
38 for reimbursing all counties for the cost of return postage on mail  
39 and absentee ballots for all elections.

1       **Sec. 119.** 2017 3rd sp.s. c 1 s 121 (uncodified) is amended to  
2 read as follows:

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

4	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$289,000</del> ))
5		<u>\$274,000</u>
6	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$276,000</del> ))
7		<u>\$263,000</u>
8	<u>Pension Funding Stabilization Account—State</u>	
9	<u>Appropriation. . . . .</u>	<u>\$28,000</u>
10	TOTAL APPROPRIATION. . . . .	\$565,000

11       The appropriations in this section are subject to the following  
12 conditions and limitations: The office shall assist the department of  
13 enterprise services on providing the government-to-government  
14 training sessions for federal, state, local, and tribal government  
15 employees. The training sessions shall cover tribal historical  
16 perspectives, legal issues, tribal sovereignty, and tribal  
17 governments. Costs of the training sessions shall be recouped through  
18 a fee charged to the participants of each session. The department of  
19 enterprise services shall be responsible for all of the  
20 administrative aspects of the training, including the billing and  
21 collection of the fees for the training.

22       **Sec. 120.** 2017 3rd sp.s. c 1 s 122 (uncodified) is amended to  
23 read as follows:

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

25	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$253,000</del> ))
26		<u>\$243,000</u>
27	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$263,000</del> ))
28		<u>\$253,000</u>
29	<u>Pension Funding Stabilization Account—State</u>	
30	<u>Appropriation. . . . .</u>	<u>\$26,000</u>
31	TOTAL APPROPRIATION. . . . .	(( <del>\$516,000</del> ))
32		<u>\$522,000</u>

33       The appropriations in this section are subject to the following  
34 conditions and limitations: \$3,000 of the general fund—state  
35 appropriation for fiscal year 2018 and \$3,000 of the general fund—  
36 state appropriation for fiscal year 2019 are provided to the  
37 commission on Asian Pacific American affairs to support the Ruth Woo  
38 fellow. Funding will provide financial support for the Ruth Woo

1 fellow participating in the governor's leadership academy, a ten-week  
2 summer internship program administered by the office of the governor.  
3 Funding is provided for, but not limited to, living expenses and  
4 travel costs.

5 **Sec. 121.** 2017 3rd sp.s. c 1 s 123 (uncodified) is amended to  
6 read as follows:

7 **FOR THE STATE TREASURER**

8 State Treasurer's Service Account—State  
9 Appropriation. . . . . ((~~\$18,918,000~~))  
10 \$19,376,000

11 The appropriation in this section is subject to the following  
12 conditions and limitations: \$75,000 of the state treasurer's service  
13 account—state appropriation is provided solely to establish a task  
14 force on public infrastructure and a publicly-owned depository. The  
15 task force must examine the scope of financial needs for local  
16 governments for constructing public infrastructure; the feasibility  
17 of creating a publicly-owned depository to facilitate investment in,  
18 and financing of, public infrastructure systems that will increase  
19 public health and safety, and leverage the financial capital and  
20 resources of Washington state by working in partnership with  
21 financial institutions that benefit local communities, or with  
22 community-based organizations, economic development organizations,  
23 local governments, guaranty agencies, and other stakeholder groups to  
24 create jobs and economic opportunities within our state for public  
25 benefit.

26 (1) The task force will consist of one member from each of the  
27 two largest caucuses of the senate appointed by the president of the  
28 senate; one member from each of the two largest caucuses of the house  
29 of representatives appointed by the speaker of the house of  
30 representatives; members representing a small sized state-chartered  
31 bank, a medium sized state-chartered bank, a federally chartered  
32 bank, local governments, and four citizens with a background in  
33 financial issues or public infrastructure selected by the president  
34 of the senate and the speaker of the house of representatives; and  
35 the attorney general, the state auditor, the treasurer, and the  
36 governor, or their designees. The task force will ensure that ample  
37 opportunity for input from interested stakeholders is provided. The  
38 department of commerce, the department of financial institutions, and

1 the treasurer must cooperate with the task force and provide  
2 information and assistance at the request of the task force.

3 (2) The task force will report any recommendations identified by  
4 the task force that involve statutory changes, funding  
5 recommendations, or administrative action to the legislature as draft  
6 legislation by December 1, 2017.

7 (3) \$303,000 of the state treasurer's service account—state  
8 appropriation for fiscal year 2019 is provided solely for  
9 implementation of Engrossed Second Substitute House Bill No. 2718  
10 (civil forfeiture proceedings). If the bill is not enacted by June  
11 30, 2018, the amount provided in this subsection shall lapse.

12 **Sec. 122.** 2017 3rd sp.s. c 1 s 124 (uncodified) is amended to  
13 read as follows:

14 **FOR THE STATE AUDITOR**

15	General Fund—State Appropriation (FY 2018). . . . .	\$28,000
16	General Fund—State Appropriation (FY 2019). . . . .	\$32,000
17	State Auditing Services Revolving Account—State	
18	Appropriation. . . . .	<del>(\$10,219,000)</del>
19		<u>\$10,216,000</u>
20	Performance Audit of Government Account—State	
21	Appropriation. . . . .	<del>(\$3,019,000)</del>
22		<u>\$3,719,000</u>
23	TOTAL APPROPRIATION. . . . .	<del>(\$13,298,000)</del>
24		<u>\$13,995,000</u>

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

27 (1) \$774,000 of the performance audit of government account—state  
28 appropriation is provided solely for the state auditor's office to  
29 conduct a performance audit of the department of health focused on  
30 the fee setting for each health profession licensed by the  
31 department. The performance audit must include, but is not limited  
32 to:

33 (a) A review of each health profession's process for setting  
34 application, licensure, renewal, examination, and indirect fees;

35 (b) A review of the costs of running each health profession  
36 program or board;

37 (c) An analysis of how any moneys collected as indirect charges  
38 levied on a health profession are used by the department; and

1 (d) A review of any department policies or procedures that have  
2 been adopted in an attempt to reduce the fee levels of any of the  
3 health professions.

4 (e) A final report of the performance audit must be submitted to  
5 the appropriate legislative policy and fiscal committees by December  
6 1, 2018.

7 (2) \$1,585,000 of the performance audit of government account—  
8 state appropriation is provided solely for staff and related costs to  
9 verify the accuracy of reported school district data submitted for  
10 state funding purposes; conduct school district program audits of  
11 state-funded public school programs; establish the specific amount of  
12 state funding adjustments whenever audit exceptions occur and the  
13 amount is not firmly established in the course of regular public  
14 school audits; and to assist the state special education safety net  
15 committee when requested.

16 (3) \$667,000 of the performance audits of government account—  
17 state appropriation (~~((for fiscal year 2018))~~) is provided solely for  
18 the state auditor's office to conduct a performance audit of  
19 Washington charter public schools to satisfy the requirement to  
20 contract for an independent performance audit pursuant to RCW  
21 28A.710.030(2). The final report of the performance audit must be  
22 submitted to the appropriate legislative policy committees by (~~((June~~  
23 ~~30))~~) December 31, 2018. The audit must include (~~((eight))~~) ten schools  
24 currently in (~~((their first year of))~~) operation and, subject to the  
25 availability of data, must (~~((address the following questions))~~)  
26 include, but is not limited to evaluating, the following operational  
27 and academic outcomes:

28 (a) Whether the charter school has a charter contract that  
29 includes performance provisions based on a performance framework that  
30 sets forth academic and operational performance indicators, measures,  
31 and metrics;

32 (b) Whether the charter school performance framework includes  
33 indicators, measures, and metrics for student academic proficiency,  
34 student academic growth, achievement gaps in both proficiency and  
35 growth between major student subgroups, attendance, recurrent  
36 enrollment from year to year, financial performance and  
37 sustainability, and charter school board compliance with applicable  
38 laws, rules and terms of the charter contract; and

39 (c) Whether the charter school performance framework includes a  
40 disaggregation of student performance data by major student

1 subgroups, including gender, race and ethnicity, poverty status,  
2 special education status, English language learner status, and highly  
3 capable status.

4 (4) \$700,000 of the performance audit of government account—state  
5 appropriation is provided solely for the state auditor's office to  
6 conduct ten additional program or agency audits.

7 **Sec. 123.** 2017 3rd sp.s. c 1 s 125 (uncodified) is amended to  
8 read as follows:

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

10	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$204,000</del> ))
11		<u>\$213,000</u>
12	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$205,000</del> ))
13		<u>\$218,000</u>
14	<u>Pension Funding Stabilization Account—State</u>	
15	<u>Appropriation. . . . .</u>	<u>\$30,000</u>
16	TOTAL APPROPRIATION. . . . .	(( <del>\$409,000</del> ))
17		<u>\$461,000</u>

18 **Sec. 124.** 2017 3rd sp.s. c 1 s 126 (uncodified) is amended to  
19 read as follows:

20 **FOR THE ATTORNEY GENERAL**

21	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$8,641,000</del> ))
22		<u>\$7,837,000</u>
23	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$8,951,000</del> ))
24		<u>\$8,234,000</u>
25	General Fund—Federal Appropriation. . . . .	(( <del>\$6,969,000</del> ))
26		<u>\$8,945,000</u>
27	<u>New Motor Vehicle Arbitration Account—State</u>	
28	<u>Appropriation. . . . .</u>	<u>\$1,145,000</u>
29	<u>Legal Services Revolving Account—State</u>	
30	<u>Appropriation. . . . .</u>	(( <del>\$245,290,000</del> ))
31		<u>\$250,553,000</u>
32	<u>Tobacco Prevention and Control Account—State</u>	
33	<u>Appropriation. . . . .</u>	<u>\$273,000</u>
34	Medicaid Fraud Penalty Account—State Appropriation. . . .	\$3,526,000
35	<u>Public Service Revolving Account—State</u>	
36	<u>Appropriation. . . . .</u>	(( <del>\$2,373,000</del> ))
37		<u>\$2,724,000</u>

1	Child Rescue Fund—State Appropriation. . . . .	(( <del>\$550,000</del> ))
2		<u>\$500,000</u>
3	Local Government Archives Account—State Appropriation. . . .	\$660,000
4	<u>Pension Funding Stabilization Account—State</u>	
5	<u>Appropriation. . . . .</u>	<u>\$1,606,000</u>
6	TOTAL APPROPRIATION. . . . .	(( <del>\$278,378,000</del> ))
7		<u>\$286,003,000</u>

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

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

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

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

33 (4) \$353,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$353,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for a grant to the Washington  
36 coalition of crime victim advocates to provide training,  
37 certification, and technical assistance for crime victim service  
38 center advocates.



1 (5) \$92,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$91,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for implementation of chapter  
4 163, Laws of 2017 (SHB 1055) (military members/pro bono).

5 (6) \$49,000 of the legal services revolving account—state  
6 appropriation is provided solely for implementation of chapter 268,  
7 Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

8 (7) \$276,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$259,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for implementation of chapter  
11 294, Laws of 2017 (SSB 5835) (health outcomes/pregnancy).

12 (8) \$22,000 of the legal services revolving account—state  
13 appropriation is provided solely for implementation of chapter 295,  
14 Laws of 2017 (SHB 1258) (first responders/disability).

15 (9) \$35,000 of the legal services revolving account—state  
16 appropriation is provided solely for implementation of chapter 249,  
17 Laws of 2017 (ESHB 1714) (nursing staffing/hospitals).

18 (10) \$361,000 of the legal services revolving account—state  
19 appropriation and \$660,000 of the local government archives account—  
20 state appropriation are provided solely for implementation of chapter  
21 303, Laws of 2017 (ESHB 1594) (public records administration).

22 (11) \$40,000 of the general fund—state appropriation for fiscal  
23 year 2018 is provided solely for the implementation of chapter 243,  
24 Laws of 2017 (HB 1352) (small business owners).

25 (12) \$67,000 of the legal services revolving account—state  
26 appropriation is provided solely for the implementation of chapter  
27 320, Laws of 2017 (SSB 5322) (dentists and third parties).

28 (13) \$11,000 of the legal services revolving account—state  
29 appropriation is provided solely for the implementation of chapter  
30 53, Laws of 2017 (2SHB 1120) (regulatory fairness act).

31 (14) \$119,000 of the legal services revolving account—state  
32 appropriation is provided solely for the implementation of chapter 1,  
33 Laws of 2018 (ESSB 6091).

34 (15) \$78,000 of the general fund—state appropriation for fiscal  
35 year 2019 is provided solely for the implementation of Second  
36 Substitute House Bill No. 1298 (job applicants/arrests). If the bill  
37 is not enacted by June 30, 2018, the amount provided in this  
38 subsection shall lapse.

1 (16) \$350,000 of the public service revolving account—state  
2 appropriation is provided solely for additional expert witness  
3 assistance for the public counsel unit.

4 (17) \$72,000 of the legal services revolving account—state  
5 appropriation is provided solely for the implementation of Engrossed  
6 Second Substitute House Bill No. 1889 (corrections ombuds, creating).  
7 If the bill is not enacted by June 30, 2018, the amount provided in  
8 this subsection shall lapse.

9 **Sec. 125.** 2017 3rd sp.s. c 1 s 127 (uncodified) is amended to  
10 read as follows:

11 **FOR THE CASELOAD FORECAST COUNCIL**

12	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$1,606,000</del> ))
13		<u>\$1,562,000</u>
14	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,576,000</del> ))
15		<u>\$1,706,000</u>
16	<u>Pension Funding Stabilization Account—State</u>	
17	<u>Appropriation. . . . .</u>	<u>\$169,000</u>
18	TOTAL APPROPRIATION. . . . .	(( <del>\$3,182,000</del> ))
19		<u>\$3,437,000</u>

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

22 (1) In addition to caseload forecasts for common schools as  
23 defined in RCW 43.88C.010(7), during the 2017-2019 fiscal biennium  
24 the council must provide a separate forecast of enrollment for  
25 charter schools authorized by chapter 28A.710 RCW.

26 (2) \$79,000 of the general fund—state appropriation for fiscal  
27 year 2019 is provided solely for implementation of Engrossed House  
28 Bill No. 2008 (state services for children). If the bill is not  
29 enacted by June 30, 2018, the amount provided in this subsection  
30 shall lapse.

31 (3) \$20,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$73,000 of the general fund—state appropriation for  
33 fiscal year 2019 is provided solely for the council to assist with  
34 the review of the sentencing reform act being conducted by the  
35 sentencing guidelines commission.

36 **Sec. 126.** 2017 3rd sp.s. c 1 s 128 (uncodified) is amended to  
37 read as follows:

1 **FOR THE DEPARTMENT OF COMMERCE**

2	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$64,989,000</del> ))
3		<u>\$65,978,000</u>
4	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$65,634,000</del> ))
5		<u>\$75,191,000</u>
6	General Fund—Federal Appropriation. . . . .	(( <del>\$295,855,000</del> ))
7		<u>\$295,861,000</u>
8	General Fund—Private/Local Appropriation. . . . .	(( <del>\$8,623,000</del> ))
9		<u>\$9,026,000</u>
10	Public Works Assistance Account—State	
11	Appropriation. . . . .	\$8,092,000
12	Drinking Water Assistance Administrative	
13	Account—State Appropriation. . . . .	\$508,000
14	Lead Paint Account—State Appropriation. . . . .	(( <del>\$238,000</del> ))
15		<u>\$464,000</u>
16	Building Code Council Account—State Appropriation. . . . .	\$15,000
17	Home Security Fund Account—State Appropriation. . . . .	(( <del>\$48,400,000</del> ))
18		<u>\$48,401,000</u>
19	Affordable Housing for All Account—State	
20	Appropriation. . . . .	\$13,867,000
21	Financial Fraud and Identity Theft Crimes	
22	Investigation and Prosecution Account—State	
23	Appropriation. . . . .	\$1,974,000
24	Low-Income Weatherization and Structural	
25	Rehabilitation Assistance Account—State	
26	Appropriation. . . . .	\$1,398,000
27	Community and Economic Development Fee Account—State	
28	Appropriation. . . . .	\$4,630,000
29	Washington Housing Trust Account—State	
30	Appropriation. . . . .	(( <del>\$12,617,000</del> ))
31		<u>\$12,619,000</u>
32	Prostitution Prevention and Intervention Account—	
33	State Appropriation. . . . .	\$26,000
34	Public Facility Construction Loan Revolving	
35	Account—State Appropriation. . . . .	(( <del>\$842,000</del> ))
36		<u>\$843,000</u>
37	Drinking Water Assistance Account—State	
38	Appropriation. . . . .	\$46,000
39	Liquor Revolving Account—State Appropriation. . . . .	(( <del>\$5,613,000</del> ))

1		<u>\$5,763,000</u>
2	Energy Freedom Account—State Appropriation. . . . .	\$6,000
3	Liquor Excise Tax Account—State Appropriation. . . . .	\$665,000
4	Economic Development Strategic Reserve Account—State	
5	Appropriation. . . . .	(( <del>\$5,611,000</del> ))
6		<u>\$2,651,000</u>
7	Financial Services Regulation Account—State	
8	Appropriation. . . . .	\$468,000
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u>Appropriation. . . . .</u>	<u>\$1,618,000</u>
11	TOTAL APPROPRIATION. . . . .	(( <del>\$540,117,000</del> ))
12		<u>\$550,110,000</u>

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

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

23       (2) ((~~\$500,000~~)) \$750,000 of the general fund—state appropriation  
24 for fiscal year 2018 and ((~~\$500,000~~)) \$750,000 of the general fund—  
25 state appropriation for fiscal year 2019 are provided solely for a  
26 grant to resolution Washington to building statewide capacity for  
27 alternative dispute resolution centers and dispute resolution  
28 programs that guarantee that citizens have access to low-cost  
29 resolution as an alternative to litigation.

30       (3) \$375,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$375,000 of the general fund—state appropriation for  
32 fiscal year 2019 are provided solely for a grant to the retired  
33 senior volunteer program.

34       (4) The department shall administer its growth management act  
35 technical assistance and pass-through grants so that smaller cities  
36 and counties receive proportionately more assistance than larger  
37 cities or counties.

38       (5) \$375,000 of the general fund—state appropriation for fiscal  
39 year 2018 and \$375,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely as pass-through funding to Walla  
2 Walla Community College for its water and environmental center.

3 (6) (~~(\$5,602,000 of the economic development strategic reserve~~  
4 ~~account state appropriation is~~)) \$1,480,000 of the general fund—state  
5 appropriation for fiscal year 2018, \$1,480,000 of the general fund—  
6 state appropriation for fiscal year 2019, and \$2,642,000 of the  
7 economic development strategic reserve account—state appropriation  
8 are provided solely for associate development organizations. During  
9 the 2017-2019 fiscal biennium, the department shall consider an  
10 associate development organization's total resources when making  
11 contracting and fund allocation decisions, in addition to the  
12 schedule provided in RCW 43.330.086.

13 (7) \$5,607,000 of the liquor revolving account—state  
14 appropriation is provided solely for the department to contract with  
15 the municipal research and services center of Washington.

16 (8)(a) \$500,000 of the general fund—state appropriation for  
17 fiscal year 2018, \$500,000 of the general fund—state appropriation  
18 for fiscal year 2019, \$24,734,000 of the home security fund—state  
19 appropriation, and \$8,860,000 of the affordable housing for all  
20 account—state appropriation are provided solely for the consolidated  
21 homeless grant. Of the amounts appropriated, \$5,000,000 is provided  
22 solely for emergency assistance to homeless families in the temporary  
23 assistance for needy families program.

24 (b) The department must distribute appropriated amounts from the  
25 home security account through performance-based contracts that  
26 require, at a minimum, monthly reporting of performance and financial  
27 metrics. The contracts must require that auditable documentation for  
28 the performance and financial metrics be provided to the joint  
29 legislative audit and review committee as requested for performance  
30 audits.

31 (9) \$700,000 of the general fund—state appropriation for fiscal  
32 year 2018 and (~~(\$700,000)~~) \$1,436,000 of the general fund—state  
33 appropriation for fiscal year 2019 are provided solely for the  
34 department to identify and invest in strategic growth areas, support  
35 key sectors, and align existing economic development programs and  
36 priorities. The department must consider Washington's position as the  
37 most trade-dependent state when identifying priority investments. The  
38 department must engage states and provinces in the northwest as well  
39 as associate development organizations, small business development

1 centers, chambers of commerce, ports, and other partners to leverage  
2 the funds provided. For each dollar expended, the department must  
3 receive a one hundred percent match. The match may be provided by the  
4 department through nongeneral fund sources, or any partnering  
5 governments or organizations. Sector leads established by the  
6 department must include the industries of: (a) Tourism; (b)  
7 agriculture, wood products, and other natural resource industries;  
8 and (c) clean technology and renewable and nonrenewable energy. The  
9 department may establish these sector leads by hiring new staff,  
10 expanding the duties of current staff, or working with partner  
11 organizations and or other agencies to serve in the role of sector  
12 lead.

13 (10) The department is authorized to require an applicant to pay  
14 an application fee to cover the cost of reviewing the project and  
15 preparing an advisory opinion on whether a proposed electric  
16 generation project or conservation resource qualifies to meet  
17 mandatory conservation targets.

18 (11) Within existing resources, the department shall provide  
19 administrative and other indirect support to the developmental  
20 disabilities council.

21 (12) \$150,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$150,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for the expansion of the current  
24 long-term care ombuds program to meet the immediate needs of  
25 individuals by advocating on behalf of and protecting residents of  
26 long-term care facilities from abuse, neglect, and exploitation.

27 (13) Within existing resources, the department of commerce shall  
28 consult with key crime victim services stakeholders to inform  
29 decisions about the funding distribution for federal fiscal years  
30 2017-2019 victims of crime act victim assistance funding. These  
31 stakeholders must include, at a minimum, children's advocacy centers  
32 of Washington, Washington association of prosecuting attorneys,  
33 Washington association of sheriffs and police chiefs, Washington  
34 coalition against domestic violence, Washington coalition of sexual  
35 assault programs, Washington coalition of crime victim advocates, at  
36 least one representative from a child health coalition, and other  
37 organizations as determined by the department. Funding distribution  
38 considerations shall include, but are not limited to, geographic  
39 distribution of services, underserved populations, age of victims,

1 best practices, and the unique needs of individuals, families, youth,  
2 and children who are victims of crime.

3 (14) \$643,000 of the liquor excise tax account—state  
4 appropriation is provided solely for the department of commerce to  
5 provide fiscal note assistance to local governments.

6 (15) \$300,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$300,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for the northwest agriculture  
9 business center.

10 (16) \$150,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$150,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely for the regulatory roadmap  
13 program for the construction industry and to identify and coordinate  
14 with businesses in key industry sectors to develop additional  
15 regulatory roadmap tools.

16 (17) \$1,000,000 of the general fund—state appropriation for  
17 fiscal year 2018 and \$1,000,000 of the general fund—state  
18 appropriation for fiscal year 2019 are provided solely for the  
19 Washington new Americans program. The department may require a cash  
20 match or in-kind contributions to be eligible for state funding.

21 (18) \$94,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$253,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for implementation of chapter  
24 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

25 (19) \$60,000 of the general fund—state appropriation for fiscal  
26 year 2018 is provided solely as a grant to the Hoh Indian tribe for  
27 critical infrastructure, including a backup electrical power  
28 generator to address recurrent power outages in the community.

29 (20) \$100,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$100,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for capacity-building grants  
32 through the Latino community fund to promote and improve education,  
33 economic empowerment, arts and culture, civic engagement, health, and  
34 environmental justice for Latino communities in Washington state.

35 (21) \$643,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$643,000 of the general fund—state appropriation for  
37 fiscal year 2019 are provided solely for the department to contract  
38 with a private, nonprofit organization to provide developmental  
39 disability ombuds services.

1 (22) \$39,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$39,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for implementation of chapter  
4 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

5 (23) \$1,000,000 of the home security fund—state appropriation,  
6 \$2,000,000 of the Washington housing trust account—state  
7 appropriation, and \$1,000,000 of the affordable housing for all  
8 account—state appropriation are provided solely for the department of  
9 commerce for services to homeless families and youth through the  
10 Washington youth and families fund.

11 (24)(a) \$500,000 of the general fund—state appropriation for  
12 fiscal year 2018, \$500,000 of the general fund—state appropriation  
13 for fiscal year 2019, and \$2,500,000 of the home security fund—state  
14 appropriation are provided solely for the office of homeless youth  
15 prevention and protection programs to:

16 (i) Contract with other public agency partners to test innovative  
17 program models that prevent youth from exiting public systems into  
18 homelessness; and

19 (ii) Support the development of an integrated services model,  
20 increase performance outcomes, and ensure providers have the  
21 necessary skills and expertise to effectively operate youth programs.

22 (b) Of the amounts provided in this subsection, \$1,750,000 is  
23 provided solely for the department to decrease homelessness of youth  
24 under 18 years of age though increasing shelter capacity statewide  
25 with preference given to increasing the number of contracted HOPE  
26 beds and crisis residential center beds.

27 (c) The department must distribute appropriated amounts from the  
28 home security account through performance-based contracts that  
29 require, at a minimum, monthly reporting of performance and financial  
30 metrics. The contracts must require that auditable documentation for  
31 the performance and financial metrics be provided to the joint  
32 legislative audit and review committee as requested for performance  
33 audits.

34 (25) \$140,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$140,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely to create a behavioral health  
37 supportive housing administrator within the department to coordinate  
38 development of effective behavioral health housing options and  
39 services statewide to aide in the discharge of individuals from the



1 state psychiatric hospitals. This position must work closely with the  
2 health care authority, department of social and health services, and  
3 other entities to facilitate linkages among disparate behavioral  
4 health community bed capacity-building efforts. This position must  
5 work to integrate building infrastructure capacity with ongoing  
6 supportive housing benefits, and must also develop and maintain a  
7 statewide inventory of mental health community beds by bed type.

8 (26)(a) \$1,000,000 of the home security fund—state appropriation  
9 for fiscal year 2018 and \$1,000,000 of the home security fund—state  
10 appropriation for fiscal year 2019 are provided solely to administer  
11 the grant program required in chapter 43.185C RCW, linking homeless  
12 students and their families with stable housing.

13 (b) The department must distribute appropriated amounts from the  
14 home security account through performance-based contracts that  
15 require, at a minimum, monthly reporting of performance and financial  
16 metrics. The contracts must require that auditable documentation for  
17 the performance and financial metrics be provided to the joint  
18 legislative audit and review committee as requested for performance  
19 audits.

20 (27) \$990,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$1,980,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for 150 community beds for  
23 individuals with a history of mental illness. Currently, there is  
24 little to no housing specific to populations with these co-occurring  
25 disorders; therefore, the department must consider how best to  
26 develop new bed capacity in combination with individualized support  
27 services, such as intensive case management and care coordination,  
28 clinical supervision, mental health, substance abuse treatment, and  
29 vocational and employment services. Case-management and care  
30 coordination services must be provided. Increased case-managed  
31 housing will help to reduce the use of jails and emergency services  
32 and will help to reduce admissions to the state psychiatric  
33 hospitals. The department must coordinate with the health care  
34 authority and the department of social and health services in  
35 establishing conditions for the awarding of these funds. The  
36 department must contract with local entities to provide a mix of (a)  
37 shared permanent supportive housing; (b) independent permanent  
38 supportive housing; and (c) low and no-barrier housing beds for

1 people with a criminal history, substance abuse disorder, and/or  
2 mental illness.

3 Priority for permanent supportive housing must be given to  
4 individuals on the discharge list at the state psychiatric hospitals  
5 or in community psychiatric inpatient beds whose conditions present  
6 significant barriers to timely discharge.

7 (28) \$557,000 of the general fund—state appropriation for fiscal  
8 year 2018 and \$557,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for the department to design and  
10 administer the achieving a better life experience program.

11 (29) \$512,000 of the general fund—state appropriation for fiscal  
12 year 2018 is provided solely to complete the requirements of the  
13 agricultural labor skills and safety grant program in chapter 43.330  
14 RCW. This program expires July 1, 2018.

15 (30) \$150,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$150,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for the implementation of  
18 chapter 225, Laws of 2017 (SSB 5713) (skilled worker program).

19 (31) \$50,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$50,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for the wildfire project in the  
22 Wenatchee valley to provide public education on wildfire and forest  
23 health issues.

24 (32) \$167,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$167,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for community mobilization  
27 grants to safe Yakima and safe streets of Tacoma to foster community  
28 engagement through neighborhood organizing, law enforcement-community  
29 partnerships, neighborhood watch programs, youth mobilization, and  
30 business engagement.

31 (33)(a) \$83,000 of the general fund—state appropriation for  
32 fiscal year 2018 and (~~(\$83,000)~~) \$133,000 of the general fund—state  
33 appropriation for fiscal year 2019 are provided solely for the  
34 department to create el nuevo camino pilot project for the purpose of  
35 addressing serious youth gang problems in midsize counties in eastern  
36 Washington. El nuevo camino pilot project must include one grant to  
37 an eligible applicant for the 2017-2019 fiscal biennium. The  
38 department shall adopt policies and procedures as necessary to  
39 administer the pilot project, including the application process,

1 disbursement of the grant award to the selected applicant, and  
2 tracking compliance and measuring outcomes. Partners, grant  
3 recipients, prosecutors, mental health practitioners, schools, and  
4 other members of the el nuevo camino pilot project, shall ensure that  
5 programs, trainings, recruiting, and other operations for el nuevo  
6 camino pilot project prohibit discriminatory practices, including  
7 biased treatment and profiling of youth or their communities. For the  
8 purposes of this subsection, antidiscriminatory practices prohibit  
9 grant recipients or their partners from using factors such as race,  
10 ethnicity, national origin, immigration or citizenship status, age,  
11 religion, gender, gender identity, gender expression, sexual  
12 orientation, and disability in guiding or identifying affected  
13 populations.

14 (b) An eligible applicant:

15 (i) Is a county located in Washington or its designee;

16 (ii) Is located east of the Cascade mountain range with an  
17 estimated county population between ninety thousand and one hundred  
18 thousand as of January 1, 2017;

19 (iii) Has an identified gang problem;

20 (iv) Pledges and provides a minimum of sixty percent of matching  
21 funds over the same time period of the grant;

22 (v) Has established a coordinated effort with committed partners,  
23 including law enforcement, prosecutors, mental health practitioners,  
24 and schools;

25 (vi) Has established goals, priorities, and policies in  
26 compliance with the requirements of (c) of this subsection; and

27 (vii) Demonstrates a clear plan to engage in long-term antigang  
28 efforts after the conclusion of the pilot project.

29 (c) The grant recipient must:

30 (i) Work to reduce youth gang crime and violence by implementing  
31 the comprehensive gang model of the federal juvenile justice and  
32 delinquency prevention act of 1974;

33 (ii) Increase mental health services to unserved and underserved  
34 youth by implementing the best practice youth mental health model of  
35 the national center for mental health and juvenile justice;

36 (iii) Work to keep high-risk youth in school, reenroll dropouts,  
37 and improve academic performance and behavior by engaging in a grass  
38 roots team approach in schools with the most serious youth violence  
39 and mental health problems, which must include a unique and  
40 identified team in each district participating in the project;

1 (iv) Hire a project manager and quality assurance coordinator;  
2 (v) Adhere to recommended quality control standards for  
3 Washington state research-based juvenile offender programs as set  
4 forth by the Washington state institute for public policy; and

5 (vi) Report to the department by September 1, 2019, with the  
6 following:

7 (A) The number of youth and adults served through the project and  
8 the types of services accessed and received;

9 (B) The number of youth satisfactorily completing chemical  
10 dependency treatment in the county;

11 (C) The estimated change in domestic violence rates;

12 (D) The estimated change in gang participation and gang violence;

13 (E) The estimated change in dropout and graduation rates;

14 (F) The estimated change in overall crime rates and crimes  
15 typical of gang activity;

16 (G) The estimated change in recidivism for youth offenders in the  
17 county; and

18 (H) Other information required by the department or otherwise  
19 pertinent to the pilot project.

20 (d) The department shall report the information from (c)(vi) of  
21 this subsection and other relevant data to the legislature and the  
22 governor by October 1, 2019.

23 (34)(a) During the 2017-2019 fiscal biennium, the department must  
24 revise its agreements and contracts with vendors to include a  
25 provision to require that each vendor agrees to equality among its  
26 workers by ensuring similarly employed individuals are compensated as  
27 equals as follows:

28 (i) Employees are similarly employed if the individuals work for  
29 the same employer, the performance of the job requires comparable  
30 skill, effort, and responsibility, and the jobs are performed under  
31 similar working conditions. Job titles alone are not determinative of  
32 whether employees are similarly employed;

33 (ii) Vendors may allow differentials in compensation for its  
34 workers based in good faith on any of the following:

35 (A) A seniority system; a merit system; a system that measures  
36 earnings by quantity or quality of production; a bona fide job-  
37 related factor or factors; or a bona fide regional difference in  
38 compensation levels.

39 (B) A bona fide job-related factor or factors may include, but  
40 not be limited to, education, training, or experience, that is:

1 Consistent with business necessity; not based on or derived from a  
2 gender-based differential; and accounts for the entire differential.

3 (C) A bona fide regional difference in compensation level must  
4 be: Consistent with business necessity; not based on or derived from  
5 a gender-based differential; and account for the entire differential.

6 (b) The provision must allow for the termination of the contract  
7 if the department or department of enterprise services determines  
8 that the vendor is not in compliance with this agreement or contract  
9 term.

10 (c) The department must implement this provision with any new  
11 contract and at the time of renewal of any existing contract.

12 (35) \$102,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$75,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for the implementation of  
15 chapter 315, Laws of 2017 (ESB 5128) (incremental energy).

16 (36) \$26,000 of the general fund—state appropriation for fiscal  
17 year 2018 and \$12,000 of the general fund—state appropriation for  
18 fiscal year 2019 are provided solely for the implementation of  
19 chapter 279, Laws of 2017 (SHB 1988) (vulnerable youth guardians).

20 (37) \$468,000 of the financial services regulation account—state  
21 appropriation is provided solely for the family prosperity account  
22 program.

23 (38) The department is authorized to suspend issuing any  
24 nonstatutorily required grants or contracts of an amount less than  
25 \$1,000,000 per year.

26 (39) The entire home security account appropriation in this  
27 section is provided solely for administration through performance-  
28 based contracts that require, at a minimum, monthly reporting of  
29 performance and financial metrics. The contracts must require that  
30 auditable documentation for the performance and financial metrics be  
31 provided to the joint legislative audit and review committee as  
32 requested for performance audits.

33 (40)(a) \$250,000 of the public works assistance account—state  
34 appropriation is provided solely for the department to contract with  
35 a consultant to study strategies for increasing the competitiveness  
36 of rural businesses in securing local government contracts within  
37 their same rural county, and for providing outreach services to  
38 employers in rural communities. The consultant must:

39 (i) Be a 501(c)(3) nonprofit organization;

1 (ii) Be located in a county with a population of less than two  
2 million; and

3 (iii) Provide statewide business representation and expertise  
4 with relevant experience in the evaluation of rural economies.

5 (b) The study must include the following:

6 (i) An analysis of the net economic and employment impacts to  
7 rural communities of awarding local government contracts to  
8 businesses outside the rural county in comparison to awarding local  
9 government contracts to businesses based in the same rural county;

10 (ii) A survey of local government entities to collect relevant  
11 data to include but not be limited to: The total number and amount of  
12 contracts awarded in 2015 and 2016 by local governments in rural  
13 counties; the number and amount of contracts awarded to businesses  
14 based in rural counties in comparison to the number and amounts  
15 awarded to businesses based in nonrural counties; the number of  
16 contracts where a rural business responded to a request for proposal  
17 but was not the minimum bidder; the percentage spread between the  
18 rural business and the lowest bidder; and the number of times the  
19 local government moved to the next most qualified bidder in a request  
20 for qualification out of the total professional service contracts  
21 awarded;

22 (iii) A review of current regulations and best practices in other  
23 jurisdictions. The study must identify existing policy barriers, if  
24 present, and potential policy changes to increase the competitiveness  
25 of rural businesses in securing local government contracts within  
26 their same geographic region, including but not be limited to the  
27 risks and benefits of establishing a preference for local businesses  
28 for rural government contracts; and

29 (iv) Discussion on the implications for projects that receive  
30 federal funding.

31 The study must be provided to the office of financial management and  
32 fiscal committees of the legislature by December 31, 2017.

33 (c) The department's external relations division must expand  
34 existing outreach services offered to rural employers to include  
35 training on processes to compete effectively for public works  
36 contracts within their communities. The external relations division  
37 must receive training on contract law to better support their  
38 outreach services. The cost of the training may not exceed \$10,000.

39 (41) \$40,000 of the general fund—state appropriation for fiscal  
40 year 2018 and \$40,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the Federal Way day center  
2 to provide housing and other assistance to persons over 18  
3 experiencing homelessness.

4 (42) \$200,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$200,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely for implementation of Second  
7 Substitute Senate Bill No. 5254 (buildable lands and zoning). If this  
8 bill is not enacted by July 31, 2017, the amounts provided in this  
9 subsection shall lapse.

10 (43) \$700,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$600,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely for staff and upgrades to the  
13 homeless management information system.

14 (44) \$50,000 of the general fund—state appropriation for fiscal  
15 year 2018 is provided solely for the department to conduct a study on  
16 the current state of data center industry in Washington and whether  
17 changes to existing state policies would result in additional  
18 investment and job creation in Washington as well as advance the  
19 development of the state's technology ecosystems. The study is due to  
20 the appropriate committees of the legislature by December 1, 2017.

21 (45) \$500,000 of the general fund—state appropriation for 2018 is  
22 provided solely for the department to formulate a statewide tourism  
23 marketing plan in collaboration with a nonprofit statewide tourism  
24 organization as provided in Substitute Senate Bill No. 5251.

25 (46) \$80,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$80,000 of the general fund—state appropriation for  
27 fiscal year 2019 is provided solely as a grant to Klickitat county  
28 for a land use planner to process a backlog of permits that have not  
29 been processed by the Columbia river gorge commission due to lack of  
30 funds.

31 (47) \$75,000 of the general fund—state appropriation for fiscal  
32 year 2019 is provided solely for a grant to the city of Yakima to  
33 establish a gang prevention pilot program. The pilot program shall be  
34 modeled after the Denver gang reduction initiative program, with the  
35 goal of creating a sustainable organized response to gang activity  
36 utilizing evidence-based principles.

37 (48) \$387,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for the department to create the  
39 governor's rural broadband office. The purpose of the governor's

1 rural broadband office is to provide grants to local governments and  
2 federally recognized tribes to build and deploy infrastructure to  
3 provide high-speed, open-access broadband service to rural unserved  
4 and underserved communities to improve economic development, public  
5 safety, and access to education.

6 (a) The office must, at a minimum:

7 (i) Identify unserved and underserved areas in rural parts of the  
8 state on an annual basis;

9 (ii) Conduct planning to prioritize and sequence the delivery of  
10 quality high-speed broadband to rural parts of the state;

11 (iii) Review existing federal communications commission data,  
12 unfunded community economic revitalization board proposals, denied  
13 United States department of agriculture grants for projects in  
14 Washington state, and proposals from previous state broadband  
15 efforts; and

16 (iv) Develop a list of projects for grant support that expand  
17 quality high-speed rural broadband access no later than six months  
18 after the effective date of this section.

19 (b) The department of commerce must work with the utilities and  
20 transportation commission, consolidated technology services, the  
21 office of privacy and data protection, the governor's office for  
22 regulatory innovation and assistance, and all other Washington  
23 executive and small cabinet agencies with pertinent regulatory  
24 jurisdiction in the implementation and operation of the governor's  
25 rural broadband office.

26 (49)(a) \$500,000 of the general fund—state appropriation for  
27 fiscal year 2019 is provided solely for a contract to study and  
28 report on independent contractor employment in Washington state. The  
29 contractor report shall be provided to the department by November 1,  
30 2018. The report must include information on the needs of workers  
31 earning income as independent contractors including sources of  
32 income, the amount of their income derived from independent work, and  
33 a discussion of the benefits provided to such workers.

34 (b) The department must convene an advisory committee to provide  
35 assistance with the development of the study. The advisory committee  
36 must comprise:

37 (i) Individuals from the public and private sector with expertise  
38 in labor laws;

39 (ii) Representatives of labor unions;



1 (iii) Representatives from nonprofit organizations promoting  
2 economic security and educational opportunity; and

3 (iv) Individuals from business and industry.

4 (50) \$240,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for the implementation of Substitute  
6 House Bill No. 2367 (child care collaboration task force). If the  
7 bill is not enacted by June 30, 2018, the amount provided in this  
8 subsection shall lapse.

9 (51) \$174,000 of the general fund—state appropriation for fiscal  
10 year 2019 is provided solely for the implementation of Third  
11 Substitute House Bill No. 2382 (surplus public property). If the bill  
12 is not enacted by June 30, 2018, the amount provided in this  
13 subsection shall lapse.

14 (52) \$114,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely for the implementation of Engrossed  
16 Second Substitute House Bill No. 2396 (child care). If the bill is  
17 not enacted by June 30, 2018, the amount provided in this subsection  
18 shall lapse.

19 (53) \$31,000 of the general fund—state appropriation for fiscal  
20 year 2019 is provided solely for the implementation of Substitute  
21 House Bill No. 2667 (essential needs/ABD programs). If the bill is  
22 not enacted by June 30, 2018, the amount provided in this subsection  
23 shall lapse.

24 (54)(a) \$400,000 of the general fund—state appropriation for  
25 fiscal year 2019 and \$400,000 of the general fund—local appropriation  
26 are provided solely for the department to contract with a consultant  
27 to study the current and ongoing impacts of the SeaTac international  
28 airport. The general fund—state funding provided in this subsection  
29 serves as a state match and may not be spent unless \$400,000 of local  
30 matching funds is transferred to the department. The department must  
31 seek feedback on project scoping and consultant selection from the  
32 cities listed in (b) of this subsection.

33 (b) The study must include, but not be limited to:

34 (i) The impacts that the current and ongoing airport operations  
35 have on quality of life associated with air traffic noise, public  
36 health, traffic, congestion, and parking in residential areas,  
37 pedestrian access to and around the airport, public safety and crime  
38 within the cities, effects on residential and nonresidential property  
39 values, and economic development opportunities, in the cities of

1 SeaTac, Burien, Des Moines, Tukwila, Federal Way, Normandy Park, and  
2 other impacted neighborhoods; and

3 (ii) Options and recommendations for mitigating any negative  
4 impacts identified through the analysis.

5 (c) The department must collect data and relevant information  
6 from various sources including the port of Seattle, listed cities and  
7 communities, and other studies.

8 (d) The study must be delivered to the legislature by December 1,  
9 2019.

10 (55) \$1,276,000 of the general fund—state appropriation for  
11 fiscal year 2019 is provided solely for the implementation of chapter  
12 16, Laws of 2017, 3rd sp.s. (E2SSB 5254).

13 (56)(a) \$150,000 of the liquor revolving account—state  
14 appropriation is provided solely for the department of commerce to  
15 conduct a study that analyzes counties' revenue capacity in relation  
16 to their constitutional and statutory obligations. At a minimum, the  
17 study must include:

18 (i) A comparison of county expenditures for services provided as  
19 agents of the state compared to the state and local revenue capacity  
20 for state services;

21 (ii) An analysis of where funding gaps are most pronounced, such  
22 as by issue area and specific areas of the state;

23 (iii) How the situation has changed over the last thirty years;  
24 and

25 (iv) Baseline data and a methodology that can be replicated in  
26 future studies and analysis.

27 (b) An interim report focusing on the results of (a)(i) of this  
28 section must be presented to the governor and appropriate committees  
29 of the legislature by or before December 31, 2018. The final report  
30 must be presented to the governor and appropriate committees of the  
31 legislature by or before June 30, 2019.

32 (57)(a) \$125,000 of the general fund—state appropriation for  
33 fiscal year 2019 is provided solely for the department of commerce to  
34 provide a grant to a nonprofit organization to assist fathers  
35 transitioning from incarceration to family reunification. The grant  
36 recipient must have experience contracting with:

37 (i) The department of corrections to support offender betterment  
38 projects; and

1 (ii) The department of social and health services to provide  
2 access and visitation services.

3 (b) The grant recipient must provide data on program outcomes to  
4 the Washington statewide reentry council. This data must be included  
5 in the Washington statewide reentry council's report of activities  
6 and recommendations to the governor and appropriate committees of the  
7 legislature as required by RCW 43.380.050.

8 (58) \$45,000 of the general fund—state appropriation for fiscal  
9 year 2019 is provided solely for a grant to a nonprofit organization  
10 that addresses the causes and barriers of poverty and homelessness  
11 with comprehensive and holistic services. The funding must be used to  
12 support food bank services and a summer meals program that serves at  
13 least ten different sites in the South King county region for  
14 children and families.

15 (59) \$1,500,000 of the general fund—state appropriation for  
16 fiscal year 2019 is provided solely for the department to contract  
17 with a nonprofit organization to provide Washington state residents  
18 with legal representation related to family and community safety.

19 (60) \$150,000 of the general fund—state appropriation for fiscal  
20 year 2019 is provided solely for a small business innovation exchange  
21 project to increase economic development opportunities for women,  
22 minority, and veteran owned small businesses in the south King county  
23 region.

24 (61) \$100,000 of the general fund—state appropriation for fiscal  
25 year 2019 is provided solely for a grant to the city of Federal Way  
26 for an emergency shelter to serve homeless families with children.

27 (62) \$250,000 of the general fund—state appropriation for fiscal  
28 year 2019 is provided solely for capacity-building grants through the  
29 united Indians of all tribes foundation to promote and improve  
30 educational, cultural, and social services for Native American  
31 communities in Washington state.

32 (63) \$66,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$147,000 of the general fund—state appropriation for  
34 fiscal year 2019 are provided solely for the implementation of  
35 Engrossed Second Substitute House Bill No. 2914 (postconsumer  
36 materials). If the bill is not enacted by June 30, 2018, the amount  
37 provided in this subsection shall lapse.

38 (64) \$41,000 of the general fund—state appropriation for fiscal  
39 year 2019 is provided solely for the implementation of Substitute

1 House Bill No. 2101 (sexual assault nurse examiners). If the bill is  
2 not enacted by June 30, 2018, the amount provided in this subsection  
3 shall lapse.

4 (65) \$200,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for a grant to a museum to assist with  
6 armistice day activities in schools and other community settings to  
7 celebrate the 100th anniversary of World War I and armistice day.  
8 Funding must be used for a World War I America museum exhibit, new  
9 curriculum, teacher training, student and classroom visits, and  
10 visits from veterans and active duty military.

11 (66) \$250,000 of the general fund—state appropriation for fiscal  
12 year 2019 is provided solely for the department to contract with a  
13 nonprofit economic development association with members that include  
14 cities, ports, and at least twenty associate development  
15 organizations to study strategies and best practices for economic  
16 development and job creation in rural and underserved communities.  
17 The study must include strategies used successfully both in  
18 Washington and in other states, including examples of how rural and  
19 underserved communities have recruited technology employers and  
20 increased technology jobs in their communities.

21 **Sec. 127.** 2017 3rd sp.s. c 1 s 129 (uncodified) is amended to  
22 read as follows:

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

24	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$850,000</del> ))
25		<u>\$799,000</u>
26	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$905,000</del> ))
27		<u>\$854,000</u>
28	Lottery Administrative Account—State Appropriation. . . . .	\$50,000
29	<u>Pension Funding Stabilization Account—State</u>	
30	<u>Appropriation. . . . .</u>	<u>\$102,000</u>
31	TOTAL APPROPRIATION. . . . .	\$1,805,000

32 **Sec. 128.** 2017 3rd sp.s. c 1 s 130 (uncodified) is amended to  
33 read as follows:

34 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

35	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$11,711,000</del> ))
36		<u>\$12,572,000</u>
37	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$11,956,000</del> ))

1		<u>\$12,476,000</u>
2	General Fund—Federal Appropriation. . . . .	\$39,716,000
3	General Fund—Private/Local Appropriation. . . . .	(( <del>\$501,000</del> ))
4		<u>\$843,000</u>
5	Economic Development Strategic Reserve Account—State	
6	Appropriation. . . . .	\$314,000
7	<u>Recreation Access Pass Account—State Appropriation. . . . .</u>	<u>\$75,000</u>
8	Personnel Service Fund—State Appropriation. . . . .	(( <del>\$8,882,000</del> ))
9		<u>\$8,888,000</u>
10	Higher Education Personnel Services Account—State	
11	Appropriation. . . . .	\$1,497,000
12	Performance Audits of Government Account—State	
13	Appropriation. . . . .	\$621,000
14	Statewide Information Technology System Development	
15	Revolving Account—State Appropriation. . . . .	(( <del>\$6,503,000</del> ))
16		<u>\$10,022,000</u>
17	OFM Central Services—State Appropriation. . . . .	(( <del>\$19,237,000</del> ))
18		<u>\$19,308,000</u>
19	<u>Pension Funding Stabilization Account—State</u>	
20	<u>Appropriation. . . . .</u>	<u>\$2,448,000</u>
21	TOTAL APPROPRIATION. . . . .	(( <del>\$100,938,000</del> ))
22		<u>\$108,780,000</u>

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

25 (1) The appropriations in this section represent a transfer of  
26 expenditure authority of \$4,000,000 of the general fund—federal  
27 appropriation from the health care authority to the office of  
28 financial management to implement chapter 246, Laws of 2015 (all-  
29 payer health care claims database).

30 (2)(a) The student achievement council and all institutions of  
31 higher education eligible to participate in the state need grant  
32 shall ensure that data needed to analyze and evaluate the  
33 effectiveness of the state need grant program are promptly  
34 transmitted to the education data center so that it is available and  
35 easily accessible. The data to be reported must include but not be  
36 limited to:

- 37 (i) The number of state need grant recipients;
- 38 (ii) The number of students on the unserved waiting list of the
- 39 state need grant;

1 (iii) Persistence and completion rates of state need grant  
2 recipients and students on the state need grant unserved waiting  
3 list, disaggregated by institutions of higher education;

4 (iv) State need grant recipients and students on state need grant  
5 unserved waiting list grade point averages; and

6 (v) State need grant program costs.

7 (b) The student achievement council shall submit student unit  
8 record data for the state need grant program applicants and  
9 recipients to the education data center.

10 (3) \$149,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$144,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely to implement chapter 172, Laws  
13 of 2017 (SHB 1741) (educator preparation data/PESB).

14 (4) \$84,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$75,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely to implement chapter 53, Laws of  
17 2017 (2SHB 1120) (regulatory fairness act).

18 (5) The office of financial management must perform a legal and  
19 policy review of whether the lead organization of the statewide  
20 health claims database established in chapter 43.371 RCW may collect  
21 certain data from drug manufacturers and use this data to bring  
22 greater public transparency to prescription drug prices.  
23 Specifically, the review must analyze whether the organization may  
24 collect and use manufacturer's pricing data on high-cost new and  
25 existing prescription drugs, including itemized production and sales  
26 data and Canadian pricing. The office of financial management must  
27 report by December 15, 2017, to the health care committees of the  
28 legislature the results of the study and any necessary legislation to  
29 authorize the collection of pricing data and to produce public  
30 analysis and reports that help promote prescription drug  
31 transparency.

32 (6) \$500,000 of the general fund—state appropriation for fiscal  
33 year 2018, \$131,000 of the general fund—state appropriation for  
34 fiscal year 2019, and \$139,000 of the personnel service account—state  
35 appropriation are provided solely for implementation of Engrossed  
36 Second Substitute House Bill No. 1661 (children, youth, families  
37 department). The cost allocation contract must include a  
38 determination of the amount of administrative funding to be  
39 transferred between appropriations in sections 223(1) and 223(2) of

1 this act to section 222(3) of this act for the new department of  
2 children, youth, and families. If the bill is not enacted by July 31,  
3 2017, the amounts provided in this subsection shall lapse.

4 (7) (~~(\$4,503,000)~~) \$8,022,000 of the statewide information  
5 technology system development revolving account—state appropriation  
6 is provided solely for readiness activities related to the One  
7 Washington replacement project to modernize and improve  
8 administrative systems and related business processes across state  
9 government over a multi-biennia time period and this project is  
10 subject to the conditions, limitations, and review provided in  
11 section 724 of this act. The funding provided in this subsection is  
12 for conducting business warehouse planning and system integrations  
13 and contracting with a strategic partner for the design of the long-  
14 term program blueprint detailing the readiness, planning, and  
15 implementation activities related to this project. Legislative  
16 expectation is that the strategic partner selected for this design of  
17 this long-term blueprint will have proven experience in successfully  
18 managing similar efforts in other states or jurisdictions and that  
19 the ultimate project scope will integrate performance information and  
20 provide information on discrete units of costs for state governmental  
21 activities with the goal of improved management and efficiency. The  
22 office of financial management will provide the needed management  
23 support for this design effort and will ensure that state agencies  
24 fully participate in this initial design effort, including the office  
25 of chief information officer. The office of financial management will  
26 provide quarterly reports to the legislative fiscal committees and  
27 the legislative evaluation and accountability program committee.  
28 Before submitting additional funding requests for this project, the  
29 office of financial management will submit a comprehensive detailed  
30 feasibility study and financial plan for the project to the  
31 legislative evaluation and accountability program committee.

32 (8) \$4,000,000 of the general fund—federal appropriation is  
33 provided solely for the procurement and implementation of the  
34 Washington state all payer claims database project and this project  
35 is subject to the conditions, limitations, and review provided in  
36 section 724 of this act.

37 (9) \$140,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$140,000 of the general fund—federal appropriation are  
39 provided solely for the authority to incorporate long-term inpatient

1 care as defined in RCW 71.24.025 into the psychiatric managed care  
2 capitation risk model. The model shall be submitted to the governor  
3 and appropriate committees of the legislature by December 1, 2017.  
4 The model must integrate civil inpatient psychiatric hospital  
5 services including ninety and one hundred eighty day commitments  
6 provided in state hospitals or community settings into medicaid  
7 managed care capitation rates and nonmedicaid contracts. The model  
8 should phase-in the financial risk such that managed care  
9 organizations bear full financial risk for long-term civil inpatient  
10 psychiatric hospital commitments beginning January 2020. The model  
11 must address strategies to ensure that the state is able to maximize  
12 the state's allotment of federal disproportionate share funding.

13 (10) The office of financial management will convene a work group  
14 consisting of the department of social and health services and  
15 appropriate fiscal and policy staff from the house of representatives  
16 office of program research and senate committee services for the  
17 purpose of reviewing language traditionally added to section 201 in  
18 supplemental operating omnibus appropriations acts to allow the  
19 department to transfer moneys between sections of the act and to  
20 allow for moneys that are provided solely for a specified purpose to  
21 be used for other than that purpose. The work group will review the  
22 department's use of the language, develop options to reduce or  
23 eliminate the need for this language, and explore revisions to the  
24 language. The work group must also discuss alternatives to the  
25 language to achieve the shared goal of balancing expenditures to  
26 appropriation while preserving the legislature's ability to direct  
27 policy through appropriation. Alternatives should include increased  
28 use of supplemental budget decision packages, the creation of a  
29 reserve fund for unanticipated expenditures, and other measures the  
30 work group develops.

31 (11) Within existing resources, the labor relations section shall  
32 produce a report annually on workforce data and trends for the  
33 previous fiscal year. At a minimum, the report must include a  
34 workforce profile; information on employee compensation, including  
35 salaries and cost of overtime; and information on retention,  
36 including average length of service and workforce turnover.

37 (12) \$75,000 of the recreation access pass account—state  
38 appropriation is provided solely for the office of financial  
39 management, in consultation with the parks and recreation commission,  
40 department of natural resources, and department of fish and wildlife,



1 to further analyze the cost and revenue potential of the options and  
2 recommendations in *Recreation Fees in Washington: Options and*  
3 *Recommendations* (The William D. Ruckelshaus Center, December 2017).  
4 The office must collaborate with other relevant agencies and  
5 appropriate stakeholders. The office must provide a report to the  
6 appropriate committees of the legislature by September 1, 2018. For  
7 each of the options, the report must:

8 (a) Identify the types of recreational access pass products,  
9 exemption and discount types, and levels;

10 (b) Specify price points and projected demand for each type of  
11 recreational access pass product that would result in revenue  
12 increases of five percent, ten percent, and fifteen percent;

13 (c) Describe implementation and logistical considerations of  
14 selling each of the options through a single place on the internet or  
15 through the department of fish and wildlife's licensing system;

16 (d) Identify fiscal impacts of changing the state access pass to  
17 each of the options identified including any combination state and  
18 federal recreational access pass options; and

19 (e) Provide any additional recommendations for implementation,  
20 transition, or changes in state law needed to implement each of the  
21 options.

22 (13) \$76,000 of the general fund—state appropriation for fiscal  
23 year 2019 is provided solely for implementation of Engrossed Second  
24 Substitute House Bill No. 1851 (government contracting). If the bill  
25 is not enacted by June 30, 2018, the amount provided in this  
26 subsection shall lapse.

27 (14) \$291,000 of the general fund—state appropriation for fiscal  
28 year 2019 is provided solely for implementation of Engrossed House  
29 Bill No. 2759 (women's commission). If the bill is not enacted by  
30 June 30, 2018, the amount provided in this subsection shall lapse.

31 (15) \$52,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$412,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided to the office of financial management  
34 for staffing and support to prepare for the 2020 census.

35 (16) \$2,000,000 of the general fund—state appropriation for  
36 fiscal year 2018 is provided solely to support the implementation of  
37 the department of children, youth, and families. The department must  
38 submit an expenditure plan to the office of financial management and

1 may expend implementation funds only after approval by the director  
2 of the office of financial management.

3 (17)(a) \$179,000 of the general fund—state appropriation for  
4 fiscal year 2019 is provided solely for the sentencing guidelines  
5 commission to conduct a comprehensive review of the sentencing reform  
6 act under chapter 9.94A RCW and make recommendations to accomplish  
7 the following goals:

8 (i) Assess the degree to which the sentencing reform act as  
9 applied has achieved each of its stated purposes;

10 (ii) Ensure Washington's sentencing policies and practices are  
11 evidence-based, aligned with best practices, and consistent with  
12 federal and state case law;

13 (iii) Ensure Washington's sentencing laws and practices promote  
14 public safety by holding offenders accountable for their actions  
15 while also facilitating their successful reintegration into the  
16 community;

17 (iv) Simplify Washington's sentencing laws to make them easier to  
18 understand and apply; and

19 (v) Eliminate inconsistencies, which may have developed through  
20 various amendatory changes.

21 (b) In conducting the review under (a) of this subsection, the  
22 sentencing guidelines commission shall:

23 (i) Review the current sentencing grid and recommend changes to  
24 simplify the grid and increase judicial discretion, including, but  
25 not limited to: Reviewing and simplifying RCW 9.94A.501, 9.94A.505,  
26 9.94A.525, and 9.94A.533; reviewing and simplifying the sentencing  
27 grid under RCW 9.94A.510 by reducing the number of cells in the grid  
28 and creating broader sentencing ranges for lower level offenses;  
29 reviewing and revising seriousness levels under RCW 9.94A.515 to  
30 ensure offenses have appropriately designated seriousness levels;  
31 reviewing the drug sentencing grid under RCW 9.94A.517 and 9.94A.518  
32 to determine if drug offenses can be incorporated into a new or  
33 revised sentencing grid; and reviewing minimum term requirements  
34 under RCW 9.94A.540 to avoid inconsistencies with proposed changes to  
35 the grid and other sentencing policies;

36 (ii) Review mitigating and aggravating factors under RCW  
37 9.94A.535 and sentencing enhancements under RCW 9.94A.533, including  
38 mandatory consecutive requirements, and recommend changes to reflect  
39 current sentencing purposes and policies and case law;

1 (iii) Review fines, fees, and other legal financial obligations  
2 associated with criminal convictions, including, but not limited to,  
3 a review of: Fines under RCW 9.94A.550; restitution under RCW  
4 9.94A.750; and legal financial obligations under RCW 9.94A.760;

5 (iv) Review community supervision and community custody programs  
6 under RCW 9.94A.701 through 9.94A.723 and other related provisions,  
7 including, but not limited to: Reviewing and revising eligibility  
8 criteria for community custody under RCW 9.94A.701 and 9.94A.702;  
9 reviewing the length and manner of supervision for various offenses;  
10 reviewing earned time toward termination of supervision; and  
11 reviewing the consequences for violations of conditions; and

12 (v) Review available alternatives to full confinement, including,  
13 but not limited to: Work crew under RCW 9.94A.725 and home detention  
14 and electronic home monitoring under RCW 9.94A.734 through 9.94A.736.

15 (c) The sentencing guidelines commission shall report its  
16 findings and recommendations based on the review under (a) of this  
17 subsection to the governor and appropriate committees of the  
18 legislature by May 1, 2019.

19 (18) \$25,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$125,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided to the education research and data  
22 center within the office of financial management for the sole purpose  
23 of providing an annual report on postsecondary enrollment and  
24 completion of Washington students with demographic information  
25 included on race, ethnicity, gender, students with disabilities,  
26 English language proficiency, income level, region, and types of  
27 credentials, including but not limited to in- and out-of-state public  
28 and private traditional two- and four-year degree granting  
29 institutions, private vocational schools, state apprenticeship  
30 programs, and professional licenses. The appropriation must also be  
31 used to respond to data requests from researchers outside of state  
32 agencies and to develop a plan for improving data governance for more  
33 accurate and timely responses.

34 **Sec. 129.** 2017 3rd sp.s. c 1 s 131 (uncodified) is amended to  
35 read as follows:

36 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

37 Administrative Hearings Revolving Account—State

38 Appropriation. . . . . ((\$38,898,000))

The appropriation in this section is subject to the following conditions and limitations: \$200,000 of the administrative hearings revolving account—state appropriation is provided solely for the agency, in collaboration with the office of financial management, to conduct a review of the agency's fee structure, billing methodology, and assumptions about employee productivity which impact the fee structure and billing methodology.

Sec. 130. 2017 3rd sp.s. c 1 s 132 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE LOTTERY

Lottery Administrative Account—State

Appropriation. . . . .	(( <del>\$28,028,000</del> ))
	<u>\$28,050,000</u>

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

(1) No portion of this appropriation may be used for acquisition of gaming system capabilities that violate state law.

(2) Pursuant to RCW 67.70.040, the commission shall take such action necessary to reduce by \$6,000,000 each fiscal year the total amount of compensation paid to licensed lottery sales agents. It is anticipated that the result of this action will reduce retail commissions to an average of 5.1 percent of sales.

NEW SECTION. Sec. 131. A new section is added to 2017 3rd sp.s. c 1 (uncodified) to read as follows:

FOR THE GAMBLING COMMISSION

Gambling Revolving Account—State. . . . . \$100,000

The appropriation in this section is subject to the following conditions and limitations: \$100,000 of the gambling revolving account—state appropriation is provided solely for the gambling commission to contract for a study on problem gambling to determine the scope of pathological or problem gambling in the state. The gambling commission shall submit results of the study to the legislature by December 31, 2018. The study shall include, but not be limited to identifying:

(1) The prevalence of gambling-related problems among the adult and juvenile populations in Washington State;

- 1 (2) Which populations are most impacted by problem gambling;
- 2 (3) Services offered for individuals with gambling-related
- 3 problems;
- 4 (4) Funding available for problem gambling programs and services;
- 5 and
- 6 (5) Any deficit related to in-state problem gambling funding,
- 7 services, or programs based on the calculated need determined in the
- 8 study.

9 **Sec. 132.** 2017 3rd sp.s. c 1 s 133 (uncodified) is amended to  
 10 read as follows:

11 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

12	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$258,000</del> ))
13		<u>\$255,000</u>
14	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$268,000</del> ))
15		<u>\$255,000</u>
16	<u>Pension Funding Stabilization Account—State</u>	
17	Appropriation. . . . .	\$26,000
18	TOTAL APPROPRIATION. . . . .	(( <del>\$526,000</del> ))
19		<u>\$536,000</u>

20 **Sec. 133.** 2017 3rd sp.s. c 1 s 134 (uncodified) is amended to  
 21 read as follows:

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

23	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$268,000</del> ))
24		<u>\$269,000</u>
25	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$254,000</del> ))
26		<u>\$242,000</u>
27	<u>Pension Funding Stabilization Account—State</u>	
28	Appropriation. . . . .	\$26,000
29	TOTAL APPROPRIATION. . . . .	(( <del>\$522,000</del> ))
30		<u>\$537,000</u>

31 **Sec. 134.** 2017 3rd sp.s. c 1 s 135 (uncodified) is amended to  
 32 read as follows:

33 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS**

34	Department of Retirement Systems Expense	
35	Account—State Appropriation. . . . .	(( <del>\$56,498,000</del> ))
36		<u>\$57,921,000</u>

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

3 (1) \$124,000 of the department of retirement systems expense  
4 account—state appropriation is provided solely to implement  
5 Substitute House Bill No. 2786 (LEOFF/DOC, DSHS firefighters). If the  
6 bill is not enacted by July 1, 2018, the amount provided in this  
7 subsection shall lapse.

8 (2) \$107,000 of the department of retirement systems expense  
9 account—state appropriation is provided solely to implement House  
10 Bill No. 1560 (retirement system defaults). If the bill is not  
11 enacted by July 1, 2018, the amount provided in this subsection shall  
12 lapse.

13 (3) \$255,000 of the department of retirement systems expense  
14 account—state appropriation is provided solely to implement  
15 Substitute House Bill No. 1558 (PSERS/offender nursing care). If the  
16 bill is not enacted by July 1, 2018, the amount provided in this  
17 subsection shall lapse.

18 **Sec. 135.** 2017 3rd sp.s. c 1 s 136 (uncodified) is amended to  
19 read as follows:

20 **FOR THE DEPARTMENT OF REVENUE**

21	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$140,954,000</del> ))
22		<u>\$129,868,000</u>
23	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$138,496,000</del> ))
24		<u>\$130,864,000</u>
25	Timber Tax Distribution Account—State	
26	Appropriation. . . . .	(( <del>\$6,772,000</del> ))
27		<u>\$6,773,000</u>
28	Waste Reduction/Recycling/Litter Control—State	
29	Appropriation. . . . .	\$157,000
30	State Toxics Control Account—State Appropriation. . . . .	\$112,000
31	Business License Account—State Appropriation. . . . .	(( <del>\$28,211,000</del> ))
32		<u>\$22,907,000</u>
33	Performance Audits of Government Account—State	
34	Appropriation. . . . .	\$4,640,000
35	Pension Funding Stabilization Account—State	
36	Appropriation. . . . .	<u>\$13,488,000</u>
37	Financial Services Regulation Account—State	
38	Appropriations. . . . .	\$5,000,000

1 TOTAL APPROPRIATION. . . . . ((~~\$324,342,000~~))  
2 \$313,809,000

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

5 (1) \$5,628,000 of the general fund—state appropriation for fiscal  
6 year 2018, \$5,628,000 of the general fund—state appropriation for  
7 fiscal year 2019, and \$11,257,000 of the business license account—  
8 state appropriation are provided solely for the taxpayer legacy  
9 system replacement project.

10 ((+3)) (2) Prior to the suspension of the streamlined sales tax  
11 mitigation program established under chapter 82.14 RCW, the  
12 department must analyze if and when expected revenue gains from the  
13 provisions of sections 201 through 213 of House Bill No. 2163 will be  
14 equal to or exceed revenue losses to local taxing districts, as  
15 measured under the streamlined sales tax mitigation system from the  
16 switch to destination sourcing of sales tax. The analysis must  
17 include a comprehensive review of tax, wage, census, and economic  
18 data. The review must consider online sales tax and streamlined sales  
19 tax mitigation trends for areas with rich concentrations of  
20 warehousing distribution and manufacturing centers. The department  
21 must provide a report and recommendations to the governor and  
22 appropriate committees of the legislature by November 1, 2018. If  
23 House Bill No. 2163 (revenue) is not enacted by July 31, 2017, this  
24 subsection is void.

25 ((+4)) (3) \$8,028,000 of the general fund—state appropriation  
26 for fiscal year 2018 and \$6,304,000 of the general fund—state  
27 appropriation for fiscal year 2019 are provided solely for the  
28 implementation of House Bill No. 2163 (revenue). If the bill is not  
29 enacted by July 31, 2017, the amounts provided in this subsection  
30 shall lapse.

31 (4) \$228,000 of the general fund—state appropriation for fiscal  
32 year 2019 is provided solely for the implementation of Engrossed  
33 Second Substitute House Bill No. 2396 (child care). If the bill is  
34 not enacted by June 30, 2018, the amount provided in this subsection  
35 shall lapse.

36 (5) \$1,250,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the implementation of House Bill No.  
38 2967 (capital gains tax/property tax). If the bill is not enacted by  
39 June 30, 2018, the amount provided in this subsection shall lapse.

1 (6) \$1,745,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$2,019,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the implementation of  
4 chapter 209, Laws of 2017 (EHB 2005).

5 (7) \$72,000 of the general fund—state appropriation for fiscal  
6 year 2019 is provided solely for the implementation of Engrossed  
7 Second Substitute House Bill No. 2718 (civil forfeiture proceedings).  
8 If the bill is not enacted by June 30, 2018, the amount provided in  
9 this subsection shall lapse.

10 **Sec. 136.** 2017 3rd sp.s. c 1 s 137 (uncodified) is amended to  
11 read as follows:

12 **FOR THE BOARD OF TAX APPEALS**

13	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$1,409,000</del> ))
14		<u>\$1,387,000</u>
15	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,438,000</del> ))
16		<u>\$1,625,000</u>
17	<u>Pension Funding Stabilization Account—State</u>	
18	<u>Appropriation. . . . .</u>	<u>\$162,000</u>
19	TOTAL APPROPRIATION. . . . .	(( <del>\$2,847,000</del> ))
20		<u>\$3,174,000</u>

21 The appropriations in this subsection are subject to the  
22 following conditions and limitations: \$80,000 of the general fund—  
23 state appropriation for fiscal year 2019 is provided solely for the  
24 board of tax appeals to contract for or temporarily hire a tax  
25 referee to help resolve filed appeals.

26 **Sec. 137.** 2017 3rd sp.s. c 1 s 139 (uncodified) is amended to  
27 read as follows:

28 **FOR THE INSURANCE COMMISSIONER**

29	General Fund—Federal Appropriation. . . . .	\$4,615,000
30	Insurance Commissioners Regulatory Account—State	
31	<u>Appropriation. . . . .</u>	<u>((<del>\$59,548,000</del>))</u>
32		<u>\$60,524,000</u>
33	TOTAL APPROPRIATION. . . . .	<u>((<del>\$64,163,000</del>))</u>
34		<u>\$65,139,000</u>

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



1 (1) \$48,000 of the insurance commissioners regulatory account—  
2 state appropriation is provided solely for implementation of chapter  
3 103, Laws of 2017 (EHB 1450) (title insurance rating orgs.).

4 (2) \$12,000 of the insurance commissioners regulatory account—  
5 state appropriation is provided solely for implementation of chapter  
6 49, Laws of 2017 (SHB 1027) (surplus line broker licenses).

7 **Sec. 138.** 2017 3rd sp.s. c 1 s 140 (uncodified) is amended to  
8 read as follows:

9 **FOR THE STATE INVESTMENT BOARD**

10	State Investment Board Expense Account—State	
11	Appropriation. . . . .	(( <del>\$48,916,000</del> ))
12		<u>\$48,908,000</u>

13 **Sec. 139.** 2017 3rd sp.s. c 1 s 141 (uncodified) is amended to  
14 read as follows:

15 **FOR THE LIQUOR AND CANNABIS BOARD**

16	Dedicated Marijuana Fund—State Appropriation	
17	(FY 2018). . . . .	(( <del>\$10,400,000</del> ))
18		<u>\$10,382,000</u>
19	Dedicated Marijuana Fund—State Appropriation	
20	(FY 2019). . . . .	(( <del>\$9,596,000</del> ))
21		<u>\$10,620,000</u>
22	Liquor Revolving Account—State Appropriation. . . . .	(( <del>\$69,578,000</del> ))
23		<u>\$69,420,000</u>
24	General Fund—Federal Appropriation. . . . .	\$2,912,000
25	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$372,000</del> ))
26		<u>\$334,000</u>
27	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$393,000</del> ))
28		<u>\$353,000</u>
29	General Fund—Private/Local Appropriation. . . . .	\$50,000
30	<u>Pension Funding Stabilization Account—State</u>	
31	<u>Appropriation. . . . .</u>	<u>\$78,000</u>
32	TOTAL APPROPRIATION. . . . .	(( <del>\$93,301,000</del> ))
33		<u>\$94,149,000</u>

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

1 (1) \$11,000 of the liquor revolving account—state appropriation  
2 is provided solely for the implementation of chapter 96, Laws of 2017  
3 (E2SHB 1351) (sale of spirits, beer and wine).

4 (2) The liquor and cannabis board may require electronic payment  
5 of the marijuana excise tax levied by RCW 69.50.535. The liquor and  
6 cannabis board may allow a waiver to the electronic payment  
7 requirement for good cause as provided by rule.

8 (3) \$1,420,000 of the dedicated marijuana account—state  
9 appropriation for fiscal year 2018 and \$885,000 of the dedicated  
10 marijuana account—state appropriation for fiscal year 2019 are  
11 provided solely for the marijuana traceability system used to track  
12 the production, processing, and retail sale of each marijuana product  
13 as it moves through the regulated recreational and medical  
14 marketplace. The board may accept a proposal for a traceability  
15 system that is less than the amounts appropriated within this section  
16 if the proposal meets the board's requirements. The traceability  
17 system is subject to the conditions, limitations, and review provided  
18 in section 724 (~~of this act~~), chapter 1, Laws of 2017 3rd sp. sess.

19 (4) \$93,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$70,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely to implement and enforce vapor  
22 products licensing, packaging, and sales regulations pursuant to  
23 chapter 38, Laws of 2016 (ESSB 6328).

24 (5) Within existing resources, the state liquor and cannabis  
25 board shall establish a way by which any inspection or approval of a  
26 marijuana processor's professional closed loop systems, equipment,  
27 extraction operation, and facilities, may be performed by a qualified  
28 person or entity other than a local fire code official, in the event  
29 that a local fire code official does not perform such an inspection  
30 or approval as required by state liquor and cannabis board rule.

31 (6) Within the amounts appropriated within this section, the  
32 board shall, in consultation with the department of revenue, study  
33 the benefits and costs of restructuring the distillery licensing and  
34 fee structure as proposed in House Bill No. 2609 (distilled spirits  
35 production), including benefits resulting from the increased use of  
36 Washington-grown materials in spirits production in the state. As  
37 part of the study, the board shall convene meetings in at least three  
38 locations in the state at which stakeholders and the public have an  
39 opportunity to provide input on the proposal. The board shall submit

1 a report to the appropriate committees of the legislature by December  
2 1, 2018, reporting the study's findings and, if the board deems  
3 appropriate, any recommendations.

4 **Sec. 140.** 2017 3rd sp.s. c 1 s 142 (uncodified) is amended to  
5 read as follows:

6 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

7	General Fund—Private/Local Appropriation. . . . .	\$16,464,000
8	Public Service Revolving Account—State	
9	Appropriation. . . . .	<del>(((\$40,248,000))</del>
10		<u>\$40,240,000</u>
11	Pipeline Safety Account—State Appropriation. . . . .	<del>(((\$3,412,000))</del>
12		<u>\$3,411,000</u>
13	Pipeline Safety Account—Federal Appropriation. . . . .	\$3,072,000
14	TOTAL APPROPRIATION. . . . .	<del>(((\$63,196,000))</del>
15		<u>\$63,187,000</u>

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

18 (1) By December 31, 2017, the commission shall report findings  
19 and recommendations to the energy committees of the legislature on  
20 best practices and policies for electric utilities to develop  
21 distributed energy resource plans, applying the traditional utility  
22 regulatory principles of fairness, efficiency, reliability, and  
23 revenue stability. The report must address: A review of policies and  
24 practices for distributed energy resource planning in other states,  
25 an inventory of current utility distribution planning practices and  
26 capabilities in Washington, and recommendations for using distributed  
27 energy resource planning to inform utility integrated resource plans.

28 (2) \$2,093,000 of the public service revolving account—state  
29 appropriation is provided solely for the commission to cover the  
30 costs of moving its offices to a new location, in cooperation with  
31 the department of enterprise services.

32 (3) Up to \$800,000 of the public service revolving account—state  
33 appropriation in this section is for the utilities and transportation  
34 commission to supplement funds committed by a telecommunications  
35 company to expand rural broadband service on behalf of an eligible  
36 governmental entity. The amount in this subsection represents  
37 payments collected by the utilities and transportation commission  
38 pursuant to the Qwest performance assurance plan.

1       **Sec. 141.** 2017 3rd sp.s. c 1 s 143 (uncodified) is amended to  
2 read as follows:

3 **FOR THE MILITARY DEPARTMENT**

4	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$7,676,000</del> ))
5		<u>\$7,015,000</u>
6	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$7,910,000</del> ))
7		<u>\$8,828,000</u>
8	General Fund—Federal Appropriation. . . . .	(( <del>\$118,521,000</del> ))
9		<u>\$117,248,000</u>
10	Enhanced 911 Account—State Appropriation. . . . .	(( <del>\$51,857,000</del> ))
11		<u>\$53,470,000</u>
12	Disaster Response Account—State Appropriation. . . . .	(( <del>\$29,433,000</del> ))
13		<u>\$42,249,000</u>
14	Disaster Response Account—Federal Appropriation. . . . .	(( <del>\$81,560,000</del> ))
15		<u>\$118,587,000</u>
16	Military Department Rent and Lease Account—State	
17	Appropriation. . . . .	\$615,000
18	Worker and Community Right-to-Know Account—State	
19	Appropriation. . . . .	\$2,339,000
20	Oil Spill Prevention Account—State Appropriation. . . . .	\$1,028,000
21	<u>Pension Funding Stabilization Account—State</u>	
22	<u>    Appropriation. . . . .</u>	<u>\$1,243,000</u>
23	TOTAL APPROPRIATION. . . . .	(( <del>\$300,939,000</del> ))
24		<u>\$352,622,000</u>

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

27       (1) The military department shall submit a report to the office  
28 of financial management and the legislative fiscal committees on  
29 October 1st and February 1st of each year detailing information on  
30 the disaster response account, including: (a) The amount and type of  
31 deposits into the account; (b) the current available fund balance as  
32 of the reporting date; and (c) the projected fund balance at the end  
33 of the 2017-2019 biennium based on current revenue and expenditure  
34 patterns.

35       (2) \$40,000,000 of the general fund—federal appropriation is  
36 provided solely for homeland security, subject to the following  
37 conditions: Any communications equipment purchased by local  
38 jurisdictions or state agencies shall be consistent with standards  
39 set by the Washington state interoperability executive committee.

1 (3) \$100,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$100,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the conditional scholarship  
4 program pursuant to chapter 28B.103 RCW.

5 (4) (~~(\$5,389,000)~~) \$1,582,000 of the general fund—state  
6 appropriation for fiscal year 2019 and \$8,007,000 of the enhanced 911  
7 account—state appropriation (~~is~~) are provided solely for  
8 transitioning to an internet protocol based next generation 911  
9 network and increased network costs during the transition and  
10 hardware required for the new system. The department's activities and  
11 procurement is a major information technology project subject to  
12 oversight and review by the office of the chief information officer.

13 (5) \$11,000,000 of the enhanced 911 account—state appropriation  
14 is provided solely for financial assistance to counties.

15 (6) \$2,000,000 of the enhanced 911 account—state appropriation is  
16 provided solely for one-time grants to small and medium-sized, rural  
17 counties for replacement of equipment necessary to maintain 911  
18 service after the state's transition to a next generation 911 system,  
19 including reimbursement of replacement and upgrades that have already  
20 been made.

21 (7) \$784,000 of the disaster response account—state appropriation  
22 is provided solely for fire suppression training (~~and~~), equipment,  
23 and supporting costs to national guard soldiers and airmen.

24 (8) \$38,000 of the enhanced 911 account—state appropriation is  
25 provided solely for implementation of chapter 295, Laws of 2017 (SHB  
26 1258) (first responders/disability).

27 (9) \$372,000 of the disaster response account—state appropriation  
28 is provided solely for implementation of chapter 312, Laws of 2017  
29 (SSB 5046) (language of public notices).

30 (10) Appropriations provided to the department are sufficient to  
31 fund the administrative costs associated with implementation of  
32 chapter 173, Laws of 2017 (E2SHB 1802) (veterans/shared leave  
33 access).

34 (11) (~~(\$951,000)~~) \$421,000 of the disaster response account—state  
35 appropriation is provided solely to Okanogan and Ferry counties to  
36 continue to address deficiencies within their communications  
37 infrastructure for 911 dispatch. Funding will be used to replace  
38 failing radio dispatching hardware within 911 dispatch centers; build  
39 interoperable communications between each county's dispatch center

1 such that each can serve as a back-up to the other; and build upon  
2 the existing wireless microwave network for 911 calls, dispatch  
3 centers, and first responder radio operations.

4 **Sec. 142.** 2017 3rd sp.s. c 1 s 144 (uncodified) is amended to  
5 read as follows:

6 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

7	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$2,076,000</del> ))
8		<u>\$1,960,000</u>
9	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$2,251,000</del> ))
10		<u>\$2,137,000</u>
11	Higher Education Personnel Services Account—State	
12	Appropriation. . . . .	\$1,327,000
13	Personnel Service Account—State Appropriation. . . . .	\$4,032,000
14	<u>Pension Funding Stabilization Account—State</u>	
15	<u>Appropriation. . . . .</u>	<u>\$228,000</u>
16	TOTAL APPROPRIATION. . . . .	(( <del>\$9,686,000</del> ))
17		<u>\$9,684,000</u>

18 **Sec. 143.** 2017 3rd sp.s. c 1 s 145 (uncodified) is amended to  
19 read as follows:

20 **FOR THE BOARD OF ACCOUNTANCY**

21	Certified Public Accountants' Account—State	
22	Appropriation. . . . .	(( <del>\$2,907,000</del> ))
23		<u>\$3,244,000</u>

24 **Sec. 144.** 2017 3rd sp.s. c 1 s 147 (uncodified) is amended to  
25 read as follows:

26 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

27	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$4,368,000</del> ))
28		<u>\$4,364,000</u>
29	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$4,405,000</del> ))
30		<u>\$4,381,000</u>
31	General Fund—Private/Local Appropriation. . . . .	\$102,000
32	Building Code Council Account—State Appropriation. . . . .	(( <del>\$1,056,000</del> ))
33		<u>\$1,481,000</u>
34	TOTAL APPROPRIATION. . . . .	(( <del>\$9,931,000</del> ))
35		<u>\$10,328,000</u>

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

3 (1) (~~(\$4,031,000)~~) \$3,994,000 of the general fund—state  
4 appropriation for fiscal year 2018 and (~~(\$4,082,000)~~) \$3,974,000 of  
5 the general fund—state appropriation for fiscal year 2019 are  
6 provided solely for the payment of facilities and services charges,  
7 utilities and contracts charges, public and historic facilities  
8 charges, and capital projects surcharges allocable to the senate,  
9 house of representatives, statute law committee, legislative support  
10 services, joint legislative systems committee, and office of support  
11 services. The department shall allocate charges attributable to these  
12 agencies among the affected revolving funds. The department shall  
13 maintain an interagency agreement with these agencies to establish  
14 performance standards, prioritization of preservation and capital  
15 improvement projects, and quality assurance provisions for the  
16 delivery of services under this subsection. The legislative agencies  
17 named in this subsection shall continue to enjoy all of the same  
18 rights of occupancy and space use on the capitol campus as  
19 historically established.

20 (2) In accordance with RCW 46.08.172 and 43.135.055, the  
21 department is authorized to increase parking fees in fiscal years  
22 2018 and 2019 as necessary to meet the actual costs of conducting  
23 business.

24 (3) Before any agency may purchase a passenger motor vehicle as  
25 defined in RCW 43.19.560, the agency must have written approval from  
26 the director of the department of enterprise services. Agencies that  
27 are exempted from the requirement are the Washington state patrol,  
28 Washington state department of transportation, and the department of  
29 natural resources.

30 (4) From the fee charged to master contract vendors, the  
31 department shall transfer to the office of minority and women's  
32 business enterprises in equal monthly installments \$1,500,000 in  
33 fiscal year 2018 and \$1,300,000 in fiscal year 2019.

34 (5) The risk management system project funded through the risk  
35 management administration account created in RCW 4.92.220 is subject  
36 to the conditions, limitations, and review provided in section 724 of  
37 this act.

38 (6)(a) During the 2017-2019 fiscal biennium, the department must  
39 revise its master contracts with vendors, including cooperative

1 purchasing agreements under RCW 39.26.060, to include a provision to  
2 require that each vendor agrees to equality among its workers by  
3 ensuring similarly employed individuals are compensated as equals as  
4 follows:

5 (i) Employees are similarly employed if the individuals work for  
6 the same employer, the performance of the job requires comparable  
7 skill, effort, and responsibility, and the jobs are performed under  
8 similar working conditions. Job titles alone are not determinative of  
9 whether employees are similarly employed;

10 (ii) Vendors may allow differentials in compensation for its  
11 workers based in good faith on any of the following:

12 (A) A seniority system; a merit system; a system that measures  
13 earnings by quantity or quality of production; a bona fide job-  
14 related factor or factors; or a bona fide regional difference in  
15 compensation levels.

16 (B) A bona fide job-related factor or factors may include, but  
17 not be limited to, education, training, or experience, that is:  
18 Consistent with business necessity; not based on or derived from a  
19 gender-based differential; and accounts for the entire differential.

20 (C) A bona fide regional difference in compensation level must  
21 be: Consistent with business necessity; not based on or derived from  
22 a gender-based differential; and account for the entire differential.

23 (b) The provision must allow for the termination of the contract  
24 if the public entity using the contract or agreement of the  
25 department of enterprise services determines that the vendor is not  
26 in compliance with this agreement or contract term.

27 (c) The department must implement this provision with any new  
28 contract and at the time of renewal of any existing contract.

29 (d) Any cost for the implementation of this section must be  
30 recouped from the fees charged to master contract vendors.

31 (7) \$349,000 of the general fund—state appropriation is provided  
32 solely for the state building code council.

33 **Sec. 145.** 2017 3rd sp.s. c 1 s 149 (uncodified) is amended to  
34 read as follows:

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

36 General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$1,607,000</del> ))
37	<u>\$1,570,000</u>
38 General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,633,000</del> ))



1		<u>\$1,643,000</u>
2	General Fund—Federal Appropriation. . . . .	\$2,228,000
3	General Fund—Private/Local Appropriation. . . . .	\$264,000
4	<u>Pension Funding Stabilization Account—State</u>	
5	<u>Appropriation. . . . .</u>	<u>\$136,000</u>
6	TOTAL APPROPRIATION. . . . .	(( <del>\$5,732,000</del> ))
7		<u>\$5,841,000</u>

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

10 (1) \$103,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$103,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely for archaeological  
13 determinations and excavations of inadvertently discovered skeletal  
14 human remains, and removal and reinterment of such remains when  
15 necessary.

16 (2) \$80,000 of the general fund—state appropriation for fiscal  
17 year 2019 is provided solely for the department of archaeology and  
18 historic preservation to collaborate with the department of commerce  
19 to facilitate a capital needs assessment study of public libraries in  
20 distressed counties as defined by RCW 43.168.020(3). The study must  
21 assess library facility backlogs and the local funding capacity for  
22 both nonhistoric libraries and libraries on local, state, or national  
23 historic registries.

24 **Sec. 146.** 2017 3rd sp.s. c 1 s 150 (uncodified) is amended to  
25 read as follows:

26 **FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY**

27	General Fund—State Appropriation (FY 2018). . . . .	\$187,000
28	General Fund—State Appropriation (FY 2019). . . . .	\$188,000
29	Consolidated Technology Services Revolving	
30	Account—State Appropriation . . . . .	(( <del>\$19,136,000</del> ))
31		<u>\$18,578,000</u>
32	TOTAL APPROPRIATION. . . . .	(( <del>\$19,511,000</del> ))
33		<u>\$18,953,000</u>

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

1 (1) \$7,263,000 of the consolidated technology services revolving  
2 account—state appropriation is for the office of the chief  
3 information officer.

4 (2) (~~(\$9,443,000)~~) \$10,668,000 of the consolidated technology  
5 services revolving account—state appropriation is for the office of  
6 cyber security.

7 (3) The consolidated technology services agency shall work with  
8 customer agencies using the Washington state electronic records vault  
9 (WASERV) to identify opportunities to:

10 (a) Reduce storage volumes and costs associated with vault  
11 records stored beyond the agencies' record retention schedules; and

12 (b) Assess a customized service charge as defined in chapter 304,  
13 Laws of 2017 for costs of using WASERV to prepare data compilations  
14 in response to public records requests.

15 (4) The consolidated technology services agency shall provide  
16 desktop support services without charging a per device fee to the  
17 following agencies: The governor's office of Indian affairs, the  
18 commission on Asian Pacific American affairs, the citizen's  
19 commission on salaries for elected officials, the commission on  
20 Hispanic affairs, and the commission on African-American affairs. The  
21 consolidated technology services agency must not withhold or reduce  
22 desktop support services provided to small agencies that had been  
23 receiving desktop support services and had not previously received  
24 appropriations provided specifically for the purpose of reimbursing  
25 the consolidated technology services agency for those services.

26 (5) In conjunction with the office of the chief information  
27 officer's prioritization of proposed information technology  
28 expenditures, agency budget requests for proposed information  
29 technology expenditures shall include the following: The agency's  
30 priority ranking of each information technology request; the  
31 estimated cost for the current biennium; the estimated total cost of  
32 the request over all biennia; and the expected timeline to complete  
33 the request. The office of the chief information officer and the  
34 office of financial management may request agencies to include  
35 additional information on proposed information technology expenditure  
36 requests.

37 (6) The consolidated technology services agency must not increase  
38 fees charged for existing services without prior approval by the  
39 office of financial management. The agency may develop fees to

1 recover the actual cost of new infrastructure to support increased  
2 use of cloud technologies.

3 (7) \$500,000 of the consolidated technology services revolving  
4 account—state appropriation is provided solely for the agency, in  
5 collaboration with the office of financial management, to conduct a  
6 zero-based budget review of the agency's services. Information and  
7 analysis submitted by the department for the zero-based review under  
8 this subsection shall include:

9 (a) A statement of the statutory basis or other basis for the  
10 creation of each program or service and the history of each program  
11 or service that is being reviewed;

12 (b) A description of how each program or service fits within the  
13 strategic plan and goals of the agency and an analysis of the  
14 quantified objectives of each program or service within the agency;

15 (c) Any available performance measures indicating the  
16 effectiveness and efficiency of each program or service;

17 (d) A description with supporting cost and staffing data of each  
18 program or service and the populations served by each program or  
19 service, and the level of funding and staff required to accomplish  
20 the goals of the program or service if different than the actual  
21 maintenance level;

22 (e) An analysis of the major costs and benefits of operating each  
23 program or service and the rationale for specific expenditure and  
24 staffing levels;

25 (f) An analysis estimating each program's or service's  
26 administrative and other overhead costs;

27 (g) An analysis of the levels of services provided;

28 (h) An analysis estimating the amount of funds or benefits that  
29 actually reach the intended recipients; and

30 (i) An analysis and recommendations for alternative service  
31 delivery models that would save money or improve service quality.

32 ~~((9))~~ (8) Within existing resources, the agency must provide  
33 oversight of state procurement and contracting for information  
34 technology goods and services by the department of enterprise  
35 services.

36 (9) Within existing resources, the agency must host, administer,  
37 and support the state employee directory in an online format to  
38 provide public employee contact information.

(End of part)

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

**Sec. 201.** 2017 3rd sp.s. c 1 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) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the

1 federal government, historical utilization, economic data, and  
2 clinical input constitute reliable data upon which to determine the  
3 payment rates.

4 (4) The department shall to the maximum extent practicable use  
5 the same system for delivery of spoken-language interpreter services  
6 for social services appointments as the one established for medical  
7 appointments in the health care authority. When contracting directly  
8 with an individual to deliver spoken language interpreter services,  
9 the department shall only contract with language access providers who  
10 are 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 (5) Information technology projects or investments and proposed  
16 projects or investments impacting time capture, payroll and payment  
17 processes and systems, eligibility, case management, and  
18 authorization systems within the department of social and health  
19 services are subject to technical oversight by the office of the  
20 chief information officer.

21 (6)(a) The department shall facilitate enrollment under the  
22 medicaid expansion for clients applying for or receiving state funded  
23 services from the department and its contractors. Prior to open  
24 enrollment, the department shall coordinate with the health care  
25 authority to provide referrals to the Washington health benefit  
26 exchange for clients that will be ineligible for medicaid.

27 (b) To facilitate a single point of entry across public and  
28 medical assistance programs, and to maximize the use of federal  
29 funding, the health care authority, the department of social and  
30 health services, and the health benefit exchange will coordinate  
31 efforts to expand HealthPlanfinder access to public assistance and  
32 medical eligibility staff. The department shall complete medicaid  
33 applications in the HealthPlanfinder for households receiving or  
34 applying for public assistance benefits.

35 (7) In accordance with RCW 71.24.380, the health care authority  
36 and the department are authorized to purchase medical and behavioral  
37 health services through integrated contracts upon request of all of  
38 the county authorities in a regional service area to become an early  
39 adopter of fully integrated purchasing of medical and behavioral  
40 health services. The department may combine and transfer such amounts

1 appropriated under sections 204, 208, and 213 of this act as may be  
2 necessary to fund early adopter contracts. The amount of medicaid  
3 funding transferred from each program may not exceed the average per  
4 capita cost assumed in this act for individuals covered by that  
5 program, actuarially adjusted for the health condition of persons  
6 enrolled, times the number of clients enrolled. The amount of non-  
7 medicaid funding transferred from sections 204 and 208 may not exceed  
8 the amount that would have been contracted with a behavioral health  
9 organization if the county authorities had not requested to become an  
10 early adopter of fully integrated purchasing. These limits do not  
11 apply to the amounts provided in section 204(1)(s) of this act. If  
12 any funding that this act provides solely for a specific purpose is  
13 transferred under this subsection, that funding must be used  
14 consistently with the provisions and conditions for which it was  
15 provided.

16 (8) In accordance with RCW 71.24.380, the department is  
17 authorized to purchase mental health and substance use disorder  
18 services through integrated contracts with behavioral health  
19 organizations. The department may combine and transfer such amounts  
20 appropriated under sections 204 and 208 of this act as may be  
21 necessary to finance these behavioral health organization contracts.  
22 If any funding that this act provides solely for a specific purpose  
23 is transferred under this subsection, that funding must be used  
24 consistently with the provisions and conditions for which it was  
25 provided.

26 (9)(a) The appropriations to the department of social and health  
27 services in this act must be expended for the programs and in the  
28 amounts specified in this act. However, after May 1, 2018, unless  
29 prohibited by this act, the department may transfer general fund—  
30 state appropriations for fiscal year 2018 among programs and  
31 subprograms after approval by the director of the office of financial  
32 management. However, the department may not transfer state  
33 appropriations that are provided solely for a specified purpose  
34 except as expressly provided in (b) through (d) of this subsection.

35 (b) To the extent that transfers under (a) of this subsection are  
36 insufficient to fund actual expenditures in excess of fiscal year  
37 2018 caseload forecasts and utilization assumptions in the long-term  
38 care, developmental disabilities, foster care, adoption support, and  
39 public assistance programs, the department may transfer state  
40 appropriations that are provided solely for a specified purpose.

1 (c) Within the mental health program, the department may transfer  
2 appropriations that are provided solely for a specified purpose  
3 within and between subprograms as needed to fund actual expenditures  
4 through the end of fiscal year 2018.

5 (d) Within the developmental disabilities program, the department  
6 may transfer appropriations that are provided solely for a specified  
7 purpose within and between subprograms as needed to fund actual  
8 expenditures through the end of fiscal year 2018.

9 (e) The department may not transfer appropriations, and the  
10 director of the office of financial management may not approve the  
11 transfer, unless the transfer is consistent with the objective of  
12 conserving, to the maximum extent possible, the expenditure of state  
13 funds. The director of the office of financial management shall  
14 notify the appropriate fiscal committees of the senate and house of  
15 representatives in writing seven days prior to approving any  
16 allotment modifications or transfers under this subsection. The  
17 written notification shall include a narrative explanation and  
18 justification of the changes, along with expenditures and allotments  
19 by budget unit and appropriation, both before and after any allotment  
20 modifications or transfers.

21 **Sec. 202.** 2017 3rd sp.s. c 1 s 202 (uncodified) is amended to  
22 read as follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY**  
24 **SERVICES PROGRAM**

25	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$348,992,000</del> ))
26		<u>\$346,043,000</u>
27	General Fund—Federal Appropriation. . . . .	(( <del>\$265,365,000</del> ))
28		<u>\$279,194,000</u>
29	General Fund—Private/Local Appropriation. . . . .	\$1,477,000
30	Domestic Violence Prevention Account—State	
31	Appropriation. . . . .	\$1,002,000
32	<u>Pension Funding Stabilization Account—</u>	
33	<u>State Appropriation. . . . .</u>	<u>\$9,132,000</u>
34	TOTAL APPROPRIATION. . . . .	(( <del>\$616,836,000</del> ))
35		<u>\$636,848,000</u>

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

1 (1) \$748,000 of the general fund—state appropriation for fiscal  
2 year 2018 is provided solely to contract for the operation of one  
3 pediatric interim care center. The center shall provide residential  
4 care for up to thirteen children through two years of age. Seventy-  
5 five percent of the children served by the center must be in need of  
6 special care as a result of substance abuse by their mothers. The  
7 center shall also provide on-site training to biological, adoptive,  
8 or foster parents. The center shall provide at least three months of  
9 consultation and support to the parents accepting placement of  
10 children from the center. The center may recruit new and current  
11 foster and adoptive parents for infants served by the center. The  
12 department shall not require case management as a condition of the  
13 contract.

14 (2) \$253,000 of the general fund—state appropriation for fiscal  
15 year 2018 is provided solely for the costs of hub home foster  
16 families that provide a foster care delivery model that includes a  
17 licensed hub home. Use of the hub home model is intended to support  
18 foster parent retention, improve child outcomes, and encourage the  
19 least restrictive community placements for children in out-of-home  
20 care.

21 (3) \$579,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$55,000 of the general fund—federal appropriation are  
23 provided solely for a receiving care center east of the Cascade  
24 mountains.

25 (4) \$990,000 of the general fund—state appropriation for fiscal  
26 year 2018 is provided solely for services provided through children's  
27 advocacy centers.

28 (5) \$1,351,000 of the general fund—state appropriation for fiscal  
29 year 2018 is provided solely for implementation of performance-based  
30 contracts for family support and related services pursuant to RCW  
31 74.13B.020.

32 (6) \$9,474,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$6,022,000 of the general fund—federal appropriation  
34 are provided solely for family assessment response.

35 (7) \$94,000 of the general fund—state appropriation for fiscal  
36 year 2018 is provided solely for a contract with a child advocacy  
37 center in Spokane to provide continuum of care services for children  
38 who have experienced abuse or neglect and their families.



1 (8) \$1,874,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$560,000 of the general fund—federal appropriation are  
3 provided solely for the children's administration to reduce the  
4 caseload ratios of social workers serving children in foster care to  
5 promote decreased lengths of stay and to make progress towards  
6 achievement of the Braam settlement caseload outcome.

7 (9)(a) \$539,000 of the general fund—state appropriation for  
8 fiscal year 2018, \$328,000 of the general fund private/local  
9 appropriation, and \$126,000 of the general fund—federal appropriation  
10 are provided solely for a contract with an educational advocacy  
11 provider with expertise in foster care educational outreach. The  
12 amounts in this subsection are provided solely for contracted  
13 education coordinators to assist foster children in succeeding in  
14 K-12 and higher education systems and to assure a focus on education  
15 during the department's transition to performance-based contracts.  
16 Funding must be prioritized to regions with high numbers of foster  
17 care youth, or regions where backlogs of youth that have formerly  
18 requested educational outreach services exist. The children's  
19 administration is encouraged to use private matching funds to  
20 maintain educational advocacy services.

21 (b) The children's administration shall contract with the office  
22 of the superintendent of public instruction, which in turn shall  
23 contract with a nongovernmental entity or entities to provide  
24 educational advocacy services pursuant to RCW 28A.300.590.

25 (10) The children's administration shall continue to implement  
26 policies to reduce the percentage of parents requiring supervised  
27 visitation, including clarification of the threshold for transition  
28 from supervised to unsupervised visitation prior to reunification.

29 (11) \$111,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$26,000 of the general fund—federal appropriation are  
31 provided solely for a base rate increase for licensed family child  
32 care providers. In addition, \$45,000 of the general fund—state  
33 appropriation for fiscal year 2018 and \$11,000 of the general fund—  
34 federal appropriation are provided solely for increasing paid  
35 professional days from three days to five days for licensed family  
36 child care providers. Amounts in this subsection are provided solely  
37 for the 2017-2019 collective bargaining agreement covering family  
38 child care providers as set forth in section 940 of this act. Amounts  
39 provided in this section are contingent upon the enactment of Senate

1 Bill No. 5969 (transparency in public employee collective  
2 bargaining). If the bill is not enacted by July 31, 2017, the  
3 appropriation in this subsection shall lapse.

4 (12) \$159,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$65,000 of the general fund—federal appropriation are  
6 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)  
7 (extended foster care).

8 (13) \$100,000 of the general fund—state appropriation for fiscal  
9 year 2018 is provided solely for a contract with a national nonprofit  
10 organization to, in partnership with private matching funds,  
11 subcontract with a community organization for specialized, enhanced  
12 adoption placement services for legally free children in state  
13 custody. The contract must supplement, but not supplant, the work of  
14 the children's administration to secure permanent adoptive homes for  
15 children.

16 (14) \$375,000 of the general fund—state appropriation for fiscal  
17 year 2018 and \$56,000 of the general fund—federal appropriation are  
18 provided solely for the children's administration to develop,  
19 implement, and expand strategies to improve the capacity,  
20 reliability, and effectiveness of contracted visitation services for  
21 children in temporary out-of-home care and their parents and  
22 siblings. Strategies may include, but are not limited to, increasing  
23 mileage reimbursement for providers, offering transportation-only  
24 contract options, and mechanisms to reduce the level of parent-child  
25 supervision when doing so is in the best interest of the child. The  
26 children's administration must submit an analysis of the strategies  
27 and associated outcomes no later than October 1, 2018.

28 (15) \$63,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$19,000 of the general fund—federal appropriation are  
30 provided solely for implementation of Engrossed Second Substitute  
31 House Bill No. 1661 (child, youth, families/department). If the bill  
32 is not enacted by July 31, 2017, the amounts provided in this  
33 subsection shall lapse.

34 (16) The children's administration is encouraged to control  
35 exceptional reimbursement decisions so that the child's needs are met  
36 without excessive costs.

37 (17) \$839,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$160,000 of the general fund—federal appropriation are

1 provided solely for a six percent base rate increase for child care  
2 center providers, effective September 1, 2017.

3 (18) \$1,230,000 of the general fund—state appropriation for  
4 fiscal year 2018 and \$78,000 of the general fund—federal  
5 appropriation are provided solely to increase the travel  
6 reimbursement for in-home service providers.

7 (19) \$160,000 of the general fund—state appropriation for fiscal  
8 year 2018 and \$3,000 of the general fund—federal appropriation are  
9 provided solely to implement chapter 207, Laws of 2017 (E2SHB 1819)  
10 (paperwork requirements).

11 (20) \$25,000 of the general fund—state appropriation for fiscal  
12 year 2018 is provided solely for an entity in Yakima county to  
13 provide advocacy and support services to children in foster care.

14 (21) \$203,000 of the general fund—state appropriation for fiscal  
15 year 2018 is provided solely for the department to conduct biennial  
16 inspections and certifications of facilities, both overnight and day  
17 shelters, that serve those who are under 18 years of age and are  
18 homeless.

19 (22) \$863,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$573,000 of the general fund—federal appropriation are  
21 provided solely to implement Engrossed Substitute Senate Bill No.  
22 5890 (foster care and adoption). Within the amounts provided in this  
23 subsection, \$366,000 of the general fund—state appropriation for  
24 fiscal year 2018 and \$174,000 of the general fund—federal  
25 appropriation are provided solely for short-term care for licensed  
26 foster families. If the bill is not enacted by July 31, 2017, the  
27 amounts provided in this subsection shall lapse.

28 **Sec. 203.** 2017 3rd sp.s. c 1 s 203 (uncodified) is amended to  
29 read as follows:

30 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE**  
31 **REHABILITATION PROGRAM**

32	General Fund—State Appropriation (FY 2018). . . . .	<del>(\$95,885,000)</del>
33		<u>\$91,281,000</u>
34	General Fund—State Appropriation (FY 2019). . . . .	<del>(\$97,123,000)</del>
35		<u>\$94,061,000</u>
36	General Fund—Federal Appropriation. . . . .	\$3,464,000
37	General Fund—Private/Local Appropriation. . . . .	\$1,985,000
38	Washington Auto Theft Prevention Authority Account—	

1	State Appropriation. . . . .	\$196,000
2	<u>Pension Funding Stabilization Account—State</u>	
3	<u>Appropriation. . . . .</u>	<u>\$8,721,000</u>
4	TOTAL APPROPRIATION. . . . .	(( <del>\$198,653,000</del> ))
5		<u>\$199,708,000</u>

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

8 (1) \$331,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$331,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for deposit in the county  
11 criminal justice assistance account for costs to the criminal justice  
12 system associated with the implementation of chapter 338, Laws of  
13 1997 (juvenile code revisions). The amounts provided in this  
14 subsection are intended to provide funding for county adult court  
15 costs associated with the implementation of chapter 338, Laws of 1997  
16 and shall be distributed in accordance with RCW 82.14.310.

17 (2) \$2,841,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$2,841,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for grants to county juvenile  
20 courts for the following juvenile justice programs identified by the  
21 Washington state institute for public policy (institute) in its  
22 report: "Inventory of Evidence-based, Research-based, and Promising  
23 Practices for Prevention and Intervention Services for Children and  
24 Juveniles in the Child Welfare, Juvenile Justice, and Mental Health  
25 Systems." Additional funding for this purpose is provided through an  
26 interagency agreement with the health care authority. County juvenile  
27 courts shall apply to the juvenile rehabilitation administration for  
28 funding for program-specific participation and the administration  
29 shall provide grants to the courts consistent with the per-  
30 participant treatment costs identified by the institute.

31 (3) \$1,537,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$1,537,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided solely for expansion of the following  
34 juvenile justice treatments and therapies in juvenile rehabilitation  
35 administration programs identified by the Washington state institute  
36 for public policy in its report: "Inventory of Evidence-based,  
37 Research-based, and Promising Practices for Prevention and  
38 Intervention Services for Children and Juveniles in the Child  
39 Welfare, Juvenile Justice, and Mental Health Systems." The

1 administration may concentrate delivery of these treatments and  
2 therapies at a limited number of programs to deliver the treatments  
3 in a cost-effective manner.

4 (4)(a) \$6,198,000 of the general fund—state appropriation for  
5 fiscal year 2018 and \$6,198,000 of the general fund—state  
6 appropriation for fiscal year 2019 are provided solely to implement  
7 evidence- and research-based programs through community juvenile  
8 accountability grants, administration of the grants, and evaluations  
9 of programs funded by the grants. In addition to funding provided in  
10 this subsection, funding to implement alcohol and substance abuse  
11 treatment programs for locally committed offenders is provided  
12 through an interagency agreement with the health care authority.

13 (b) The juvenile rehabilitation administration shall administer a  
14 block grant to county juvenile courts for the purpose of serving  
15 youth as defined in RCW 13.40.510(4)(a) in the county juvenile  
16 justice system. Funds dedicated to the block grant include:  
17 Consolidated juvenile service (CJS) funds, community juvenile  
18 accountability act (CJAA) grants, chemical dependency/mental health  
19 disposition alternative (CDDA), and suspended disposition alternative  
20 (SDA). The juvenile rehabilitation administration shall follow the  
21 following formula and must prioritize evidence-based programs and  
22 disposition alternatives and take into account juvenile courts  
23 program-eligible youth in conjunction with the number of youth served  
24 in each approved evidence-based program or disposition alternative:  
25 (i) Thirty-seven and one-half percent for the at-risk population of  
26 youth ten to seventeen years old; (ii) fifteen percent for the  
27 assessment of low, moderate, and high-risk youth; (iii) twenty-five  
28 percent for evidence-based program participation; (iv) seventeen and  
29 one-half percent for minority populations; (v) three percent for the  
30 chemical dependency and mental health disposition alternative; and  
31 (vi) two percent for the suspended dispositional alternatives.  
32 Funding for the special sex offender disposition alternative (SSODA)  
33 shall not be included in the block grant, but allocated on the  
34 average daily population in juvenile courts. Funding for the  
35 evidence-based expansion grants shall be excluded from the block  
36 grant formula. Funds may be used for promising practices when  
37 approved by the juvenile rehabilitation administration and juvenile  
38 courts, through the community juvenile accountability act committee,  
39 based on the criteria established in consultation with Washington  
40 state institute for public policy and the juvenile courts.

1 (c) If Second Substitute House Bill No. 1280 (referred and  
2 diverted youth) is enacted, then the administration must implement a  
3 stop-loss policy when allocating funding under (b) of this subsection  
4 in the 2017-2019 fiscal biennium. Under the stop-loss policy, funding  
5 formula changes may not result in a funding loss for any juvenile  
6 court of more than two percent from one year to the next. The  
7 committee in (d) of this subsection must establish a minimum base  
8 level of funding for juvenile courts with lower numbers of at-risk  
9 youth age 10 - 17. The administration must report to the legislature  
10 by December 1, (~~2018~~) 2019, about how funding is used for referred  
11 youth and the impact of that use on overall use of funding. If the  
12 bill is not enacted by July 31, (~~2017~~) 2018, this subsection is  
13 null and void.

14 (d) The juvenile rehabilitation administration and the juvenile  
15 courts shall establish a block grant funding formula oversight  
16 committee with equal representation from the juvenile rehabilitation  
17 administration and the juvenile courts. The purpose of this committee  
18 is to assess the ongoing implementation of the block grant funding  
19 formula, utilizing data-driven decision making and the most current  
20 available information. The committee will be co-chaired by the  
21 juvenile rehabilitation administration and the juvenile courts, who  
22 will also have the ability to change members of the committee as  
23 needed to achieve its purpose. The committee may make changes to the  
24 formula categories in (b) of this subsection if it determines the  
25 changes will increase statewide service delivery or effectiveness of  
26 evidence-based program or disposition alternative resulting in  
27 increased cost/benefit savings to the state, including long-term  
28 cost/benefit savings. The committee must also consider these outcomes  
29 in determining when evidence-based expansion or special sex offender  
30 disposition alternative funds should be included in the block grant  
31 or left separate.

32 (e) The juvenile courts and administrative office of the courts  
33 must collect and distribute information and provide access to the  
34 data systems to the juvenile rehabilitation administration and the  
35 Washington state institute for public policy related to program and  
36 outcome data. The juvenile rehabilitation administration and the  
37 juvenile courts must work collaboratively to develop program outcomes  
38 that reinforce the greatest cost/benefit to the state in the  
39 implementation of evidence-based practices and disposition  
40 alternatives.

1 (5) \$98,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$98,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely to the juvenile block grant  
4 funding formula oversight committee described in subsection (4)(d) of  
5 this section to contract with research entities to: (a) Assist  
6 juvenile justice programs identified as promising practices or  
7 research-based in undergoing the research necessary to demonstrate  
8 that the program is evidence-based; and (b) establish an annual,  
9 county-level evaluation of existing evidence-based juvenile justice  
10 programs.

11 (6) \$557,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$557,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for funding of the teamchild  
14 project.

15 (7) \$283,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$283,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for the juvenile detention  
18 alternatives initiative.

19 (8) \$500,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$500,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for a grant program focused on  
22 criminal street gang prevention and intervention. The juvenile  
23 rehabilitation administration may award grants under this subsection.  
24 The juvenile rehabilitation administration shall give priority to  
25 applicants who have demonstrated the greatest problems with criminal  
26 street gangs. Applicants composed of, at a minimum, one or more local  
27 governmental entities and one or more nonprofit, nongovernmental  
28 organizations that have a documented history of creating and  
29 administering effective criminal street gang prevention and  
30 intervention programs may apply for funding under this subsection.  
31 Each entity receiving funds must report to the juvenile  
32 rehabilitation administration on the number and types of youth  
33 served, the services provided, and the impact of those services on  
34 the youth and the community.

35 (9) The juvenile rehabilitation institutions may use funding  
36 appropriated in this subsection to purchase goods (~~and~~), supplies,  
37 and services through hospital group purchasing organizations when it  
38 is cost-effective to do so.

1 (10) \$75,000 of the general fund—state appropriation for fiscal  
2 year 2018 is provided solely for the department to coordinate the  
3 examination of data associated with juvenile gang and firearm  
4 offenses. The review of data must include information from the  
5 administrative office of the courts, the office of the superintendent  
6 of public instruction, the office of financial management—education  
7 research data center, the Washington association of sheriffs and  
8 police chiefs, the caseload forecast council, and the department of  
9 corrections. For the purpose of carrying out the data review, named  
10 organizations are authorized to share data to include details of  
11 criminal arrest and conviction data. The department shall report to  
12 the governor and the appropriate legislative committees by February  
13 1, 2018, with any recommendations for public policy that increases  
14 public safety.

15 (11) \$71,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$212,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for housing services to clients  
18 releasing from incarceration into the community.

19 (12) \$75,000 of the general fund—state appropriation for fiscal  
20 year 2019 is provided solely for implementation of Substitute House  
21 Bill No. 2907 (juvenile rehabilitation confinement). If the bill is  
22 not enacted by June 30, 2018, the amount provided in this subsection  
23 shall lapse.

24 **Sec. 204.** 2017 3rd sp.s. c 1 s 204 (uncodified) is amended to  
25 read as follows:

26 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH**  
27 **PROGRAM**

28 (1) COMMUNITY SERVICES/BEHAVIORAL HEALTH ORGANIZATIONS  
29 General Fund—State Appropriation (FY 2018). . . . . (~~(\$391,457,000)~~)  
30 \$381,760,000  
31 (~~(General Fund—State Appropriation (FY 2019). . . . . \$409,108,000)~~)  
32 General Fund—Federal Appropriation. . . . . (~~(\$1,021,705,000)~~)  
33 \$481,439,000  
34 General Fund—Private/Local Appropriation. . . . . (~~(\$17,864,000)~~)  
35 \$8,932,000  
36 Dedicated Marijuana Account—State Appropriation  
37 (FY 2018). . . . . \$3,684,000  
38 (~~(Dedicated Marijuana Account—State Appropriation~~



1	<del>(FY 2019)</del> . . . . .	<del>\$3,684,000</del> )
2	<u>Pension Funding Stabilization Account—State</u>	
3	<u>Appropriation</u> . . . . .	\$39,000
4	TOTAL APPROPRIATION. . . . .	(( <del>\$1,847,502,000</del> ))
5		<u>\$875,854,000</u>

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

8 (a) For the purposes of this subsection, amounts provided for  
9 behavioral health organizations shall also be available for the  
10 health care authority to contract with entities that assume the  
11 responsibilities of behavioral health organizations in regions in  
12 which the health care authority is purchasing medical and behavioral  
13 health services through fully integrated contracts pursuant to RCW  
14 71.24.380.

15 (b) \$6,590,000 of the general fund—state appropriation for fiscal  
16 year 2018(~~(, \$6,590,000 of the general fund—state appropriation for~~  
17 ~~fiscal year 2019,)) and ((~~\$7,620,000~~)) \$3,810,000 of the general fund  
18 —federal appropriation are provided solely for the department and  
19 behavioral health organizations to continue to contract for  
20 implementation of high-intensity programs for assertive community  
21 treatment (PACT) teams. In determining the proportion of medicaid and  
22 nonmedicaid funding provided to behavioral health organizations with  
23 PACT teams, the department shall consider the differences between  
24 behavioral health organizations in the percentages of services and  
25 other costs associated with the teams that are not reimbursable under  
26 medicaid. The department may allow behavioral health organizations  
27 which have nonmedicaid reimbursable costs that are higher than the  
28 nonmedicaid allocation they receive under this section to supplement  
29 these funds with local dollars or funds received under ~~((g))~~ (f) of  
30 this subsection. The department and behavioral health organizations  
31 shall maintain consistency with all essential elements of the PACT  
32 evidence-based practice model in programs funded under this section.~~

33 (c) From the general fund—state appropriations in this  
34 subsection, the department shall assure that behavioral health  
35 organizations reimburse the department of social and health services  
36 aging and long term support administration for the general fund—state  
37 cost of medicaid personal care services that enrolled behavioral  
38 health organization consumers use because of their psychiatric  
39 disability.

1 (d) (~~(\$3,520,000)~~) \$1,760,000 of the general fund—federal  
2 appropriation is provided solely for the department to maintain a  
3 pilot project to put peer bridging staff into each behavioral health  
4 organization as part of the state psychiatric liaison teams to  
5 promote continuity of service as individuals return to their  
6 communities. The department must collect data and submit a report to  
7 the office of financial management and the appropriate committees of  
8 the legislature on the impact of peer staff on state hospital  
9 discharges and community placements by December 1, 2017.

10 (e) (~~(\$6,858,000 of the general fund—state appropriation for~~  
11 ~~fiscal year 2019 and \$4,023,000 of the general fund—federal~~  
12 ~~appropriation are provided solely for new crisis triage or~~  
13 ~~stabilization centers. The department must seek proposals from~~  
14 ~~behavioral health organizations for the use of these funds based on~~  
15 ~~regional priorities. Services in these facilities may include crisis~~  
16 ~~stabilization and intervention, individual counseling, peer support,~~  
17 ~~medication management, education, and referral assistance. The~~  
18 ~~department shall monitor each center's effectiveness at lowering the~~  
19 ~~rate of state psychiatric hospital admissions.~~

20 (~~f) — \$15,862,000~~) \$11,405,000 of the general fund—state  
21 appropriation for fiscal year 2018 is provided solely to assist  
22 behavioral health organizations with the costs of providing services  
23 to medicaid clients receiving services in psychiatric facilities  
24 classified as institutions of mental diseases. The department must  
25 distribute these amounts proportionate to the number of bed days for  
26 medicaid clients in institutions for mental diseases that were  
27 excluded from behavioral health organization fiscal year 2018  
28 capitation rates because they exceeded the amounts allowed under  
29 federal regulations. The department must also use these amounts to  
30 directly pay for costs that are ineligible for medicaid reimbursement  
31 in institutions of mental disease facilities for American Indian and  
32 Alaska Natives who opt to receive behavioral health services on a fee  
33 for service basis. The amounts used for these individuals must be  
34 reduced from the allocation of the behavioral health organization  
35 where the individual resides. If a behavioral health organization  
36 receives more funding through this subsection than is needed to pay  
37 for the cost of their medicaid clients in institutions for mental  
38 diseases, they must use the remainder of the amounts to provide other  
39 services not covered under the medicaid program. The department must

1 apply for a waiver from the center for medicaid and medicare services  
2 to allow for the full cost of stays in institutions of mental  
3 diseases to be included in fiscal year 2019 behavioral health  
4 organization capitation rates. The department may tailor the fiscal  
5 year 2019 waiver to specific populations for which the center for  
6 medicaid and medicare services has indicated they are likely to  
7 approve and work to further expand the waiver to other populations in  
8 fiscal year 2020. The department must submit a report on the status  
9 of the waiver to the office of financial management and the  
10 appropriate committees of the legislature by December 1, 2017.

11 ~~((g))~~ (f) \$81,930,000 of the general fund—state appropriation  
12 for fiscal year 2018 ~~((and \$81,930,000 of the general fund—state~~  
13 ~~appropriation for fiscal year 2019 are))~~ is provided solely for  
14 persons and services not covered by the medicaid program. To the  
15 extent possible, levels of behavioral health organization spending  
16 shall be maintained in the following priority order: Crisis and  
17 commitment services; community inpatient services; and residential  
18 care services, including personal care and emergency housing  
19 assistance. These amounts must be distributed to behavioral health  
20 organizations proportionate to the fiscal year 2017 allocation of  
21 flexible nonmedicaid funds. The department must include the following  
22 language in medicaid contracts with behavioral health organizations  
23 unless they are provided formal notification from the center for  
24 medicaid and medicare services that the language will result in the  
25 loss of federal medicaid participation: "The contractor may  
26 voluntarily provide services that are in addition to those covered  
27 under the state plan, although the cost of these services cannot be  
28 included when determining payment rates unless including these costs  
29 are specifically allowed under federal law or an approved waiver."

30 ~~((h))~~ (g) The department is authorized to continue to contract  
31 directly, rather than through contracts with behavioral health  
32 organizations for children's long-term inpatient facility services.

33 ~~((i))~~ (h) \$1,125,000 of the general fund—state appropriation  
34 for fiscal year 2018 ~~((and \$1,125,000 of the general fund—state~~  
35 ~~appropriation for fiscal year 2019 are))~~ is provided solely for the  
36 Spokane county behavioral health organization to implement services  
37 to reduce utilization and the census at eastern state hospital. Such  
38 services shall include:

1 (A) High intensity treatment team for persons who are high  
2 utilizers of psychiatric inpatient services, including those with co-  
3 occurring disorders and other special needs;

4 (B) Crisis outreach and diversion services to stabilize in the  
5 community individuals in crisis who are at risk of requiring  
6 inpatient care or jail services;

7 (C) Mental health services provided in nursing facilities to  
8 individuals with dementia, and consultation to facility staff  
9 treating those individuals; and

10 (D) Services at the sixteen-bed evaluation and treatment  
11 facility.

12 At least annually, the Spokane county behavioral health  
13 organization shall assess the effectiveness of these services in  
14 reducing utilization at eastern state hospital, identify services  
15 that are not optimally effective, and modify those services to  
16 improve their effectiveness.

17 ~~((+j))~~ (i) \$1,204,000 of the general fund—state appropriation  
18 for fiscal year 2018 ~~((and \$1,204,000 of the general fund—state~~  
19 ~~appropriation for fiscal year 2019 are))~~ is provided solely to  
20 reimburse Pierce and Spokane counties for the cost of conducting 180-  
21 day commitment hearings at the state psychiatric hospitals.

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

34 ~~((+l))~~ (k) \$2,291,000 of the general fund—state appropriation  
35 for fiscal year 2018 ~~((and \$2,291,000 of the general fund—state~~  
36 ~~appropriation for fiscal year 2019 are))~~ is provided solely for  
37 mental health services for mentally ill offenders while confined in a  
38 county or city jail and for facilitating access to programs that  
39 offer mental health services upon release from confinement. The

1 department must collect information from the behavioral health  
2 organizations on their plan for using these funds, the numbers of  
3 individuals served, and the types of services provided and submit a  
4 report to the office of financial management and the appropriate  
5 fiscal committees of the legislature by December 1st of each year of  
6 the biennium.

7 ~~((m))~~ (l) Within the amounts appropriated in this section,  
8 funding is provided for the department to develop and phase in  
9 intensive mental health services for high needs youth consistent with  
10 the settlement agreement in *T.R. v. Dreyfus and Porter*.

11 ~~((n))~~ (m) The department must establish minimum and maximum  
12 funding levels for all reserves allowed under behavioral health  
13 organization contracts and insert contract language that clearly  
14 states the requirements and limitations. The department must monitor  
15 and ensure that behavioral health organization reserves do not exceed  
16 maximum levels. The department must monitor behavioral health  
17 organization revenue and expenditure reports and must require a  
18 behavioral health organization to submit a corrective action plan on  
19 how it will spend its excess reserves within a reasonable period of  
20 time, when its reported reserves exceed maximum levels established  
21 under the contract. The department must review and approve such plans  
22 and monitor to ensure compliance. If the department determines that a  
23 behavioral health organization has failed to provide an adequate  
24 excess reserve corrective action plan or is not complying with an  
25 approved plan, the department must reduce payments to the behavioral  
26 health organization in accordance with remedial actions provisions  
27 included in the contract. These reductions in payments must continue  
28 until the department determines that the behavioral health  
29 organization has come into substantial compliance with an approved  
30 excess reserve corrective action plan.

31 ~~((o))~~ (n) \$2,309,000 of the general fund—state appropriation  
32 for fiscal year 2018(~~(, \$3,079,000 of the general fund—state~~  
33 ~~appropriation for fiscal year 2019,)) and (\$5,061,000) \$2,169,000  
34 of the general fund—federal appropriation are provided solely for the  
35 department to increase rates for community hospitals that provide a  
36 minimum of 200 medicaid psychiatric inpatient days. The department  
37 must increase both medicaid and nonmedicaid psychiatric per-diem  
38 reimbursement rates for these providers within these amounts. The  
39 amounts in this subsection include funding for additional hold~~

1 harmless payments resulting from the rate increase. The department  
2 shall prioritize increases for hospitals not currently paid based on  
3 provider specific costs using a similar methodology used to set rate  
4 for existing inpatient facilities and the latest available cost  
5 report information. Rate increases for providers must be set so as  
6 not to exceed the amounts provided within this subsection. The rate  
7 increase related to nonmedicaid clients must be done to maintain the  
8 provider at the same percentage as currently required under WAC  
9 182-550-4800.

10 ~~((p))~~ (o) \$100,000 of the general fund—state appropriation for  
11 fiscal year 2018 ~~((and \$100,000 of the general fund state  
12 appropriation for fiscal year 2019 are))~~ is provided solely for the  
13 department to collaborate with tribal governments and develop a plan  
14 for establishing an evaluation and treatment facility that will  
15 specialize in providing care specifically to the American Indian and  
16 Alaska Native population. The plan must include options for  
17 maximizing federal participation and ~~((ensuring))~~, ensure that  
18 utilization will be based on medical necessity, and identify a  
19 specific geographic location where a tribal evaluation and treatment  
20 facility will be built.

21 ~~((q))~~ (p) \$1,466,000 of the general fund—state appropriation  
22 for fiscal year 2018~~((, \$7,103,000 of the general fund state  
23 appropriation for fiscal year 2019,))~~ and ~~(((\$9,715,000))~~ \$1,663,000  
24 of the general fund—federal appropriation are provided solely for the  
25 department to contract with community hospitals or freestanding  
26 evaluation and treatment centers to provide up to forty-eight long-  
27 term inpatient care beds as defined in RCW 71.24.025. The department  
28 must seek proposals and contract directly for these services rather  
29 than contracting through behavioral health organizations. The  
30 department must coordinate with the department of social and health  
31 services in developing the contract requirements, selecting  
32 contractors, and establishing processes for identifying patients that  
33 will be admitted to these facilities. The department must not use any  
34 of the amounts provided under this subsection for contracts with  
35 facilities that are subject to federal funding restrictions that  
36 apply to institutions of mental diseases, unless they have received a  
37 waiver that allows for full federal participation in these  
38 facilities.

1        ~~((r)) \$1,133,000 of the general fund state appropriation for~~  
2 ~~fiscal year 2019 and \$1,297,000 of the general fund federal~~  
3 ~~appropriation are provided solely to increase the number of~~  
4 ~~psychiatric residential treatment beds for individuals transitioning~~  
5 ~~from psychiatric inpatient settings. The department must seek~~  
6 ~~proposals from behavioral health organizations for the use of these~~  
7 ~~amounts and coordinate with the department of social and health~~  
8 ~~services in awarding these funds. The department must not allow for~~  
9 ~~any of the amounts provided under this subsection to be used for~~  
10 ~~services in facilities that are subject to federal funding~~  
11 ~~restrictions that apply to institutions of mental diseases, unless~~  
12 ~~they have received a waiver that allows for full federal~~  
13 ~~participation in these facilities.~~

14        ~~(s))~~ (q) \$4,983,000 of the general fund—state appropriation for  
15 fiscal year 2018(~~(, \$6,744,000 of the general fund state~~  
16 ~~appropriation for fiscal year 2019,)) and ~~(((\$25,365,000))~~ \$10,849,000  
17 of the general fund—federal appropriation are provided solely for the  
18 department to increase medicaid capitation payments for behavioral  
19 health organizations. The department must work with the actuaries  
20 responsible for certifying behavioral health capitation rates to  
21 adjust average salary assumptions in order to implement this  
22 increase. In developing further updates for medicaid managed care  
23 rates for behavioral health services, the department must include and  
24 make available all applicable documents and analysis to legislative  
25 staff from the fiscal committees throughout the process. The  
26 department must require the actuaries to develop and submit rate  
27 ranges for each behavioral health organization prior to certification  
28 of specific rates.~~

29        ~~((t))~~ (r) The number of beds allocated for use by behavioral  
30 health organizations at eastern state hospital shall be 192 per day.  
31 The number of nonforensic beds allocated for use by behavioral health  
32 organizations at western state hospital shall be 557 per day. In  
33 fiscal year 2019, the department must reduce the number of beds  
34 allocated for use by behavioral health organizations at western state  
35 hospital by 30 beds to allow for the repurposing of a civil ward at  
36 western state hospital to provide forensic services. The contracted  
37 beds provided under ~~((q))~~ (p) of this subsection shall be allocated  
38 to the behavioral health organizations in lieu of beds at the state  
39 hospitals and be incorporated in their allocation of state hospital

1 patient days of care for the purposes of calculating reimbursements  
2 pursuant to RCW 71.24.310. It is the intent of the legislature to  
3 continue the policy of expanding community based alternatives for  
4 long term civil commitment services that allow for state hospital  
5 beds to be prioritized for forensic patients.

6 ~~((+u))~~ (s) \$11,405,000 of the general fund—state appropriation  
7 for fiscal year 2018 ~~((, \$11,405,000 of the general fund—state~~  
8 ~~appropriation for fiscal year 2019,))~~ and ~~(((\$17,680,000))~~ \$8,840,000  
9 of the general fund—federal appropriation are provided solely to  
10 maintain enhancements of community mental health services. The  
11 department must contract these funds for the operation of community  
12 programs in which the department determines there is a need for  
13 capacity that allows individuals to be diverted or transitioned from  
14 the state hospitals including but not limited to: (i) Community  
15 hospital or free standing evaluation and treatment services providing  
16 short-term detention and commitment services under the involuntary  
17 treatment act to be located in the geographic areas of the King  
18 behavioral health organization, the Spokane behavioral health  
19 organization outside of Spokane county, and the Thurston Mason  
20 behavioral health organization; (ii) one new full program of an  
21 assertive community treatment team in the King behavioral health  
22 organization and two new half programs of assertive community  
23 treatment teams in the Spokane behavioral health organization and the  
24 Pierce behavioral health organization; and (iii) three new recovery  
25 support services programs in the Great Rivers behavioral health  
26 organization, the greater Columbia behavioral health organization,  
27 and the north sound behavioral health organization. In contracting  
28 for community evaluation and treatment services, the department may  
29 not use these resources in facilities that meet the criteria to be  
30 classified under federal law as institutions for mental diseases. If  
31 the department is unable to come to a contract agreement with a  
32 designated behavioral health organization for any of the services  
33 identified above, it may consider contracting for that service in  
34 another region that has the need for such service.

35 ~~((+v))~~ (t) \$200,000 of the general fund—state appropriation for  
36 fiscal year 2018 ~~((and \$1,296,000 of the general fund—state~~  
37 ~~appropriation for fiscal year 2019 are))~~ is provided solely for  
38 clubhouse programs. ~~((Of this amount, \$400,000 must be used for~~  
39 ~~support of the Spokane clubhouse program and the remaining funds must~~



1 ~~be used for support of new clubhouse programs.))~~ The department must  
2 develop options and cost estimates for implementation of clubhouse  
3 programs statewide through a medicaid state plan amendment or a  
4 medicaid waiver and submit a report to the office of financial  
5 management and the appropriate committees of the legislature by  
6 December 1, 2018.

7 ~~((w))~~ (u) \$212,000 of the general fund—state appropriation for  
8 fiscal year 2018 ~~((and \$213,000 of the general fund state  
9 appropriation for fiscal year 2019 are))~~ is provided solely to fund  
10 one pilot project in Pierce county and one in Yakima county to  
11 promote increased utilization of assisted outpatient treatment  
12 programs. The department shall require two behavioral health  
13 organizations to contract with local government to establish the  
14 necessary infrastructure for the programs. The department, in  
15 collaboration with the health care authority, shall provide a report  
16 by October 15, 2018, to the office of financial management and the  
17 appropriate fiscal and policy committees of the legislature to  
18 include the number of individuals served, outcomes to include reduced  
19 use of inpatient treatment and state hospital stays, and  
20 recommendations for further implementation based on lessons learned  
21 and best practices identified by the pilot projects.

22 ~~((x))~~ (v) The department, in collaboration with the health care  
23 authority, shall work to ensure that a single platform provider  
24 credentialing system is implemented. The authority and department  
25 shall ensure that appropriate cost offsets and cost avoidance are  
26 assumed for reduced staff time required for provider credentialing  
27 activity and reductions in improper billing activity when  
28 implementing provider credentialing systems.

29 (w) No more than \$6,464,000 of the general fund—federal  
30 appropriation may be expended for supported housing and employment  
31 services described in initiative 3a and 3b of the medicaid  
32 transformation demonstration waiver under healthier Washington. Under  
33 this initiative, the department and the health care authority shall  
34 ensure that allowable and necessary services are provided to eligible  
35 clients as identified by the department or its providers or third  
36 party administrator. The department and the authority in consultation  
37 with the medicaid forecast work group, shall ensure that reasonable  
38 reimbursements are established for services deemed necessary within  
39 an identified limit per individual. The department shall not increase

1 general fund—state expenditures under this initiative. The secretary  
2 in collaboration with the director of the authority shall report to  
3 the joint select committee on health care oversight no less than  
4 quarterly on financial and health outcomes. The secretary in  
5 cooperation with the director shall also report to the fiscal  
6 committees of the legislature all of the expenditures of this  
7 subsection and shall provide such fiscal data in the time, manner,  
8 and form requested by the legislative fiscal committees.

9 (2) INSTITUTIONAL SERVICES

10	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$286,936,000</del> ))
11		<u>\$330,214,000</u>
12	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$277,823,000</del> ))
13		<u>\$271,907,000</u>
14	General Fund—Federal Appropriation. . . . .	(( <del>\$148,093,000</del> ))
15		<u>\$181,895,000</u>
16	General Fund—Private/Local Appropriation. . . . .	(( <del>\$52,630,000</del> ))
17		<u>\$61,282,000</u>
18	<u>Pension Funding Stabilization Account—State</u>	
19	<u>Appropriation. . . . .</u>	<u>\$34,746,000</u>
20	TOTAL APPROPRIATION. . . . .	(( <del>\$765,482,000</del> ))
21		<u>\$880,044,000</u>

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

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

28 (b) \$311,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$310,000 of the general fund—state appropriation for  
30 fiscal year 2019 are provided solely for a community partnership  
31 between western state hospital and the city of Lakewood to support  
32 community policing efforts in the Lakewood community surrounding  
33 western state hospital. The amounts provided in this subsection  
34 (2)(b) are for the salaries, benefits, supplies, and equipment for  
35 one full-time investigator, one full-time police officer, and one  
36 full-time community service officer at the city of Lakewood. The  
37 department must collect data from the city of Lakewood on the use of  
38 the funds and the number of calls responded to by the community  
39 policing program and submit a report with this information to the

1 office of financial management and the appropriate fiscal committees  
2 of the legislature each December of the fiscal biennium.

3 (c) \$45,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$45,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for payment to the city of  
6 Lakewood for police services provided by the city at western state  
7 hospital and adjacent areas.

8 (d) \$44,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$19,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for payment to the city of  
11 Medical Lake for police services provided by the city at eastern  
12 state hospital and adjacent areas. The city must develop a proposal  
13 and estimated costs for developing a community policing program in  
14 the area surrounding eastern state hospital and submit the proposal  
15 to the department by September 30, (~~(2017)~~) 2018. The city must  
16 provide current and historical data for police services to eastern  
17 state hospital and adjacent areas which justify funding for a  
18 community policing program and continued funding for base police  
19 services and a community policing program.

20 (e) (~~(\$25,053,000)~~) \$20,883,000 of the general fund—state  
21 appropriation for fiscal year 2018 and (~~(\$25,847,000)~~) \$33,558,000 of  
22 the general fund—state appropriation for fiscal year 2019 are  
23 provided solely for implementation of efforts to improve the  
24 timeliness of competency restoration services pursuant to chapter 5,  
25 Laws of 2015 (SSB 5889) (timeliness of competency treatment and  
26 evaluation services). These amounts must be used to maintain and  
27 further increase the number of forensic beds at western state  
28 hospital and eastern state hospital. Pursuant to chapter 7, Laws of  
29 2015 1st sp. sess. (2E2SSB 5177) (timeliness of competency treatment  
30 and evaluation services), the department may contract some of these  
31 amounts for services at alternative locations if the secretary  
32 determines that there is a need.

33 (f) (~~(\$3,261,000)~~) \$3,928,000 of the general fund—state  
34 appropriation for fiscal year 2018 and (~~(\$3,261,000)~~) \$4,249,000 of  
35 the general fund—state appropriation for fiscal year 2019 are  
36 provided solely to maintain and further increase implementation of  
37 efforts to improve the timeliness of competency evaluation services  
38 for individuals who are in local jails pursuant to chapter 5, Laws of  
39 2015 (SSB 5889) (timeliness of competency treatment and evaluation

1 services). This funding must be used solely to maintain increases in  
2 the number of staff providing competency evaluation services.

3 (g) \$135,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$135,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for the department to hire an  
6 on-site safety compliance officer, stationed at Western State  
7 Hospital, to provide oversight and accountability of the hospital's  
8 response to safety concerns regarding the hospital's work  
9 environment.

10 (h) \$20,234,000 of the general fund—state appropriation for  
11 fiscal year 2018 and (~~(\$20,234,000)~~) \$32,424,000 of the general fund—  
12 state appropriation for fiscal year 2019 are provided solely to meet  
13 the requirements of the systems improvement agreement with the  
14 centers for medicare and medicaid services as outlined in seven  
15 conditions of participation and to maintain federal funding. The  
16 department shall specifically account for all spending related to the  
17 agreement and reconcile it back to the original funding plan,  
18 adjusted to reflect changes in amounts provided for fiscal year 2019.

19 Changes of more than ten percent in any area of the spending plan  
20 must be submitted to the office of financial management for approval.  
21 The department must submit a financial analysis to the office of  
22 financial management and the appropriate committees of the  
23 legislature which compares current staffing levels at eastern and  
24 western state hospitals, at the ward level, with the specific  
25 staffing levels recommended in the state hospitals' clinical model  
26 analysis project report submitted by OTB Solutions in 2016. To the  
27 extent that the financial analysis includes any differential in  
28 staffing from what was recommended in the report, the department must  
29 clearly identify these differences and the associated costs. The  
30 department must submit the financial analysis by September 1, 2017.

31 (i) Within these amounts, the department must hire chemical  
32 dependency professionals to provide integrated substance use disorder  
33 and mental health treatment at the state psychiatric hospitals.

34 (j) \$1,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$2,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for the implementation of Senate  
37 Bill No. 5118 (personal needs allowance). If the bill is not enacted  
38 by July 31, 2017, the amounts provided in this subsection shall  
39 lapse.

1        (k) \$34,584,000 of the general fund—state appropriation for  
2 fiscal year 2018 is provided solely for increased staffing and other  
3 costs at the state hospitals that are required to maintain federal  
4 certification and compliance with federal agreements. Throughout the  
5 biennium, the department must track state hospital staffing  
6 expenditures, including the use of overtime and contracted locums, to  
7 allotments and submit monthly reports to the office of financial  
8 management. The office of financial management must review these  
9 reports and make a determination as to whether the overspending in  
10 these areas is required to maintain federal certification and  
11 compliance with federal agreements. The office of financial  
12 management must notify the department each month whether and to what  
13 level the overspending on staffing is approved and may be maintained  
14 and whether and to what level the department must reduce such  
15 expenditures. By December 2, 2018, the office of financial management  
16 must provide a report to the appropriate committees of the  
17 legislature on spending beyond appropriations for staffing at the  
18 state hospitals and identify the level of overspending that has been  
19 approved and any direction provided by the office of financial  
20 management to reduce overspending on staffing that was not required  
21 to maintain federal certification and compliance with federal  
22 agreements.

23        (l) \$100,000 of the general fund—state appropriation for fiscal  
24 year 2019 is provided solely for the department to track compliance  
25 with RCW 71.05.365 requirements for transition of state hospital  
26 patients into community settings within fourteen days of the  
27 determination that they no longer require active psychiatric  
28 treatment at an inpatient level of care. The department must use  
29 these funds to track the following elements related to this  
30 requirement: (i) The date on which an individual is determined to no  
31 longer require active psychiatric treatment at an inpatient level of  
32 care; (ii) the date on which the behavioral health organizations and  
33 other organizations responsible for resource management services for  
34 the person is notified of this determination; and (iii) the date on  
35 which either the individual is transitioned to the community or has  
36 been re-evaluated and determined to again require active psychiatric  
37 treatment at an inpatient level of care. The department must provide  
38 this information in regular intervals to behavioral health  
39 organizations and other organizations responsible for resource  
40 management services. The department must summarize the information

1 and provide a report to the office of financial management and the  
2 appropriate committees of the legislature on progress toward meeting  
3 the fourteen day standard by December 1, 2018.

4 (m) \$140,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for the department and the University of  
6 Washington to begin implementation the first phase of a collaborative  
7 plan for a high-quality forensic teaching service. Indirect charges  
8 for amounts contracted to the University of Washington must not  
9 exceed ten percent. The department and the University of Washington  
10 must research and pursue behavioral health workforce education grants  
11 from federal or private foundations that could be used in support of  
12 this project. By November 1, 2018, the department, in collaboration  
13 with the University of Washington, must submit a report to the office  
14 of financial management and the appropriate committees of the  
15 legislature with a progress update, readiness to proceed to the  
16 second phase of the project, a detailed cost analysis of the second  
17 phase, and identification of any federal or private grants identified  
18 and the status of those applications.

19 (n) \$11,200,000 of the general fund—state appropriation for  
20 fiscal year 2019 is provided solely for the department to develop and  
21 implement an acuity based staffing tool at western state hospital and  
22 eastern state hospital. The staffing tool must be designed and  
23 implemented to identify, on a daily basis, the clinical acuity on  
24 each patient ward and determine the minimum level of direct care  
25 staff by profession to be deployed to meet the needs of the patients  
26 on each ward. The department must also continue to develop, in  
27 collaboration with the office of financial management's labor  
28 relations office and state labor unions, an overall state hospital  
29 staffing plan which looks at all positions and functions of the  
30 facilities and is informed by a review of the Oregon state hospital  
31 staffing model. \$300,000 of the amounts in this subsection are  
32 provided solely for and must be used for staff costs required to  
33 establish, monitor, track, and report monthly staffing and  
34 expenditures at the state hospitals, including overtime and use of  
35 locums, to the functional categories identified in the recommended  
36 staffing plan. The remainder of the funds must be used for direct  
37 care staffing needed in order to implement the acuity based staffing  
38 tool. The allotments and tracking of staffing and expenditures must  
39 include all areas of the state hospitals, must be done at the ward  
40 level, and must include contracted facilities providing forensic

1 restoration services as well as the office of forensic mental health  
2 services. By September 1, 2018, the department must submit a report  
3 to the office of financial management and the appropriate committees  
4 of the legislature that includes the following: (a) Progress in  
5 implementing the acuity based staffing tool; (b) a comparison of  
6 average daily staffing expenditures to budgeted staffing levels and  
7 the recommended state hospital staffing plan by function; and (c)  
8 metrics and facility performance for the use of overtime and extra  
9 duty pay, patient length of stay, discharge management, active  
10 treatment planning, medication administration, patient and staff  
11 aggression, and staff recruitment and retention. The department must  
12 use information gathered from implementation of the clinical staffing  
13 tool and the hospital-wide staffing model to inform and prioritize  
14 future budget requests for staffing at the state hospitals. Beginning  
15 on January 1, 2019, the department must submit calendar quarterly  
16 reports to the office of financial management and the appropriate  
17 committees of the legislature which includes monitoring of monthly  
18 spending and staffing levels compared to allotments and to the  
19 recommended state hospital staffing model.

20 (o) \$250,000 of the general fund—state appropriation for fiscal  
21 year 2019 is provided solely for the department, in collaboration  
22 with the health care authority, to develop and implement a predictive  
23 modeling tool which identifies clients who are at high risk of future  
24 involvement with the criminal justice system and for developing a  
25 model to estimate demand for civil and forensic state hospital bed  
26 needs pursuant to the following requirements.

27 (i) The predictive modeling tool must be developed to leverage  
28 data from a variety of sources and identify factors that are strongly  
29 associated with future criminal justice involvement. By December 1,  
30 2018, the department must submit a report to the office of financial  
31 management and the appropriate committees of the legislature which  
32 describes the following: (A) The proposed data sources to be used in  
33 the predictive model and how privacy issues will be addressed; (B)  
34 modeling results including a description of measurable factors most  
35 strongly predictive of risk of future criminal justice involvement;  
36 (C) an assessment of the accuracy, timeliness, and potential  
37 effectiveness of the tool; (D) identification of interventions and  
38 strategies that can be effective in reducing future criminal justice  
39 involvement of high risk patients; and (E) the timeline for  
40 implementing processes to provide monthly lists of high-risk client

1 to contracted managed care organizations and behavioral health  
2 organizations.

3 (ii) The model for civil and forensic state hospital bed need  
4 must be developed in consultation with staff from the office of  
5 financial management and the appropriate fiscal committees of the  
6 state legislature. The model shall incorporate factors for capacity  
7 in state hospitals as well as contracted facilities which provide  
8 similar levels of care, referral patterns, wait lists, lengths of  
9 stay, and other factors identified as appropriate for predicting the  
10 number of beds needed to meet the demand for civil and forensic state  
11 hospital services. The department must submit a report to the office  
12 of financial management and the appropriate committees of the  
13 legislature by October 1, 2018, with a description of the model and  
14 the estimated civil and forensic state hospital bed need through the  
15 end of fiscal year 2021. The department must continue to update the  
16 model on a calendar quarterly basis and provide updates to the office  
17 of financial management and the appropriate committees of the  
18 legislature accordingly.

19 (3) SPECIAL PROJECTS

20	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$514,000</del> ))
21		<u>\$486,000</u>
22	<del>((General Fund—State Appropriation (FY 2019). . . . .</del>	<del>\$508,000))</del>
23	General Fund—Federal Appropriation. . . . .	(( <del>\$25,852,000</del> ))
24		<u>\$3,148,000</u>
25	<u>Pension Funding Stabilization Account—State</u>	
26	<u>Appropriation. . . . .</u>	<u>\$28,000</u>
27	TOTAL APPROPRIATION. . . . .	(( <del>\$26,874,000</del> ))
28		<u>\$3,662,000</u>

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

31 ((~~a~~)) \$446,000 of the general fund—state appropriation for  
32 fiscal year 2018(~~(, \$446,000 of the general fund—state appropriation~~  
33 ~~for fiscal year 2019,)) and ((~~\$178,000~~)) \$89,000 of the general fund—  
34 federal appropriation are provided solely for the University of  
35 Washington's evidence-based practice institute which supports the  
36 identification, evaluation, and implementation of evidence-based or  
37 promising practices. The institute must work with the department to  
38 develop a plan to seek private, federal, or other grant funding in  
39 order to reduce the need for state general funds. The department must~~



1 collect information from the institute on the use of these funds and  
2 submit a report to the office of financial management and the  
3 appropriate fiscal committees of the legislature by December 1st of  
4 each year of the biennium.

5 ~~((b) No more than \$19,557,000 of the general fund federal  
6 appropriation may be expended for supported housing and employment  
7 services described in initiative 3a and 3b of the medicaid  
8 transformation demonstration waiver under healthier Washington. Under  
9 this initiative, the department and the health care authority shall  
10 ensure that allowable and necessary services are provided to eligible  
11 clients as identified by the department or its providers or third  
12 party administrator. The department and the authority in consultation  
13 with the medicaid forecast work group, shall ensure that reasonable  
14 reimbursements are established for services deemed necessary within  
15 an identified limit per individual. The department shall not increase  
16 general fund state expenditures under this initiative. The secretary  
17 in collaboration with the director of the authority shall report to  
18 the joint select committee on health care oversight no less than  
19 quarterly on financial and health outcomes. The secretary in  
20 cooperation with the director shall also report to the fiscal  
21 committees of the legislature all of the expenditures of this  
22 subsection and shall provide such fiscal data in the time, manner,  
23 and form requested by the legislative fiscal committees.))~~

24 (4) PROGRAM SUPPORT

25	General Fund—State Appropriation (FY 2018). . . . .	(( \$10,175,000 ))
26		<u>\$9,265,000</u>
27	General Fund—State Appropriation (FY 2019). . . . .	(( \$9,543,000 ))
28		<u>\$2,979,000</u>
29	General Fund—Federal Appropriation. . . . .	(( \$12,046,000 ))
30		<u>\$8,310,000</u>
31	General Fund—Private/Local Appropriation. . . . .	(( \$502,000 ))
32		<u>\$251,000</u>
33	<u>Pension Funding Stabilization Account—State</u>	
34	<u>Appropriation. . . . .</u>	<u>\$526,000</u>
35	TOTAL APPROPRIATION. . . . .	(( \$32,266,000 ))
36		<u>\$21,331,000</u>

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

1 (a) The department must complete an update of the state quality  
2 strategy required under federal managed care regulations and submit  
3 to the center for medicaid and medicare services by October 1, 2017.  
4 The department must provide a report to the office of financial  
5 management and the appropriate committees of the legislature by  
6 December 1, 2017, which includes the following: (i) A copy of the  
7 quality strategy submitted to the center for medicaid and medicare  
8 services; (ii) identification of all performance measures that are  
9 currently being measured for behavioral health organizations, and  
10 managed care organizations and the variations in performance among  
11 these entities; (iii) identification of any performance measures that  
12 are included in behavioral health organization and managed care  
13 organization 2018 contracts and whether these measures are connected  
14 to payment; and (iv) identification of any performance measures  
15 planned for incorporation of behavioral health organization and  
16 managed care organization 2019 contracts and whether these measures  
17 will be connected to payment during that contract period.

18 (b) \$62,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$41,000 of the general fund—federal appropriation are  
20 provided solely for the implementation of chapter 207, Laws of 2017  
21 (E2SHB 1819) (children's mental health).

22 (c) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,  
23 the department is authorized to adopt license and certification fees  
24 in fiscal year(~~s~~) 2018 (~~and 2019~~) to support the costs of the  
25 regulatory program. The department's fee schedule shall have  
26 differential rates for providers with proof of accreditation from  
27 organizations that the department has determined to have  
28 substantially equivalent standards to those of the department,  
29 including but not limited to the joint commission on accreditation of  
30 health care organizations, the commission on accreditation of  
31 rehabilitation facilities, and the council on accreditation. To  
32 reflect the reduced costs associated with regulation of accredited  
33 programs, the department's fees for organizations with such proof of  
34 accreditation must reflect the lower costs of licensing for these  
35 programs than for other organizations which are not accredited.

36 **Sec. 205.** 2017 3rd sp.s. c 1 s 205 (uncodified) is amended to  
37 read as follows:

1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL**  
2 **DISABILITIES PROGRAM**

3 (1) COMMUNITY SERVICES

4	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$612,748,000</del> ))
5		<u>\$601,597,000</u>
6	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$662,252,000</del> ))
7		<u>\$664,035,000</u>
8	General Fund—Federal Appropriation. . . . .	(( <del>\$1,301,629,000</del> ))
9		<u>\$1,302,433,000</u>
10	General Fund—Private/Local Appropriation. . . . .	(( <del>\$534,000</del> ))
11		<u>\$2,407,000</u>
12	<u>Pension Funding Stabilization Account—State</u>	
13	<u>Appropriation. . . . .</u>	<u>\$6,872,000</u>
14	TOTAL APPROPRIATION. . . . .	(( <del>\$2,577,163,000</del> ))
15		<u>\$2,577,344,000</u>

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

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

22 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and  
23 43.135.055, the department is authorized to increase nursing  
24 facility, assisted living facility, and adult family home fees as  
25 necessary to fully support the actual costs of conducting the  
26 licensure, inspection, and regulatory programs. The license fees may  
27 not exceed the department's annual licensing and oversight activity  
28 costs and shall include the department's cost of paying providers for  
29 the amount of the license fee attributed to medicaid clients.

30 (i) The current annual renewal license fee for adult family homes  
31 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed  
32 beginning in fiscal year 2019. A processing fee of \$2,750 shall be  
33 charged to each adult family home when the home is initially  
34 licensed. This fee is nonrefundable. A processing fee of \$700 shall  
35 be charged when adult family home providers file a change of  
36 ownership application.

37 (ii) The current annual renewal license fee for assisted living  
38 facilities shall be \$106 per bed beginning in fiscal year 2018 and  
39 ((~~\$106~~)) \$116 per bed beginning in fiscal year 2019.

1 (iii) The current annual renewal license fee for nursing  
2 facilities shall be \$359 per bed beginning in fiscal year 2018 and  
3 \$359 per bed beginning in fiscal year 2019.

4 (c) \$7,142,000 of the general fund—state appropriation for fiscal  
5 year 2018, \$18,249,000 of the general fund—state appropriation for  
6 fiscal year 2019, and \$27,336,000 of the general fund—federal  
7 appropriation are provided solely for the implementation of the  
8 agreement reached between the governor and the service employees  
9 international union healthcare 775nw under the provisions of chapters  
10 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is  
11 contingent upon the enactment of Senate Bill No. 5969 (transparency  
12 in public employee collective bargaining). If the bill is not enacted  
13 by July 31, 2017, the appropriation in this subsection shall lapse.

14 (d) \$787,000 of the general fund—state appropriation for fiscal  
15 year 2018, \$2,183,000 of the general fund—state appropriation for  
16 fiscal year 2019, and \$3,714,000 of the general fund—federal  
17 appropriation are provided solely for the homecare agency parity  
18 impacts of the agreement between the governor and the service  
19 employees international union healthcare 775nw. Funding is contingent  
20 upon the enactment of Senate Bill No. 5969 (transparency in public  
21 employee collective bargaining). If the bill is not enacted by July  
22 31, 2017, the appropriation in this subsection shall lapse.

23 (e) The department may authorize a one-time waiver of all or any  
24 portion of the licensing and processing fees required under RCW  
25 70.128.060 in any case in which the department determines that an  
26 adult family home is being relicensed because of exceptional  
27 circumstances, such as death or incapacity of a provider, and that to  
28 require the full payment of the licensing and processing fees would  
29 present a hardship to the applicant. In these situations the  
30 department is also granted the authority to waive the required  
31 residential administrator training for a period of 120 days if  
32 necessary to ensure continuity of care during the relicensing  
33 process.

34 (f) Community residential cost reports that are submitted by or  
35 on behalf of contracted agency providers are required to include  
36 information about agency staffing including health insurance, wages,  
37 number of positions, and turnover.

38 (g) \$650,000 of the general fund—state appropriation for fiscal  
39 year 2018, \$650,000 of the general fund—state appropriation for

1 fiscal year 2019, and \$800,000 of the general fund—federal  
2 appropriation are provided solely for the development and  
3 implementation of eight enhanced respite beds across the state for  
4 children. These services are intended to provide families and  
5 caregivers with a break in caregiving, the opportunity for behavioral  
6 stabilization of the child, and the ability to partner with the state  
7 in the development of an individualized service plan that allows the  
8 child to remain in his or her family home. The department must  
9 provide the legislature with a respite utilization report in January  
10 of each year that provides information about the number of children  
11 who have used enhanced respite in the preceding year, as well as the  
12 location and number of days per month that each respite bed was  
13 occupied.

14 (h) \$900,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$900,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely for the development and  
17 implementation of eight community respite beds across the state for  
18 adults. These services are intended to provide families and  
19 caregivers with a break in caregiving and the opportunity for  
20 stabilization of the individual in a community-based setting as an  
21 alternative to using a residential habilitation center to provide  
22 planned or emergent respite. The department must provide the  
23 legislature with a respite utilization report by January of each year  
24 that provides information about the number of individuals who have  
25 used community respite in the preceding year, as well as the location  
26 and number of days per month that each respite bed was occupied.

27 (i) \$100,000 of the general fund—state appropriation for fiscal  
28 year 2018, \$95,000 of the general fund—state appropriation for fiscal  
29 year 2019, and \$195,000 of the general fund—federal appropriation are  
30 provided solely for discharge case managers stationed at the state  
31 psychiatric hospitals. Discharge case managers will transition  
32 clients ready for hospital discharge into less restrictive  
33 alternative community placements. The transition of clients ready for  
34 discharge will free up bed capacity at the state psychiatric  
35 hospitals.

36 (j) \$1,239,000 of the general fund—state appropriation for fiscal  
37 year 2018, \$2,055,000 of the general fund—state appropriation for  
38 fiscal year 2019, and \$3,218,000 of the general fund—federal  
39 appropriation are provided solely to create new community alternative

1 placement beds that prioritize the transition of clients who are  
2 ready for discharge from the state psychiatric hospitals, but who  
3 have additional long-term care or developmental disability needs.

4 (i) Community alternative placement beds include enhanced service  
5 facility beds, adult family home beds, skilled nursing facility beds,  
6 shared supportive housing beds, state operated living alternative  
7 beds, and assisted living facility beds.

8 (ii) Each client must receive an individualized assessment prior  
9 to leaving one of the state psychiatric hospitals. The individualized  
10 assessment must identify and authorize personal care, nursing care,  
11 behavioral health stabilization, physical therapy, or other necessary  
12 services to meet the unique needs of each client. It is the  
13 expectation that, in most cases, staffing ratios in all community  
14 alternative placement options described in (j)(i) of this subsection  
15 will need to increase to meet the needs of clients leaving the state  
16 psychiatric hospitals. If specialized training is necessary to meet  
17 the needs of a client before he or she enters a community placement,  
18 then the person centered service plan must also identify and  
19 authorize this training.

20 (iii) When reviewing placement options, the department must  
21 consider the safety of other residents, as well as the safety of  
22 staff, in a facility. An initial evaluation of each placement,  
23 including any documented safety concerns, must occur within thirty  
24 days of a client leaving one of the state psychiatric hospitals and  
25 entering one of the community placement options described in (j)(i)  
26 of this subsection. At a minimum, the department must perform two  
27 additional evaluations of each placement during the first year that a  
28 client has lived in the facility.

29 (iv) During fiscal year 2018, in a presentation to the select  
30 committee on quality improvement in state hospitals, the department  
31 must describe the process of fielding and subsequently investigating  
32 complaints of abuse, neglect, and exploitation within the community  
33 alternative placement options described in (j)(i) of this subsection.  
34 At a minimum, the presentation must include data about the number of  
35 complaints, and the nature of complaints, over the preceding five  
36 fiscal years.

37 (v) During fiscal year 2019, in a presentation to the select  
38 committee on quality improvement in state hospitals, the department  
39 must provide an update about clients placed out of the state  
40 psychiatric hospitals into the community alternative placement

1 options described in (j)(i) of this subsection. At a minimum, for  
2 each setting, the presentation must include data about the number of  
3 placements, average daily rate, complaints fielded, and complaints  
4 investigated. The presentation must also include information about  
5 modifications, including the placement of clients into alternate  
6 settings, that occurred due to the evaluations required under  
7 (j)(iii) of this subsection.

8 In developing bed capacity, the department shall consider the  
9 complex needs of individuals waiting for discharge from the state  
10 psychiatric hospitals.

11 (k) \$738,000 of the general fund—state appropriation for fiscal  
12 year 2018, \$1,963,000 of the general fund—state appropriation for  
13 fiscal year 2019, and \$2,701,000 of the general fund—federal  
14 appropriation are provided solely for expanding the number of clients  
15 receiving services under the basic plus medicaid waiver.  
16 Approximately six hundred additional clients are anticipated to  
17 graduate from high school during the 2017-2019 fiscal biennium and  
18 will receive employment services under this expansion.

19 (l) \$14,127,000 of the general fund—state appropriation for  
20 fiscal year 2018, \$25,428,000 of the general fund—state appropriation  
21 for fiscal year 2019, and \$39,554,000 of the general fund—federal  
22 appropriation are provided solely to increase the benchmark rate for  
23 community residential service providers offering supported living,  
24 group home, and licensed staff residential services to individuals  
25 with development disabilities. The amounts in this subsection (l)(l)  
26 include funding to increase the benchmark rate by the following  
27 amounts:

28 (i) \$1.25 per hour effective July 1, 2017, and;

29 (ii) An additional \$1.00 per hour effective July 1, 2018.

30 The amounts provided in this subsection must be used to improve  
31 the recruitment and retention of quality direct care staff to better  
32 protect the health and safety of clients with developmental  
33 disabilities.

34 (m) Respite personal care provided by individual providers to  
35 developmental disabilities administration clients, as authorized by  
36 the department and accessed by clients through a medicaid waiver,  
37 must be funded in maintenance level of the operating budget on the  
38 basis of actual and forecasted client utilization.

1 (n) \$4,000 of the general fund—state appropriation for fiscal  
2 year 2018, \$11,000 of the general fund—state appropriation for fiscal  
3 year 2019, and \$13,000 of the general fund—federal appropriation are  
4 provided solely to implement chapter 270, Laws of 2017 (SB 5118)  
5 (personal needs allowance).

6 (o) \$1,716,000 of the general fund—state appropriation for fiscal  
7 year 2018, \$3,493,000 of the general fund—state appropriation for  
8 fiscal year 2019, and \$4,267,000 of the general fund—federal  
9 appropriation are provided solely for a targeted vendor rate increase  
10 to contracted client service providers.

11 (i) Within the amounts provided in this subsection, \$1,674,000 of  
12 the general fund—state appropriation for fiscal year 2018, \$3,424,000  
13 of the general fund—state appropriation for fiscal year 2019, and  
14 \$4,126,000 of the general fund—federal appropriation are provided  
15 solely for a vendor rate increase of two percent in fiscal year 2018  
16 and an additional two percent in fiscal year 2019 for all contracted  
17 vendors with the exception of nursing home providers, the program of  
18 all-inclusive care for the elderly, nurse delegators, community  
19 residential service providers, individual providers, agency  
20 providers, and adult family homes.

21 (ii) Within the amounts provided in this subsection, \$42,000 of  
22 the general fund—state appropriation for fiscal year 2018, \$69,000 of  
23 the general fund—state appropriation for fiscal year 2019, and  
24 \$141,000 of the general fund—federal appropriation are provided  
25 solely to increase vendor rates for adult residential care and  
26 enhanced adult residential care in the 2017-2019 fiscal biennium up  
27 to the statewide minimum wage established in Initiative Measure No.  
28 1433.

29 (p) \$51,000 of the general fund—state appropriation for fiscal  
30 year 2018, \$51,000 of the general fund—state appropriation for fiscal  
31 year 2019, and \$102,000 of the general fund—federal appropriation are  
32 provided solely to increase the daily rate for private duty nursing  
33 in adult family homes by \$63.77.

34 (q) \$371,000 of the general fund—state appropriation for fiscal  
35 year 2018, \$445,000 of the general fund—state appropriation for  
36 fiscal year 2019, and \$1,069,000 of the general fund—federal  
37 appropriation are provided solely for increasing the hourly rate for  
38 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.



1 (r) \$212,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$269,000 of the general fund—federal appropriation are  
3 provided solely to implement Senate Bill No. . . . (S-2907.2). If the  
4 bill is not enacted by July 31, 2017, the amounts provided in this  
5 subsection shall lapse.

6 (s) \$2,199,000 of the general fund—state appropriation for fiscal  
7 year 2018, \$2,878,000 of the general fund—state appropriation for  
8 fiscal year 2019, and \$6,388,000 of the general fund—federal  
9 appropriation are provided solely for the implementation of an  
10 agreement reached between the governor and the adult family home  
11 council under the provisions of chapter 41.56 RCW for the 2017-2019  
12 fiscal biennium. Funding is contingent upon the enactment of Senate  
13 Bill No. 5969 (transparency in public employee collective  
14 bargaining). If the bill is not enacted by July 31, 2017, the amounts  
15 provided in this subsection shall lapse.

16 (t) The department must define a plan and funding estimate  
17 necessary to implement an electronic visit verification system for  
18 service providers that contract with the department and that are  
19 subject to the requirements of the federal twenty-first century cures  
20 act. Implementation of the electronic visit verification system is  
21 expected to be fully compliant with the federal twenty-first century  
22 cures act no later than July 1, 2019.

23 (i) Any funding necessary to support the electronic visit  
24 verification system must be requested in a decision package that is  
25 submitted to the office of financial management no later than the  
26 2019-2021 fiscal biennial budget cycle.

27 (ii) The plan and funding estimate must address in-home care  
28 workers employed by home care agencies that contract with the  
29 department, and any other service providers that contract with the  
30 department and that are determined by the federal centers for  
31 medicare and medicaid services to be subject to the electronic visit  
32 verification system requirement.

33 (iii) In defining a plan for the electronic visit verification  
34 system, the department must explore options to maximize cost-  
35 efficiency. Options may include but are not limited to:

- 36 (A) A shared system with other states; and,  
37 (B) Development of a shared system with the consumer-directed  
38 employer that will implement an electronic visit verification system  
39 for individual providers of home care services.

1       (u) The developmental disabilities administration shall work with  
2 stakeholders to design and implement a proposed specialty contract  
3 for adult family homes that exclusively serve individuals who have a  
4 primary need of care related to a developmental or intellectual  
5 disability. The specialty contract must be designed as a statement of  
6 work with specific provisions related to the assessment, environment,  
7 regulations, provision of care, and training requirements. The  
8 specialty contract must be designed to support an intentional  
9 environment to improve resident quality of life, increase resident  
10 length of stay, clarify regulations, streamline training  
11 requirements, reduce the need for institutional settings, and attract  
12 more adult family providers to develop such highly needed resources.  
13 The specialty contract must be completed by July 1, 2018, for  
14 consideration and potential implementation in the 2019-2021  
15 collective bargaining agreement and biennial budget.

16       (v) \$623,000 of the general fund—state appropriation for fiscal  
17 year 2019 and \$623,000 of the general fund—federal appropriation are  
18 provided solely to hold community residential service provider rates  
19 harmless for instruction and support services and administration, to  
20 the extent possible within amounts appropriated in this subsection,  
21 if the tiered rate methodology is implemented effective January 1,  
22 2019.

23       (w) \$1,873,000 of the general fund—private/local appropriation  
24 and \$1,874,000 of the general fund—federal appropriation are provided  
25 solely to implement Substitute House Bill No. 1792 (residential  
26 services and supports). The annual certification renewal fee for  
27 community residential service businesses shall be \$908 per client.  
28 The annual certification renewal fee may not exceed the department's  
29 annual licensing and oversight activity costs. If the bill is not  
30 enacted by June 30, 2018, the amounts provided in this subsection  
31 shall lapse.

32       (x) \$564,000 of the general fund—state appropriation for fiscal  
33 year 2019 and \$564,000 of the general fund—federal appropriation are  
34 provided solely for the department to use the King county  
35 classification for the purpose of determining the benchmark rate,  
36 which is the rate at which direct care staff hours are paid specific  
37 to a county classification, in Snohomish county for community  
38 residential service businesses as defined in RCW 74.39A.009(5).

1 (y) \$21,000 of the general fund—state appropriation for fiscal  
2 year 2019 and \$26,000 of the general fund—federal appropriation are  
3 provided solely to implement Substitute House Bill No. 2651 (personal  
4 needs allowance). If the bill is not enacted by June 30, 2018, the  
5 amounts provided in this subsection shall lapse.

6 (z) \$34,000 of the general fund—state appropriation for fiscal  
7 year 2018, \$293,000 of the general fund—state appropriation for  
8 fiscal year 2019, and \$480,000 of the general fund—federal  
9 appropriation are provided solely to implement Substitute House Bill  
10 No. 2963 or Engrossed Substitute Senate Bill No. 6199 (consumer  
11 directed employer organizations). If neither bill is enacted by June  
12 30, 2018, the amounts provided in this subsection shall lapse.

13 (aa) The department of social and health services developmental  
14 disabilities administration shall participate in the development of  
15 an implementation plan to build statewide capacity among school  
16 districts to improve transition planning for students in special  
17 education who meet criteria for services from the developmental  
18 disabilities administration, pursuant to section 501(68) of this act.

19 (2) INSTITUTIONAL SERVICES

20	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$104,159,000</del> ))
21		<u>\$99,642,000</u>
22	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$106,818,000</del> ))
23		<u>\$106,874,000</u>
24	General Fund—Federal Appropriation. . . . .	(( <del>\$195,757,000</del> ))
25		<u>\$203,719,000</u>
26	General Fund—Private/Local Appropriation. . . . .	(( <del>\$25,041,000</del> ))
27		<u>\$27,041,000</u>
28	<u>Pension Funding Stabilization Account—State</u>	
29	<u>Appropriation. . . . .</u>	<u>\$12,441,000</u>
30	TOTAL APPROPRIATION. . . . .	(( <del>\$431,775,000</del> ))
31		<u>\$449,717,000</u>

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

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

1 (b) \$495,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$495,000 of the general fund—state appropriation for  
3 fiscal year 2019 are for the department to fulfill its contracts with  
4 the school districts under chapter 28A.190 RCW to provide  
5 transportation, building space, and other support services as are  
6 reasonably necessary to support the educational programs of students  
7 living in residential habilitation centers.

8 (c) \$2,978,000 of the general fund—state appropriation for fiscal  
9 year 2018, \$2,978,000 of the general fund—state appropriation for  
10 fiscal year 2019, and \$5,956,000 of the general fund—federal  
11 appropriation are for additional staff to ensure compliance with  
12 centers for medicare and medicaid services requirements for  
13 habilitation, nursing care, staff safety, and client safety at the  
14 residential habilitation centers.

15 (d) The residential habilitation centers may use funds  
16 appropriated in this subsection to purchase goods (~~and~~),  
17 supplies, and services through hospital group purchasing organizations when it  
18 is cost-effective to do so.

19 (e) \$2,000 of the general fund—state appropriation for fiscal  
20 year 2018, \$5,000 of the general fund—state appropriation for fiscal  
21 year 2019, and \$5,000 of the general fund—federal appropriation are  
22 provided solely to implement chapter 270, Laws of 2017 (SB 5118)  
23 (personal needs allowance).

24 (f) \$229,000 of the general fund—state appropriation for fiscal  
25 year 2019 and \$229,000 of the general fund—federal appropriation are  
26 provided solely for purposes of maintaining basic life-and-safety  
27 equipment and structures in a manner that supports a safe and  
28 compliant environment of care at the residential habilitation  
29 centers. The department is to develop a budget structure that allows  
30 for transparency in the management and monitoring of these  
31 expenditures as well as related performance and outcomes. The  
32 department is to report to the office of financial management on  
33 expenditure levels and outcomes achieved at the close of each fiscal  
34 year.

35 (g) \$2,308,000 of the general fund—state appropriation for fiscal  
36 year 2018, \$6,169,000 of the general fund—state appropriation for  
37 fiscal year 2019, and \$8,477,000 of the general fund—federal  
38 appropriation are provided solely for additional staffing resources  
39 to provide direct care to clients living in the intermediate care

1 facilities at Rainier school, Fircrest school, and Lakeland village  
2 to address deficiencies identified by the centers for medicare and  
3 medicaid services, and to gather information for the 2019 legislative  
4 session that will support appropriate levels of care for residential  
5 habilitation center clients.

6 (i) The department of social and health services must contract  
7 with the William D. Ruckelshaus center or other neutral party to  
8 facilitate meetings and discussions about how to support appropriate  
9 levels of care for residential habilitation clients based on the  
10 clients' needs and ages. The options explored in the meetings and  
11 discussions must include, but are not limited to, conversion of  
12 cottages from certification as an intermediate care facility to  
13 certification and licensure as a skilled nursing facility, developing  
14 a state operated nursing facility for eligible clients, and placement  
15 of additional clients from the residential habilitation centers into  
16 state operated living alternatives. An agreed-upon preferred vision  
17 must be included within a report to the office of financial  
18 management and appropriate fiscal and policy committees of the  
19 legislature before December 1, 2018. The report must describe the  
20 policy rationale, implementation plan, timeline, and recommended  
21 statutory changes for the preferred vision.

22 The parties invited to participate in the meetings and discussion  
23 must include:

24 (A) One member from each of the two largest caucuses in the  
25 senate, who shall be appointed by the majority leader and minority  
26 leader of the senate;

27 (B) One member from each of the two largest caucuses in the house  
28 of representatives, who shall be appointed by the speaker and  
29 minority leader of the house of representatives;

30 (C) One member from the office of the governor, appointed by the  
31 governor;

32 (D) One member from the developmental disabilities council;

33 (E) One member from the ARC of Washington;

34 (F) One member from the Washington federation of state employees;

35 (G) One member from the service employee international union  
36 1199;

37 (H) One member from the developmental disabilities administration  
38 within the department of social and health services; and

39 (I) One member from the aging and long term support  
40 administration within the department of social and health services.

1 (ii) Before November 1, 2018, the department of social and health  
2 services must submit a report to the office of financial management  
3 and the appropriate fiscal and policy committees of the legislature  
4 that includes the following information: All information provided for  
5 subsections A through D below must be provided so as to clearly  
6 identify data that represents the intermediate care facility versus  
7 the skilled nursing facility components of the residential  
8 habilitation centers.

9 (A) The current number of clients living in the residential  
10 habilitation centers from the most recent month of available data.  
11 The information must be provided by month for each cottage on each  
12 campus, and must distinguish between long-term and short-term  
13 admissions.

14 (B) The average age of clients living in the residential  
15 habilitation centers from fiscal year 2013 through fiscal year 2018.  
16 The information must be provided by month for each cottage on each  
17 campus.

18 (C) The number of staff, segmented by the type of position, at  
19 the residential habilitation centers from fiscal year 2013 through  
20 fiscal year 2018. The information must be provided by month for each  
21 cottage on each campus. Any staff that are not directly associated  
22 with a cottage must be provided separately for each campus.

23 (D) Ratios of staff to clients at the residential habilitation  
24 centers from fiscal year 2013 through fiscal year 2018. The ratios  
25 must include, but are not limited to, the number of direct care staff  
26 per client and the number of indirect care staff per client. The  
27 ratio of direct care staff per client must be provided by month for  
28 each cottage on each campus. The ratio of indirect care staff per  
29 client must be provided by month for each campus.

30 (E) The number of individuals with a developmental disability  
31 residing long term at the state psychiatric hospitals from fiscal  
32 year 2013 through fiscal year 2018. The information must be provided  
33 by month for each of the state psychiatric hospitals.

34 (F) The average age of individuals with a developmental  
35 disability residing long term at the state psychiatric hospitals from  
36 fiscal year 2013 through fiscal year 2018. The information must be  
37 provided by month for each of the state psychiatric hospitals.

38 (G) The following information pertinent to the goal of  
39 transitioning from the use of intermediate care facilities on  
40 residential habilitation center campuses to skilled nursing

1 facilities, when appropriate to individual client needs and  
2 preferences, no later than January 1, 2021:

3 (I) An analysis of existing facilities that might serve as  
4 skilled nursing facilities, including options on residential  
5 habilitation center campuses and options off campus that might be  
6 purchased, rented, or leased by the state. The report must display  
7 location, closure date if applicable, and total bed capacity for each  
8 facility.

9 (II) The number of clients living in intermediate care facility  
10 cottages at the residential habilitation centers who meet the  
11 functional criteria for nursing facility level of care as determined  
12 by assessments conducted by the department.

13 (III) The number of clients living in intermediate care facility  
14 cottages at the residential habilitation centers whom, directly or  
15 through their legal guardian, express interest in or willingness to  
16 live in a skilled nursing facility in interviews and assessments  
17 conducted by the department.

18 (IV) A description of the process and a feasibility analysis for  
19 the transition of a cottage or multiple cottages at a residential  
20 habilitation center from certification as an intermediate care  
21 facility to certification and licensure as a skilled nursing facility  
22 no later than January 1, 2021. This section of the report must  
23 include, but is not limited to, a description of the role for the  
24 department of health, department of social and health services, and  
25 the centers for medicare and medicaid services.

26 (V) The estimated capital investment needed to transition a  
27 cottage, or multiple cottages, at a residential habilitation center  
28 from certification as an intermediate care facility to certification  
29 and licensure as a skilled nursing facility no later than January 1,  
30 2021.

31 (H) Options for the alternate use of buildings, vacant or  
32 occupied, at Fircrest, Rainier, Yakima valley, or Lakeland village.  
33 The suggestions must include but are not limited to expanding  
34 capacity for nursing care, dental care, and other specialty services  
35 for individuals with developmental or intellectual disabilities.

36 (I) Options for transferring the ownership of charitable,  
37 educational, penal, and reform institutions land on the Fircrest  
38 campus from the department of natural resources to the department of  
39 social and health services.

1 (I) Purchase of the charitable, educational, penal, and reform  
2 institutions land on the Fircrest campus by the department of social  
3 and health services. This option must include but is not limited to  
4 the most recent appraisal of the value of charitable, educational,  
5 penal, and reform institutions land on the Fircrest campus.

6 (II) A land swap of equal value between the charitable,  
7 educational, penal, and reform institutions land on the Fircrest  
8 campus and other state-owned property.

9 (III) A combination of the options outlined within (I) and (II)  
10 of this subsection (g)(ii)(I).

11 (J) Options for the additional use of state operated living  
12 alternative placements to assist clients with the transition from an  
13 institutional setting to a community setting. The report must  
14 identify the number of clients who could transition into state  
15 operated living alternative placements, and the length of time  
16 necessary to transition clients into the additional placements.

17 (K) Options for establishing additional crisis stabilization  
18 services at the residential habilitation centers. The report must  
19 identify the operating costs, capital costs, timeline, and desired  
20 location associated with the additional capacity.

21 (L) Options for transferring individuals who have been residing  
22 long term at the state psychiatric hospitals into an alternative  
23 location, or multiple locations. One of the options must explore the  
24 possibility of transferring these individuals to the residential  
25 habilitation centers. For any option that is explored, the report  
26 must identify the operating costs, capital costs, timeline, and  
27 desired location associated with the additional capacity.

28 (M) The expenditures for overtime, prescription drugs, controlled  
29 substances, medical supplies, janitorial supplies, household  
30 supplies, maintenance supplies, and office supplies at the  
31 residential habilitation centers from fiscal year 2013 through fiscal  
32 year 2018. The information must be provided by month for each campus.  
33 The department must also provide the strategy, or strategies, that  
34 are being implemented to decrease expenditures for overtime,  
35 prescription drugs, controlled substances, medical supplies,  
36 janitorial supplies, household supplies, maintenance supplies, and  
37 office supplies at the residential habilitation centers.

38 (N) \$23,000 of the general fund—state appropriation for fiscal  
39 year 2019 and \$23,000 of the general fund—federal appropriation are  
40 provided solely to implement Substitute House Bill No. 2651 (personal



1 needs allowance). If the bill is not enacted by June 30, 2018, the  
2 amounts provided in this subsection shall lapse.

3 (3) PROGRAM SUPPORT

4	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$2,469,000</del> ))
5		<u>\$2,351,000</u>
6	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$2,531,000</del> ))
7		<u>\$2,417,000</u>
8	General Fund—Federal Appropriation. . . . .	(( <del>\$2,946,000</del> ))
9		<u>\$2,986,000</u>
10	<u>Pension Funding Stabilization Account—State</u>	
11	<u>Appropriation. . . . .</u>	<u>\$270,000</u>
12	TOTAL APPROPRIATION. . . . .	(( <del>\$7,946,000</del> ))
13		<u>\$8,024,000</u>

14 (4) SPECIAL PROJECTS

15	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$64,000</del> ))
16		<u>\$55,000</u>
17	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$64,000</del> ))
18		<u>\$62,000</u>
19	General Fund—Federal Appropriation. . . . .	\$1,092,000
20	<u>Pension Funding Stabilization Account—State</u>	
21	<u>Appropriation. . . . .</u>	<u>\$11,000</u>
22	TOTAL APPROPRIATION. . . . .	\$1,220,000

23 **Sec. 206.** 2017 3rd sp.s. c 1 s 206 (uncodified) is amended to  
24 read as follows:

25 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT**  
26 **SERVICES PROGRAM**

27	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$1,099,017,000</del> ))
28		<u>\$1,077,282,000</u>
29	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,196,263,000</del> ))
30		<u>\$1,208,737,000</u>
31	General Fund—Federal Appropriation. . . . .	(( <del>\$2,839,653,000</del> ))
32		<u>\$2,845,278,000</u>
33	General Fund—Private/Local Appropriation. . . . .	(( <del>\$33,572,000</del> ))
34		<u>\$37,639,000</u>
35	Traumatic Brain Injury Account—State Appropriation. . . . .	\$4,540,000
36	Skilled Nursing Facility Safety Net Trust Account—	
37	State Appropriation. . . . .	\$133,360,000

1 Pension Funding Stabilization Account—State

2	<u>Appropriation. . . . .</u>	<u>\$13,165,000</u>
3	TOTAL APPROPRIATION. . . . .	(( <del>\$5,306,405,000</del> ))
4		<u>\$5,320,001,000</u>

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

7 (1)(a) For purposes of implementing chapter 74.46 RCW, the  
8 weighted average nursing facility payment rate shall not exceed  
9 ((~~\$201.39~~)) \$200.47 for fiscal year 2018 and shall not exceed  
10 ((~~\$209.35~~)) \$216.64 for fiscal year 2019.

11 (b) The department shall provide a medicaid rate add-on to  
12 reimburse the medicaid share of the skilled nursing facility safety  
13 net assessment as a medicaid allowable cost. The nursing facility  
14 safety net rate add-on may not be included in the calculation of the  
15 annual statewide weighted average nursing facility payment rate.

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

24 (a) The current annual renewal license fee for adult family homes  
25 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed  
26 beginning in fiscal year 2019. A processing fee of \$2,750 shall be  
27 charged to each adult family home when the home is initially  
28 licensed. This fee is nonrefundable. A processing fee of \$700 shall  
29 be charged when adult family home providers file a change of  
30 ownership application.

31 (b) The current annual renewal license fee for assisted living  
32 facilities shall be \$106 per bed beginning in fiscal year 2018 and  
33 ((~~\$106~~)) \$116 per bed beginning in fiscal year 2019.

34 (c) The current annual renewal license fee for nursing facilities  
35 shall be \$359 per bed beginning in fiscal year 2018 and \$359 per bed  
36 beginning in fiscal year 2019.

37 (3) The department is authorized to place long-term care clients  
38 residing in nursing homes and paid for with state only funds into

1 less restrictive community care settings while continuing to meet the  
2 client's care needs.

3 (4) \$1,858,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$1,857,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for operation of the volunteer  
6 services program. Funding shall be prioritized towards serving  
7 populations traditionally served by long-term care services to  
8 include senior citizens and persons with disabilities.

9 (5) \$14,674,000 of the general fund—state appropriation for  
10 fiscal year 2018, \$37,239,000 of the general fund—state appropriation  
11 for fiscal year 2019, and \$55,716,000 of the general fund—federal  
12 appropriation are provided solely for the implementation of the  
13 agreement reached between the governor and the service employees  
14 international union healthcare 775nw under the provisions of chapters  
15 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is  
16 contingent upon the enactment of Senate Bill No. 5969 (transparency  
17 in public employee collective bargaining). If the bill is not enacted  
18 by July 31, 2017, the appropriation in this subsection shall lapse.

19 (6) \$4,833,000 of the general fund—state appropriation for fiscal  
20 year 2018, \$13,413,000 of the general fund—state appropriation for  
21 fiscal year 2019, and \$22,812,000 of the general fund—federal  
22 appropriation are provided solely for the homecare agency parity  
23 impacts of the agreement between the governor and the service  
24 employees international union healthcare 775nw. Funding is contingent  
25 upon the enactment of Senate Bill No. 5969 (transparency in public  
26 employee collective bargaining). If the bill is not enacted by July  
27 31, 2017, the appropriation in this subsection shall lapse.

28 (7) \$5,094,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$5,094,000 of the general fund—state appropriation for  
30 fiscal year 2019 are provided solely for services and support to  
31 individuals who are deaf, hard of hearing, or deaf-blind.

32 (8) The department may authorize a one-time waiver of all or any  
33 portion of the licensing and processing fees required under RCW  
34 70.128.060 in any case in which the department determines that an  
35 adult family home is being relicensed because of exceptional  
36 circumstances, such as death or incapacity of a provider, and that to  
37 require the full payment of the licensing and processing fees would  
38 present a hardship to the applicant. In these situations the  
39 department is also granted the authority to waive the required

1 residential administrator training for a period of 120 days if  
2 necessary to ensure continuity of care during the relicensing  
3 process.

4 (9) In accordance with RCW 18.390.030, the biennial registration  
5 fee for continuing care retirement communities shall be \$1,889 for  
6 each facility.

7 (10) \$234,000 of the general fund—state appropriation for fiscal  
8 year 2018 and (~~(\$234,000)~~) \$479,000 of the general fund—state  
9 appropriation for fiscal year 2019 are provided solely for the  
10 kinship navigator program in the Colville Indian reservation, Yakama  
11 Nation, and other tribal areas.

12 (11) \$42,000 of the general fund—state appropriation for fiscal  
13 year 2018, \$127,000 of the general fund—state appropriation for  
14 fiscal year 2019, and \$169,000 of the general fund—federal  
15 appropriation are provided solely to implement chapter 270, Laws of  
16 2017 (SB 5118) (personal needs allowance).

17 (12) Within available funds, the aging and long term support  
18 administration must maintain a unit within adult protective services  
19 that specializes in the investigation of financial abuse allegations  
20 and self-neglect allegations.

21 (13) Within amounts appropriated in this subsection, the  
22 department shall assist the legislature to continue the work of the  
23 joint legislative executive committee on planning for aging and  
24 disability issues.

25 (a) A joint legislative executive committee on aging and  
26 disability is continued, with members as provided in this subsection.

27 (i) Four members of the senate, with the leaders of the two  
28 largest caucuses each appointing two members, and four members of the  
29 house of representatives, with the leaders of the two largest  
30 caucuses each appointing two members;

31 (ii) A member from the office of the governor, appointed by the  
32 governor;

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

35 (iv) The director of the health care authority or his or her  
36 designee;

37 (v) A member from disability rights Washington and a member from  
38 the office of long-term care ombuds;

1 (vi) The insurance commissioner or his or her designee, who shall  
2 serve as an ex officio member; and

3 (vii) Other agency directors or designees as necessary.

4 (b) The committee must make recommendations and continue to  
5 identify key strategic actions to prepare for the aging of the  
6 population in Washington, including state budget and policy options,  
7 by conducting at least, but not limited to, the following tasks:

8 (i) Identify strategies to better serve the health care needs of  
9 an aging population and people with disabilities to promote healthy  
10 living and palliative care planning;

11 (ii) Identify strategies and policy options to create financing  
12 mechanisms for long-term service and supports that allow individuals  
13 and families to meet their needs for service;

14 (iii) Identify policies to promote financial security in  
15 retirement, support people who wish to stay in the workplace longer,  
16 and expand the availability of workplace retirement savings plans;

17 (iv) Identify ways to promote advance planning and advance care  
18 directives and implementation strategies for the Bree collaborative  
19 palliative care and related guidelines;

20 (v) Identify ways to meet the needs of the aging demographic  
21 impacted by reduced federal support;

22 (vi) Identify ways to protect the rights of vulnerable adults  
23 through assisted decision-making and guardianship and other relevant  
24 vulnerable adult protections;

25 (vii) Identify options for promoting client safety through  
26 residential care services and consider methods of protecting older  
27 people and people with disabilities from physical abuse and financial  
28 exploitation;

29 (viii) Identify other policy options and recommendations to help  
30 communities adapt to the aging demographic in planning for housing,  
31 land use, and transportation; and

32 (ix) Identify ways to support individuals with developmental  
33 disabilities with long-term care needs who are enrolled members of a  
34 federally recognized Indian tribe, or residing in the household of an  
35 enrolled members of a federally recognized Indian tribe, and are  
36 receiving care from a family member.

37 (c) At least one committee meeting must be devoted to the  
38 exploration of legislation that would allow family members to provide  
39 personal care services to persons with developmental disabilities or  
40 long-term care needs under a voluntary consumer-directed medicaid

1 service program. During the meeting, the committee should hear  
2 testimony from as many impacted parties as possible, including  
3 clients, providers, advocacy groups, and staff from state agencies.  
4 Testimony should explore program design, program oversight, necessary  
5 statutory changes, barriers to implementation, fiscal estimates, and  
6 timeline for implementation.

7 (d) Staff support for the committee shall be provided by the  
8 office of program research, senate committee services, the office of  
9 financial management, and the department of social and health  
10 services.

11 (e) Within existing appropriations, the cost of meetings must be  
12 paid jointly by the senate, house of representatives, and the office  
13 of financial management. Joint committee expenditures are subject to  
14 approval by the senate facilities and operations committee and the  
15 house of representatives executive rules committee, or their  
16 successor committees. The joint committee members may be reimbursed  
17 for travel expenses as authorized under RCW 43.03.050 and 43.03.060,  
18 and chapter 44.04 RCW as appropriate. Advisory committee members may  
19 not receive compensation or reimbursement for travel and expenses.

20 (14)(a) The department of social and health services must  
21 facilitate a stakeholder work group consisting of assisted living  
22 provider associations and the state long-term care ombuds in a  
23 collaborative effort to redesign the medicaid payment methodology for  
24 contracted assisted living, adult residential care, and enhanced  
25 adult residential care. The department must submit a report with the  
26 final work group recommendations to the appropriate legislative  
27 committees by November 30, 2017. A proposed timeline for  
28 implementation of the new methodology must be included in the report.  
29 The new methodology must:

30 (i) Adhere to the standards of an acuity-based payment system as  
31 originally intended by the legislature, and the department will rely  
32 on the time study conducted in 2003 in establishing the acuity scale;

33 (ii) Create a standardized methodology that supports a reasonable  
34 medicaid payment that promotes access, choice, and quality;

35 (iii) Incorporate metrics such as medians, lids, floors, and  
36 other options that provide flexibility to adjust to economic  
37 conditions while maintaining the integrity of the methodology;

38 (iv) Be supported by relevant, reliable, verifiable, and  
39 independent data to the extent possible; and

1 (v) To the extent possible, repurpose and streamline data sources  
2 and modeling that the aging and long-term support administration uses  
3 for other rate-setting processes.

4 (b) In developing payment metrics for medicaid-covered services,  
5 staff and service requirements must be reviewed for assisted living,  
6 adult residential care, and enhanced adult residential care as  
7 described in chapters 74.39A and 18.20 RCW. At a minimum, the  
8 proposed rate methodology must include a component that recognizes  
9 staffing for intermittent nursing and personal care services. Service  
10 area adjustments based on population density must be reviewed and  
11 compared with other options to recognize high-cost areas. The most  
12 recent and complete wage data available through the bureau of labor  
13 statistics must also be included for review and consideration. The  
14 methodology work group must consider operational requirements and  
15 indirect services in developing the model. The work group must  
16 include a rate component that recognizes statutory and regulatory  
17 physical plant requirements. The work group must review and consider  
18 physical plant requirements for assisted living as described in  
19 chapter 51.50 RCW. A fair rental valuation must be reviewed and  
20 considered as an option for the capital component. The recognition of  
21 food for medicaid residents must also be included in the work group  
22 considerations. The department's current methodology to address room  
23 and board requirements, and the appropriateness of the continued use  
24 of the 2003 time study and whether it can be reasonably adjusted or  
25 whether a new time study should be conducted, must be reviewed and  
26 considered by the work group.

27 (15) Within amounts appropriated in this section, the department  
28 must pay medicaid nursing facility payment rates for public hospital  
29 district providers in rural communities as defined under chapter  
30 70.44 RCW that are no less than June 30, 2016, reimbursement levels.  
31 This action is intended to assure continued access to essential  
32 services in rural communities.

33 (16) \$5,370,000 of the general fund—state appropriation for  
34 fiscal year 2018, \$10,199,000 of the general fund—state appropriation  
35 for fiscal year 2019, and \$18,346,000 of the general fund—federal  
36 appropriation are provided solely for a targeted vendor rate increase  
37 to contracted client service providers.

38 (a) Within the amounts provided in this subsection, \$2,763,000 of  
39 the general fund—state appropriation for fiscal year 2018, \$5,741,000

1 of the general fund—state appropriation for fiscal year 2019, and  
2 \$9,775,000 of the general fund—federal appropriation are provided  
3 solely for a vendor rate increase of two percent in fiscal year 2018  
4 and an additional two percent in fiscal year 2019 for all contracted  
5 vendors with the exception of nursing home providers, the program of  
6 all-inclusive care for the elderly, nurse delegators, community  
7 residential service providers, individual providers, agency  
8 providers, and adult family homes.

9 (b) Within the amounts provided in this subsection, \$2,607,000 of  
10 the general fund—state appropriation for fiscal year 2018, \$4,458,000  
11 of the general fund—state appropriation for fiscal year 2019, and  
12 \$8,571,000 of the general fund—federal appropriation are provided  
13 solely to increase vendor rates for nursing homes, assisted living  
14 facilities including adult residential care and enhanced adult  
15 residential care, adult day health and adult day care providers, and  
16 home care agency administration in the 2017-2019 fiscal biennium up  
17 to the statewide minimum wage established in Initiative Measure No.  
18 1433.

19 (17) \$4,815,000 of the general fund—state appropriation for  
20 fiscal year 2018, \$8,527,000 of the general fund—state appropriation  
21 for fiscal year 2019, and \$12,277,000 of the general fund—federal  
22 appropriation are provided solely to create new community alternative  
23 placement beds that prioritize the transition of clients who are  
24 ready for discharge from the state psychiatric hospitals, but who  
25 have additional long-term care or developmental disability needs.

26 (a) Community alternative placement beds include enhanced service  
27 facility beds, adult family home beds, skilled nursing facility beds,  
28 shared supportive housing beds, state operated living alternative  
29 beds, and assisted living facility beds.

30 (b) Each client must receive an individualized assessment prior  
31 to leaving one of the state psychiatric hospitals. The individualized  
32 assessment must identify and authorize personal care, nursing care,  
33 behavioral health stabilization, physical therapy, or other necessary  
34 services to meet the unique needs of each client. It is the  
35 expectation that, in most cases, staffing ratios in all community  
36 alternative placement options described in (a) of this subsection  
37 will need to increase to meet the needs of clients leaving the state  
38 psychiatric hospitals. If specialized training is necessary to meet  
39 the needs of a client before he or she enters a community placement,



1 then the person centered service plan must also identify and  
2 authorize this training.

3 (c) When reviewing placement options, the department must  
4 consider the safety of other residents, as well as the safety of  
5 staff, in a facility. An initial evaluation of each placement,  
6 including any documented safety concerns, must occur within thirty  
7 days of a client leaving one of the state psychiatric hospitals and  
8 entering one of the community placement options described in (a) of  
9 this subsection. At a minimum, the department must perform two  
10 additional evaluations of each placement during the first year that a  
11 client has lived in the facility.

12 (d) During fiscal year 2018, in a presentation to the select  
13 committee on quality improvement in state hospitals, the department  
14 must describe the process of fielding and subsequently investigating  
15 complaints of abuse, neglect, and exploitation within the community  
16 alternative placement options described in (a) of this subsection. At  
17 a minimum, the presentation must include data about the number of  
18 complaints, and the nature of complaints, over the preceding five  
19 fiscal years.

20 (e) During fiscal year 2019, in a presentation to the select  
21 committee on quality improvement in state hospitals, the department  
22 must provide an update about clients placed out of the state  
23 psychiatric hospitals into the community alternative placement  
24 options described in (a) of this subsection. At a minimum, for each  
25 setting, the presentation must include data about the number of  
26 placements, average daily rate, complaints fielded, and complaints  
27 investigated. The presentation must also include information about  
28 modifications, including the placement of clients into alternate  
29 settings, that occurred due to the evaluations required under (c) of  
30 this subsection.

31 In developing bed capacity, the department shall consider the  
32 complex needs of individuals waiting for discharge from the state  
33 psychiatric hospitals.

34 (18) \$315,000 of the general fund—state appropriation for fiscal  
35 year 2018, \$315,000 of the general fund—state appropriation for  
36 fiscal year 2019, and \$630,000 of the general fund—federal  
37 appropriation are provided solely for discharge case managers  
38 stationed at the state psychiatric hospitals. Discharge case managers  
39 will transition clients ready for hospital discharge into less

1 restrictive alternative community placements. The transition of  
2 clients ready for discharge will free up bed capacity at the state  
3 psychiatric hospitals.

4 (19) \$135,000 of the general fund—state appropriation for fiscal  
5 year 2018, \$135,000 of the general fund—state appropriation for  
6 fiscal year 2019, and \$270,000 of the general fund—federal  
7 appropriation are provided solely for financial service specialists  
8 stationed at the state psychiatric hospitals. Financial service  
9 specialists will help to transition clients ready for hospital  
10 discharge into alternative community placements. The transition of  
11 clients ready for discharge will free up bed capacity at the state  
12 hospitals.

13 (20) \$5,007,000 of the general fund—state appropriation for  
14 fiscal year 2018, \$5,143,000 of the general fund—state appropriation  
15 for fiscal year 2019, and \$10,154,000 of the general fund—federal  
16 appropriation are provided solely to implement chapter 286, Laws of  
17 2017 (SB 5715) (nursing home payments).

18 (21) \$750,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$750,000 of the general fund—state appropriation for  
20 fiscal year 2019 are provided solely to implement chapter 287, Laws  
21 of 2017 (SB 5736) (nutrition programs).

22 (22) \$183,000 of the general fund—state appropriation for fiscal  
23 year 2018, \$92,000 of the general fund—state appropriation for fiscal  
24 year 2019, and \$2,479,000 of the general fund—federal appropriation  
25 are provided solely to finish the programming necessary to give the  
26 department the ability to pay individual provider overtime when hours  
27 over 40 hours per week are authorized for payment and are subject to  
28 the conditions, limitations, and review provided in section 724 of  
29 this act.

30 (23) \$229,000 of the general fund—state appropriation for fiscal  
31 year 2018, \$229,000 of the general fund—state appropriation for  
32 fiscal year 2019, and \$458,000 of the general fund—federal  
33 appropriation are provided solely to increase the daily rate for  
34 private duty nursing in adult family homes by \$63.77.

35 (24) \$246,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$313,000 of the general fund—federal appropriation are  
37 provided solely to implement Senate Bill No. . . . (S-2907.2). If the  
38 bill is not enacted by July 31, 2017, the amounts provided in this  
39 subsection shall lapse.

1 (25)(a) No more than \$41,388,000 of the general fund—federal  
2 appropriation may be expended for tailored support for older adults  
3 and medicaid alternative care described in initiative 2 of the  
4 medicaid transformation demonstration waiver under healthier  
5 Washington. The department shall not increase general fund—state  
6 expenditures on this initiative. The secretary in collaboration with  
7 the director of the health care authority shall report to the joint  
8 select committee on health care oversight no less than quarterly on  
9 financial and health outcomes. The secretary in cooperation with the  
10 director shall also report to the fiscal committees of the  
11 legislature all of the expenditures of this subsection and shall  
12 provide such fiscal data in the time, manner, and form requested by  
13 the legislative fiscal committees.

14 (b) No more than \$2,200,000 of the general fund—federal  
15 appropriation may be expended for supported housing and employment  
16 services described in initiative 3a and 3b of the medicaid  
17 transformation demonstration waiver under healthier Washington. Under  
18 this initiative, the department and the health care authority shall  
19 ensure that allowable and necessary services are provided to eligible  
20 clients as identified by the department or its providers third party  
21 administrator. The department and the authority in consultation with  
22 the medicaid forecast work group shall ensure that reasonable  
23 reimbursements are established for services deemed necessary within  
24 an identified limit per individual. The department shall not increase  
25 general fund—state expenditures under this initiative. The secretary  
26 in cooperation with the director shall report to the joint select  
27 committee on health care oversight no less than quarterly on  
28 financial and health outcomes. The secretary in cooperation with the  
29 director shall also report to the fiscal committees of the  
30 legislature all of the expenditures of this subsection and shall  
31 provide such fiscal data in the time, manner, and form requested by  
32 the legislative fiscal committees.

33 (26) \$351,000 of the general fund—state appropriation for fiscal  
34 year 2018, \$421,000 of the general fund—state appropriation for  
35 fiscal year 2019, and \$1,012,000 of the general fund—federal  
36 appropriation are provided solely for increasing the hourly rate for  
37 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

38 (27) \$10,017,000 of the general fund—state appropriation for  
39 fiscal year 2018, \$13,111,000 of the general fund—state appropriation

1 for fiscal year 2019, and \$29,104,000 of the general fund—federal  
2 appropriation are provided solely for the implementation of an  
3 agreement reached between the governor and the adult family home  
4 council under the provisions of chapter 41.56 RCW for the 2017-2019  
5 fiscal biennium. Funding is contingent upon the enactment of Senate  
6 Bill No. 5969 (transparency in public employee collective  
7 bargaining). If the bill is not enacted by July 31, 2017, the amounts  
8 provided in this subsection shall lapse.

9 (28) The department must define a plan and funding estimate  
10 necessary to implement an electronic visit verification system for  
11 service providers that contract with the department and that are  
12 subject to the requirements of the federal twenty-first century cures  
13 act. Implementation of the electronic visit verification system is  
14 expected to be fully compliant with the federal twenty-first century  
15 cures act no later than July 1, 2019.

16 (a) Any funding necessary to support the electronic visit  
17 verification system must be requested in a decision package that is  
18 submitted to the office of financial management no later than the  
19 2019-2021 fiscal biennial budget cycle.

20 (b) The plan and funding estimate must address in-home care  
21 workers employed by home care agencies that contract with the  
22 department, and any other service providers that contract with the  
23 department and that are determined by the federal centers for  
24 medicare and medicaid services to be subject to the electronic visit  
25 verification system requirement.

26 (c) In defining a plan for the electronic visit verification  
27 system, the department must explore options to maximize cost-  
28 efficiency. Options may include but are not limited to:

29 (i) A shared system with other states, and;

30 (ii) Development of a shared system with the consumer-directed  
31 employer that will implement an electronic visit verification system  
32 for individual providers of home care services.

33 (29)(a) \$20,000 of the general fund—state appropriation for  
34 fiscal year 2018 and \$80,000 of the general fund—state appropriation  
35 for fiscal year 2019 are provided solely for the department of social  
36 and health services aging and long-term support administration to  
37 convene an advisory group to accomplish the following:

38 (i) To develop a model program to monitor guardians appointed  
39 pursuant to Title 11 RCW and to develop recommendations for best

1 practices. The model guardianship monitoring program must provide for  
2 oversight of both lay and professional guardians. The advisory group  
3 must receive the results of the joint legislative audit and review  
4 committee review of currently operating monitoring practices in each  
5 county of the state, as required in section 103(15) of this act,  
6 which will also be provided to the joint legislative executive  
7 committee on aging and disability described in section 206(13) of  
8 this act; and

9 (ii) To develop a model in-person training program for use by lay  
10 guardians across the state as a supplement to current online  
11 training. The advisory group must receive the results of the joint  
12 legislative audit and review committee review of currently operating  
13 monitoring practices in each county of the state, as required in  
14 section 103(15) of this act, which will also be provided to the joint  
15 legislative executive committee on aging and disability.

16 (b) The advisory group shall be appointed by the secretary of the  
17 department of social and health services, in consultation with  
18 stakeholders, and consist of:

19 (i) Individuals with disabilities, family members of individuals  
20 with disabilities, and disability advocates, with relevant experience  
21 or expertise;

22 (ii) Seniors, family members of seniors, and senior advocates,  
23 with relevant experience or expertise;

24 (iii) Representatives of the courts and the elder bar with  
25 relevant knowledge or authority;

26 (iv) Professional guardians;

27 (v) At least one individual with expertise in language access;

28 (vi) Providers of health care or health care professionals; and

29 (vii) At least one representative of organized labor with  
30 experience in guardianship.

31 (c) The cochairs of the joint legislative executive committee on  
32 aging and disability shall appoint two legislators to serve on the  
33 advisory group, one from the democratic caucus and one from the  
34 republican caucus.

35 (d) Staff support to the committee shall be provided by the  
36 department of social and health services aging and long-term support  
37 administration.

38 (e) The advisory group shall prepare a report of its findings and  
39 recommendations and present its report to the joint legislative  
40 executive committee on aging and disability by December 1, 2018.

1       (30) \$92,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for the department to contract with a  
3 single nonprofit organization that holds an in-home care agency  
4 license and operates homeless shelters for a pilot project to test  
5 the outcomes of providing personal care services to aged and/or  
6 functionally disabled individuals in homeless shelters. The pilot  
7 shall examine whether personal care services are effective in  
8 creating and maintaining connections between homeless individuals and  
9 supportive services such as health care, mental health, and substance  
10 abuse services. The department shall submit an interim report by  
11 January 15, 2019, and a final report by August 14, 2019, to the  
12 governor and appropriate legislative committees.

13       (31) \$40,000 of the general fund—state appropriation for fiscal  
14 year 2019 and \$40,000 of the general fund—federal appropriation are  
15 provided solely for the department, in partnership with the  
16 department of health and the health care authority, to assist a  
17 collaborative public-private entity with implementation of  
18 recommendations in the state plan to address alzheimer's disease and  
19 other dementias.

20       (32) \$3,686,000 of the general fund—private/local appropriation  
21 and \$2,548,000 of the general fund—federal appropriation are provided  
22 solely to implement Substitute House Bill No. 1792 (residential  
23 services and supports). The annual certification renewal fee for  
24 community residential service businesses shall be \$908 per client.  
25 The annual certification renewal fee may not exceed the department's  
26 annual licensing and oversight activity costs. If the bill is not  
27 enacted by June 30, 2018, the amounts provided in this subsection  
28 shall lapse.

29       (33) \$1,000,000 of the general fund—state appropriation for  
30 fiscal year 2019 and \$1,200,000 of the general fund—federal  
31 appropriation are provided solely to maintain client access to  
32 medicaid contracted assisted living, enhanced adult residential care,  
33 and adult residential care services under chapter 74.39A RCW.  
34 Licensed assisted living facilities that contract with the department  
35 to serve medicaid clients under these specified contract types must  
36 have an average medicaid occupancy of at least sixty percent,  
37 determined using the medicaid days from the immediately preceding  
38 calendar year during the months of July 1st through December 31st to  
39 qualify for additional funding under this subsection.

1 (34) \$615,000 of the general fund—state appropriation for fiscal  
2 year 2019 and \$698,000 of the general fund—federal appropriation are  
3 provided solely to implement Substitute House Bill No. 2651 (personal  
4 needs allowance). If the bill is not enacted by June 30, 2018, the  
5 amounts provided in this subsection shall lapse.

6 (35) \$19,000 of the general fund—state appropriation for fiscal  
7 year 2018, \$35,000 of the general fund—state appropriation for fiscal  
8 year 2019, and \$54,000 of the general fund—federal appropriation are  
9 provided solely to implement Engrossed House Bill No. 2750 (assisted  
10 living facility quality). If the bill is not enacted by June 30,  
11 2018, the amounts provided in this subsection shall lapse.

12 (36) \$166,000 of the general fund—state appropriation for fiscal  
13 year 2018, \$800,000 of the general fund—state appropriation for  
14 fiscal year 2019, and \$1,510,000 of the general fund—federal  
15 appropriation are provided solely to implement Substitute House Bill  
16 No. 2963 or Engrossed Substitute Senate Bill No. 6199 (consumer  
17 directed employer organizations). If neither bill is enacted by June  
18 30, 2018, the amounts provided in this subsection shall lapse.

19 (37) \$100,000 of the general fund—state appropriation for fiscal  
20 year 2019 and \$100,000 of the general fund—federal appropriation are  
21 provided solely for the department of social and health services  
22 aging and long-term support administration to contract for an updated  
23 actuarial model of the 2016 independent feasibility study and  
24 actuarial modeling of public and private options for leveraging  
25 private resources to help individuals prepare for long-term services  
26 and supports needs. The follow-up study must model alternative  
27 variations of the previously studied public long-term care benefit  
28 for workers, funded through a payroll deduction that would provide a  
29 time-limited long-term care insurance benefit, including but not  
30 limited to alternative minimum hours worked per year for vesting.

31 (b) The feasibility study and actuarial analysis must include  
32 input from the joint legislative executive committee on aging and  
33 disability and other interested stakeholders, and must include an  
34 analysis of each variation based on:

- 35 (i) The expected costs and benefits for participants;  
36 (ii) The total anticipated number of participants;  
37 (iii) The projected savings to the state medicaid program, if  
38 any; and  
39 (iv) Legal and financial risks to the state.

1 (c) The department must provide status updates to the joint  
2 legislative executive committee on aging and disability. The  
3 feasibility study and actuarial analysis shall be completed and  
4 submitted to the department by September 1, 2018. The department  
5 shall submit a report, including the director's findings and  
6 recommendations based on the feasibility study and actuarial  
7 analysis, to the governor and the appropriate committees of the  
8 legislature by October 1, 2018.

9 (38) \$50,000 of the general fund—state appropriation for fiscal  
10 year 2019 and \$50,000 of the general fund—federal appropriation are  
11 provided solely for the department of social and health services  
12 aging and long-term support administration to contract with the area  
13 agencies on aging to convene a work group to include long-term care  
14 industry members, family members who provide long-term services and  
15 supports, and other groups with interest in long-term services and  
16 supports to develop a proposal on how family members could be  
17 included as providers of long-term services and supports under the  
18 previously studied public long-term care benefit. The work group  
19 shall review options and propose:

20 (a) Minimum qualifications that would allow a family caregiver to  
21 serve as a long-term services and supports provider, which may:

22 (i) Be distinct from the qualifications on the effective date of  
23 this act for individual providers;

24 (ii) Require training based primarily on the individual needs and  
25 preferences of the beneficiary;

26 (iii) Take into account the existing relationship between the  
27 family caregiver and the beneficiary, the duration of the caregiving  
28 experience, and the type of care being provided.

29 (b) Administrative program options for providing compensation,  
30 benefits, and protections for family caregivers, considering cost-  
31 effectiveness and administrative simplification. The program options  
32 shall consider how to preserve the quality of the long-term care  
33 workforce and must include worker protections and benefits.

34 (c) The work group shall develop recommendations and provide the  
35 recommendations to the joint legislative and executive committee on  
36 aging and disability by November 15, 2018.

37 **Sec. 207.** 2017 3rd sp.s. c 1 s 207 (uncodified) is amended to  
38 read as follows:



1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES**  
2 **PROGRAM**

3	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$396,063,000</del> ))
4		<u>\$364,376,000</u>
5	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$415,638,000</del> ))
6		<u>\$378,511,000</u>
7	General Fund—Federal Appropriation. . . . .	(( <del>\$1,421,095,000</del> ))
8		<u>\$1,445,306,000</u>
9	General Fund—Private/Local Appropriation. . . . .	\$5,144,000
10	Administrative Contingency Account—State	
11	Appropriation. . . . .	\$5,400,000
12	<u>Pension Funding Stabilization Account—State</u>	
13	<u>Appropriation. . . . .</u>	<u>\$29,264,000</u>
14	TOTAL APPROPRIATION. . . . .	(( <del>\$2,243,340,000</del> ))
15		<u>\$2,228,001,000</u>

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

18 (1)(a) ((~~\$155,022,000~~)) \$127,164,000 of the general fund—state  
19 appropriation for fiscal year 2018, ((~~\$160,136,000~~)) \$128,881,000 of  
20 the general fund—state appropriation for fiscal year 2019,  
21 \$836,761,000 of the general fund—federal appropriation, ((and))  
22 \$5,400,000 of the administrative contingency account—state  
23 appropriation, and \$8,155,000 of the pension funding stabilization  
24 account—state appropriation are provided solely for all components of  
25 the WorkFirst program. Within the amounts provided for the WorkFirst  
26 program, the department may provide assistance using state-only funds  
27 for families eligible for temporary assistance for needy families.  
28 The department must create a WorkFirst budget structure that allows  
29 for transparent tracking of budget units and subunits of expenditures  
30 where these units and subunits are mutually exclusive from other  
31 department budget units. The budget structure must include budget  
32 units for the following: Cash assistance, child care, WorkFirst  
33 activities, and administration of the program. Within these budget  
34 units, the department must develop program index codes for specific  
35 activities and develop allotments and track expenditures using these  
36 codes. The department shall report to the office of financial  
37 management and the relevant fiscal and policy committees of the  
38 legislature prior to adopting a structure change.

1 (b) (~~(\$267,057,000)~~) \$261,925,000 of the amounts in (a) of this  
2 subsection are provided solely for assistance to clients, including  
3 grants, diversion cash assistance, and additional diversion emergency  
4 assistance including but not limited to assistance authorized under  
5 RCW 74.08A.210. The department may use state funds to provide support  
6 to working families that are eligible for temporary assistance for  
7 needy families but otherwise not receiving cash assistance. Within  
8 amounts provided in (b) of this subsection, \$1,622,000 of the general  
9 fund—state appropriation for fiscal year 2019 is provided solely for  
10 implementation of Engrossed Substitute Senate Bill No. 5890 (foster  
11 care and adoption). If the bill is not enacted by July 31, 2017, the  
12 amount provided in this subsection shall lapse. Of the amounts  
13 provided in this subsection (1)(b), \$10,565,000 of the general fund—  
14 state appropriation for fiscal year 2019 is provided solely for the  
15 department to increase the grant standard by eight percent.

16 (c) (~~(\$168,005,000)~~) \$160,490,000 of the amounts in (a) of this  
17 subsection are provided solely for WorkFirst job search, education  
18 and training activities, barrier removal services, limited English  
19 proficiency services, and tribal assistance under RCW 74.08A.040. The  
20 department must allocate this funding based on client outcomes and  
21 cost effectiveness measures. Amounts provided in (c) of this  
22 subsection include funding for implementation of chapter 156, Laws of  
23 2017 (2SSB 5347) (WorkFirst "work activity"). Within amounts provided  
24 in (c) of this subsection, the department shall implement the working  
25 family support program. The department shall adopt rules to take  
26 effect July 31, 2017, to limit the working family support program at  
27 10,000 households.

28 (~~(i)~~) \$1,700,000 of the funds appropriated in (c) of this  
29 subsection are provided solely for enhanced transportation assistance  
30 provided that the department prioritize the use of these funds for  
31 the recipients most in need of financial assistance to facilitate  
32 their return to work. The department must not utilize these funds to  
33 supplant repayment arrangements that are currently in place to  
34 facilitate the reinstatement of drivers' licenses.

35 (~~(ii) Prior to renewal of intergovernmental TANF agreements with~~  
36 ~~a tribe, the department shall request information on the total~~  
37 ~~expenditures and total number of clients served in the tribal TANF~~  
38 ~~program. When the per client costs in the tribal TANF program have~~  
39 ~~increased since the initial agreement, the department may negotiate a~~  
40 ~~lower state maintenance of effort level based on the increased~~

1 ~~resources provided by the tribe since the original agreement. The~~  
2 ~~department shall report to the office of financial management and the~~  
3 ~~fiscal committees of the legislature the revised amount of the state~~  
4 ~~maintenance of effort level within two weeks of each newly signed~~  
5 ~~intergovernmental TANF agreement.)~~

6 (d)(i) (~~(\$501,608,000)~~) \$478,555,000 of the amounts in (a) of  
7 this subsection are provided solely for the working connections child  
8 care program under RCW 43.215.135. In order to not exceed the  
9 appropriated amount, the department shall manage the program so that  
10 the average monthly caseload does not exceed 33,000 households and  
11 the department shall give prioritized access into the program  
12 according to the following order:

13 (A) Families applying for or receiving temporary assistance for  
14 needy families (TANF);

15 (B) TANF families curing sanction;

16 (C) Foster children;

17 (D) Families that include a child with special needs;

18 (E) Families in which a parent of a child in care is a minor who  
19 is not living with a parent or guardian and who is a full-time  
20 student in a high school that has a school-sponsored on-site child  
21 care center;

22 (F) Families with a child residing with a biological parent or  
23 guardian who have received child protective services, child welfare  
24 services, or a family assessment response from the department in the  
25 past six months, and has received a referral for child care as part  
26 of the family's case management.

27 (G) Families that received subsidies within the last thirty days  
28 and:

29 (I) Have reapplied for subsidies; and

30 (II) Have household income of two hundred percent federal poverty  
31 level or below; and

32 (H) All other eligible families.

33 (ii) The department, within existing appropriations, must ensure  
34 quality control measures for the working connections child care  
35 program by maximizing the use of information technology systems and  
36 the development or modification of the application and standard  
37 operating procedures to ensure that cases are:

38 (A) Appropriately and accurately processed; and

39 (B) Routinely monitored for eligibility in a manner that is  
40 similar to processes and systems currently in place for regular

1 monitoring in other public assistance programs. Eligibility criteria  
2 routinely monitored must include, at a minimum:

3 (I) Participation in work or other approved activities;

4 (II) Household composition; and

5 (III) Maximum number of subsidized child care hours authorized.

6 The department must submit a preliminary report by December 1, 2017,  
7 and a final report by December 1, 2018, to the governor and the  
8 appropriate fiscal and policy committees of the legislature detailing  
9 the specific actions taken to implement this subsection.

10 (iii) Of the amounts provided in (d) of this subsection,  
11 \$4,620,000 of the appropriation for fiscal year 2018 and \$4,792,000  
12 of the appropriation for fiscal year 2019 are provided for a base  
13 rate increase, a rate increase for Family Friend and Neighbor  
14 providers, covering an increase for health insurance premiums, and  
15 increasing paid professional development days from three days to five  
16 days. This funding is for the 2017-2019 collective bargaining  
17 agreement covering family child care providers as set forth in  
18 section 940 of this act.

19 (iv) Of the amounts provided in (d) of this subsection,  
20 \$8,547,000 of the general fund—state appropriation for fiscal year  
21 2018 and \$10,438,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for subsidy base rate increases  
23 for child care center providers.

24 (v) Of the amounts provided in this subsection (1)(d), \$779,000  
25 of the general fund—state appropriation for fiscal year 2018 and  
26 \$722,000 of the general fund—state appropriation for fiscal year 2019  
27 are provided solely for homeless families.

28 (e) \$34,248,000 of the general fund—federal appropriation is  
29 provided solely for child welfare services within the department of  
30 children, youth, and families.

31 (f) (~~(\$170,442,000)~~) \$171,143,000 of the amounts in (1)(a) of  
32 this section are provided solely for WorkFirst and working  
33 connections child care administration and overhead. \$127,000 of the  
34 funds appropriated in this subsection for fiscal year 2019 are  
35 provided solely for implementation of chapter 9, Laws of 2017 3rd sp.  
36 sess. (working connections child care).

37 (g) The amounts in subsections (1)(b) through (e) of this section  
38 shall be expended for the programs and in the amounts specified.  
39 However, the department may transfer up to 10 percent of funding

1 between subsections (1)(b) through (f) of this section. The  
2 department shall provide notification prior to any transfer to the  
3 office of financial management and to the appropriate legislative  
4 committees and the legislative-executive WorkFirst oversight task  
5 force. The approval of the director of financial management is  
6 required prior to any transfer under this subsection.

7 (h) Each calendar quarter, the department shall provide a  
8 maintenance of effort and participation rate tracking report for  
9 temporary assistance for needy families to the office of financial  
10 management, the appropriate policy and fiscal committees of the  
11 legislature, and the legislative-executive WorkFirst oversight task  
12 force. The report must detail the following information for temporary  
13 assistance for needy families:

14 (i) An overview of federal rules related to maintenance of  
15 effort, excess maintenance of effort, participation rates for  
16 temporary assistance for needy families, and the child care  
17 development fund as it pertains to maintenance of effort and  
18 participation rates;

19 (ii) Countable maintenance of effort and excess maintenance of  
20 effort, by source, provided for the previous federal fiscal year;

21 (iii) Countable maintenance of effort and excess maintenance of  
22 effort, by source, for the current fiscal year, including changes in  
23 countable maintenance of effort from the previous year;

24 (iv) The status of reportable federal participation rate  
25 requirements, including any impact of excess maintenance of effort on  
26 participation targets;

27 (v) Potential new sources of maintenance of effort and progress  
28 to obtain additional maintenance of effort; and

29 (vi) A two-year projection for meeting federal block grant and  
30 contingency fund maintenance of effort, participation targets, and  
31 future reportable federal participation rate requirements.

32 (i) In the 2017-2019 fiscal biennium, it is the intent of the  
33 legislature to provide appropriations from the state general fund for  
34 the purposes of (b) through (f) of this subsection if the department  
35 does not receive additional federal temporary assistance for needy  
36 families contingency funds in each fiscal year as assumed in the  
37 budget outlook.

38 (j) The department must submit a report by December 1, 2018, to  
39 the governor and the appropriate fiscal and policy committees of the  
40 legislature that estimates the caseload and fiscal impact of

1 returning to pre-2011 temporary assistance for needy families  
2 policies. At a minimum, the report must include an analysis of the  
3 caseload and fiscal impact of:

4 (i) Removing the sixty-month lifetime limit;

5 (ii) Lessening sanction policies; and

6 (iii) No longer requiring the WorkFirst orientation.

7 (2) \$1,657,000 of the general fund—state appropriation for fiscal  
8 year 2018 and \$1,657,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for naturalization services.

10 (3) \$2,366,000 of the general fund—state appropriation for fiscal  
11 year 2018 is provided solely for employment services for refugees and  
12 immigrants, of which \$1,774,000 is provided solely for the department  
13 to pass through to statewide refugee and immigrant assistance  
14 organizations for limited English proficiency pathway services; and  
15 \$2,366,000 of the general fund—state appropriation for fiscal year  
16 2019 is provided solely for employment services for refugees and  
17 immigrants, of which \$1,774,000 is provided solely for the department  
18 to pass through to statewide refugee and immigrant assistance  
19 organizations for limited English proficiency pathway services.

20 (4) On (~~December~~) January 1, 2017, and annually thereafter, the  
21 department must report to the governor and the legislature on all  
22 sources of funding available for both refugee and immigrant services  
23 and naturalization services during the current fiscal year and the  
24 amounts expended to date by service type and funding source. The  
25 report must also include the number of clients served and outcome  
26 data for the clients.

27 (5) To ensure expenditures remain within available funds  
28 appropriated in this section, the legislature establishes the benefit  
29 under the state food assistance program, pursuant to RCW 74.08A.120,  
30 to be one hundred percent of the federal supplemental nutrition  
31 assistance program benefit amount.

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

38 (7) (~~(\$433,000)~~) \$856,000 of the general fund—state appropriation  
39 for fiscal year 2018, (~~(\$451,000)~~) \$2,494,000 of the general fund—

1 state appropriation for fiscal year 2019, and (~~(\$6,451,000)~~)  
2 \$17,203,000 of the general fund—federal appropriation are provided  
3 solely for ESAR Architectural Development and are subject to the  
4 conditions, limitations, and review provided in section 724 of this  
5 act.

6 (8) The department shall continue the interagency agreement with  
7 the department of veterans' affairs to establish a process for  
8 referral of veterans who may be eligible for veterans' services. This  
9 agreement must include out-stationing department of veterans' affairs  
10 staff in selected community service office locations in King and  
11 Pierce counties to facilitate applications for veterans' services.

12 (9) \$750,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$750,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for operational support of the  
15 Washington information network 211 organization.

16 (10) \$90,000 of the general fund—state appropriation for fiscal  
17 year 2018, \$8,000 of the general fund—state appropriation for fiscal  
18 year 2019, and \$36,000 of the general fund—federal appropriation are  
19 provided solely for implementation of chapter 270, Laws of 2017 (SB  
20 5118) (personal needs allowance).

21 (~~(11) (~~(\$127,000 of the general fund state appropriation for~~~~  
22 ~~fiscal year 2019 is provided solely for implementation of Substitute~~  
23 ~~House Bill No. 1624 (working connections child care). If the bill is~~  
24 ~~not enacted by July 31, 2017, the amount provided in this subsection~~  
25 ~~shall lapse.))~~ \$438,000 of the general fund—state appropriation for  
26 fiscal year 2019 is provided solely for the implementation of  
27 Engrossed Substitute House Bill No. 1831 (public assistance/  
28 resources). If the bill is not enacted by June 30, 2018, the amount  
29 provided in this subsection shall lapse.

30 (12) \$43,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$16,000 of the general fund—state appropriation for  
32 fiscal year 2019 is provided solely for the implementation of  
33 Engrossed Second Substitute Bill No. 2667 (essential needs/ABD  
34 programs). If the bill is not enacted by June 30, 2018, the amount  
35 provided in this subsection shall lapse.

36 (13) \$58,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the implementation of Substitute  
38 House Bill No. 2651 (personal needs allowance). If the bill is not

1 enacted by June 30, 2018, the amount provided in this subsection  
2 shall lapse.

3 (14) \$119,000 of the general fund—state appropriation for fiscal  
4 year 2019 is provided solely for the implementation of Second  
5 Substitute House Bill No. 1291 (Pacific Islander health care). If the  
6 bill is not enacted by June 30, 2018, the amount provided in this  
7 subsection shall lapse.

8 **Sec. 208.** 2017 3rd sp.s. c 1 s 208 (uncodified) is amended to  
9 read as follows:

10 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND**  
11 **SUBSTANCE ABUSE PROGRAM**

12	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$78,842,000</del> ))
13		<u>\$96,763,000</u>
14	<del>((General Fund—State Appropriation (FY 2019). . . . .</del>	<del>\$71,308,000))</del>
15	General Fund—Federal Appropriation. . . . .	(( <del>\$575,249,000</del> ))
16		<u>\$301,240,000</u>
17	General Fund—Private/Local Appropriation. . . . .	(( <del>\$20,211,000</del> ))
18		<u>\$10,101,000</u>
19	Criminal Justice Treatment Account—State	
20	Appropriation. . . . .	(( <del>\$12,978,000</del> ))
21		<u>\$6,488,000</u>
22	Problem Gambling Account—State Appropriation. . . . .	(( <del>\$1,453,000</del> ))
23		<u>\$725,000</u>
24	Dedicated Marijuana Account—State Appropriation	
25	(FY 2018). . . . .	\$24,802,000
26	<del>((Dedicated Marijuana Account—State Appropriation</del>	
27	<del>(FY 2019). . . . .</del>	<del>\$24,802,000))</del>
28	Pension Funding Stabilization Account—State	
29	Appropriation. . . . .	<u>\$264,000</u>
30	TOTAL APPROPRIATION. . . . .	(( <del>\$809,645,000</del> ))
31		<u>\$440,383,000</u>

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

34 (1) \$3,278,000 of the dedicated marijuana account—state  
35 appropriation for fiscal year 2018 (~~and \$3,278,000 of the dedicated~~  
36 ~~marijuana account—state appropriation for fiscal year 2019)) are~~  
37 provided solely for a memorandum of understanding with the department  
38 of social and health services juvenile rehabilitation administration



1 to provide substance abuse treatment programs for juvenile offenders.  
2 Of the amounts provided in this subsection:

3 (a) \$1,130,000 of the dedicated marijuana account—state  
4 appropriation for fiscal year 2018 (~~and \$1,130,000 of the dedicated~~  
5 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
6 provided solely for alcohol and substance abuse treatment programs  
7 for locally committed offenders. The juvenile rehabilitation  
8 administration shall award these funds as described in section 203(4)  
9 of this act.

10 (b) \$282,000 of the dedicated marijuana account—state  
11 appropriation for fiscal year (~~2017 and \$282,000 of the dedicated~~  
12 ~~marijuana account—state appropriation for fiscal year 2019 are~~) 2018  
13 is provided solely for the expansion of evidence-based treatments and  
14 therapies as described in section 203(2) of this act.

15 (2) During the 2017-19 fiscal biennium, any amounts provided in  
16 this section that are used for case management services for pregnant  
17 and parenting women must be contracted directly between the  
18 department and providers rather than through contracts with  
19 behavioral health organizations.

20 (3) Within the amounts appropriated in this section, the  
21 department may contract with the University of Washington and  
22 community-based providers for the provision of the parent-child  
23 assistance program or other specialized chemical dependency case  
24 management providers for pregnant, post-partum, and parenting women.  
25 For all contractors: (i) Service and other outcome data must be  
26 provided to the department by request; and (ii) indirect charges for  
27 administering the program shall not exceed ten percent of the total  
28 contract amount.

29 (~~(4) \$3,500,000~~) \$1,750,000 of the general fund—federal  
30 appropriation (from the substance abuse prevention and treatment  
31 federal block grant) is provided solely for the continued funding of  
32 existing county drug and alcohol use prevention programs.

33 (5) \$200,000 of the dedicated marijuana account—state  
34 appropriation for fiscal year 2018 (~~and \$200,000 of the dedicated~~  
35 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
36 provided solely for a contract with the Washington state institute  
37 for public policy to conduct cost-benefit evaluations of the  
38 implementation of chapter 3, Laws of 2013 (Initiative Measure No.  
39 502).

1           (6)     \$500,000 of the dedicated marijuana account—state  
2 appropriation for fiscal year 2018 (~~and \$500,000 of the dedicated~~  
3 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
4 provided solely to design and administer the Washington state healthy  
5 youth survey and the Washington state young adult behavioral health  
6 survey.

7           (7)     \$396,000 of the dedicated marijuana account—state  
8 appropriation for fiscal year 2018 (~~and \$396,000 of the dedicated~~  
9 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
10 provided solely for maintaining increased services to pregnant and  
11 parenting women provided through the parent child assistance program.

12          (8)     \$250,000 of the dedicated marijuana account—state  
13 appropriation for fiscal year 2018 (~~and \$250,000 of the dedicated~~  
14 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
15 provided solely for a grant to the office of superintendent of public  
16 instruction to provide life skills training to children and youth in  
17 schools that are in high needs communities.

18          (9)     \$386,000 of the dedicated marijuana account—state  
19 appropriation for fiscal year 2018 (~~and \$386,000 of the dedicated~~  
20 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
21 provided solely to maintain increased prevention and treatment  
22 services provided by tribes to children and youth.

23          (10)    \$2,684,000 of the dedicated marijuana account—state  
24 appropriation for fiscal year 2018(~~(, \$2,684,000 of the dedicated~~  
25 ~~marijuana account—state appropriation for fiscal year 2019,)~~) and  
26 (~~(\$1,900,000)~~) \$950,000 of the general fund—federal appropriation are  
27 provided solely to maintain increased residential treatment services  
28 for children and youth.

29          (11)    \$250,000 of the dedicated marijuana account—state  
30 appropriation for fiscal year 2018 (~~and \$250,000 of the dedicated~~  
31 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
32 provided solely for training and technical assistance for the  
33 implementation of evidence based, research based, and promising  
34 programs which prevent or reduce substance use disorders.

35          (12)    \$2,434,000 of the dedicated marijuana account—state  
36 appropriation for fiscal year 2018 (~~and \$2,434,000 of the dedicated~~  
37 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
38 provided solely for expenditure into the home visiting services  
39 account.

1 (13) \$2,500,000 of the dedicated marijuana account—state  
2 appropriation for fiscal year 2018 (~~and \$2,500,000 of the dedicated~~  
3 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
4 provided solely for grants to community-based programs that provide  
5 prevention services or activities to youth, including programs for  
6 school-based resource officers. These funds must be utilized in  
7 accordance with RCW 69.50.540.

8 (14) Within the amounts provided in this section, behavioral  
9 health organizations must provide outpatient chemical dependency  
10 treatment for offenders enrolled in the medicaid program who are  
11 supervised by the department of corrections pursuant to a term of  
12 community supervision. Contracts with behavioral health organizations  
13 must require that behavioral health organizations include in their  
14 provider network specialized expertise in the provision of  
15 manualized, evidence-based chemical dependency treatment services for  
16 offenders. The department of corrections and the department must  
17 develop a memorandum of understanding for department of corrections  
18 offenders on active supervision who are medicaid eligible and meet  
19 medical necessity for outpatient substance use disorder treatment.  
20 The agreement will ensure that treatment services provided are  
21 coordinated, do not result in duplication of services, and maintain  
22 access and quality of care for the individuals being served. The  
23 department must provide all necessary data, access, and reports to  
24 the department of corrections for all department of corrections  
25 offenders that receive medicaid paid services.

26 (15) (~~(\$1,125,000)~~) \$563,000 of the general fund—federal  
27 appropriation is provided solely for the department to develop a  
28 memorandum of understanding with the department of health for  
29 implementation of chapter 297, Laws of 2017 (ESHB 1427) (opioid  
30 treatment programs). The department must use these amounts to  
31 reimburse the department of health for costs incurred through the  
32 implementation of the bill.

33 (16) \$891,000 of the general fund—state appropriation for fiscal  
34 year 2018(~~(, \$2,580,000 of the general fund—state appropriation for~~  
35 ~~fiscal year 2019,)) and (~~(\$2,755,000)~~) \$435,000 of the general fund—  
36 federal appropriation are provided solely for the development and  
37 operation of two secure detoxification facilities. The department  
38 must not use any of these amounts for services in facilities that are  
39 subject to federal funding restrictions that apply to institutions~~

1 for mental diseases, unless they have received a waiver that allows  
2 for full federal participation in these facilities.

3 (17) (~~(\$1,000,000)~~) \$500,000 of the criminal justice treatment  
4 account—state appropriation is provided solely to maintain increased  
5 funding for substance abuse treatment and support services for  
6 offenders and support of drug courts.

7 (18) The department must review the treatment services provided  
8 by the behavioral health organizations (BHO) to individuals  
9 supervised by the department of corrections in the community. In  
10 reviewing, the department shall compile data specific to BHOs and in  
11 the aggregate for access to services, timeliness, number of referrals  
12 from the department of corrections, and number of individuals served.  
13 The department will consult with the department of corrections and  
14 must report to the governor and the appropriate legislative  
15 committees no later than November 30, 2017, the transition of  
16 services from the department of corrections to the BHOs and identify  
17 barriers to access and services for community supervised individuals  
18 and provide recommendations for improved services to this population.

19 (19) \$100,000 of the general fund—state appropriation for fiscal  
20 year 2018 (~~(and \$100,000 of the general fund—state appropriation for~~  
21 ~~fiscal year 2019 are))~~ is provided solely for parenting education  
22 services focused on pregnant and parenting women.

23 (20) Within existing appropriations, the department shall  
24 prioritize the prevention and treatment of intravenous opiate-based  
25 drug use.

26 (21) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,  
27 and 43.135.055, the department is authorized to adopt fees for the  
28 review and approval of mental health and substance use disorder  
29 treatment programs in fiscal (~~(years))~~ year 2018 (~~(and 2019))~~ as  
30 necessary to support the costs of the regulatory program. The  
31 department's fee schedule shall have differential rates for providers  
32 with proof of accreditation from organizations that the department  
33 has determined to have substantially equivalent standards to those of  
34 the department, including but not limited to the joint commission on  
35 accreditation of health care organizations, the commission on  
36 accreditation of rehabilitation facilities, and the council on  
37 accreditation. To reflect the reduced costs associated with  
38 regulation of accredited programs, the department's fees for  
39 organizations with such proof of accreditation must reflect the lower

1 cost of licensing for these programs than for other organizations  
2 which are not accredited. To the extent that the fees charged in  
3 fiscal year 2018 are not expected to fully cover the cost of the  
4 program, the department must submit a report to the office of  
5 financial management and the appropriate fiscal committees of the  
6 legislature identifying what further increases would be required and  
7 the differential impact on providers. This report must be submitted  
8 by December 1, 2017.

9 (22) \$31,995,000 of the general fund—state appropriation for  
10 fiscal year 2018 is provided solely to assist behavioral health  
11 organizations with the costs of providing services to medicaid  
12 clients receiving services in psychiatric facilities classified as  
13 institutions of mental diseases. The department must distribute these  
14 amounts proportionate to the number of bed days for medicaid clients  
15 in institutions for mental diseases that were excluded from  
16 behavioral health organization fiscal year 2018 capitation rates  
17 because they exceeded the amounts allowed under federal regulations.  
18 The department must also use these amounts to directly pay for costs  
19 that are ineligible for medicaid reimbursement in institutions of  
20 mental disease facilities for American Indian and Alaska Natives who  
21 opt to receive behavioral health services on a fee-for-service basis.  
22 The amounts used for these individuals must be reduced from the  
23 allocation of the behavioral health organization where the individual  
24 resides. If a behavioral health organization receives more funding  
25 through this subsection than is needed to pay for the cost of their  
26 medicaid clients in institutions for mental diseases, they must use  
27 the remainder of the amounts to provide other services not covered  
28 under the medicaid program. The department must apply for a waiver  
29 from the center for medicaid and medicare services to allow for the  
30 full cost of stays in institutions of mental diseases to be included  
31 in fiscal year 2019 behavioral health organization capitation rates.  
32 The department may tailor the fiscal year 2019 waiver to specific  
33 populations for which the center for medicaid and medicare services  
34 has indicated they are likely to approve and work to further expand  
35 the waiver to other populations in fiscal year 2020.

36 **Sec. 209.** 2017 3rd sp.s. c 1 s 209 (uncodified) is amended to  
37 read as follows:

38 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL**  
39 **REHABILITATION PROGRAM**

1	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$14,899,000</del> ))
2		<u>\$13,890,000</u>
3	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$15,603,000</del> ))
4		<u>\$14,594,000</u>
5	General Fund—Federal Appropriation. . . . .	(( <del>\$97,328,000</del> ))
6		<u>\$109,730,000</u>
7	<u>Pension Funding Stabilization Account—State</u>	
8	<u>Appropriation. . . . .</u>	<u>\$2,024,000</u>
9	TOTAL APPROPRIATION. . . . .	(( <del>\$127,830,000</del> ))
10		<u>\$140,238,000</u>

11     The appropriations in this section are subject to the following  
12 conditions and limitations: The department of social and health  
13 services vocational rehabilitation program shall participate in the  
14 development of an implementation plan to build statewide capacity  
15 among school districts to improve transition planning for students in  
16 special education who meet criteria for services from the  
17 developmental disabilities administration, pursuant to section  
18 501(68) of this act.

19     **Sec. 210.** 2017 3rd sp.s. c 1 s 210 (uncodified) is amended to  
20 read as follows:

21 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT**  
22 **PROGRAM**

23	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$45,488,000</del> ))
24		<u>\$46,202,000</u>
25	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$46,173,000</del> ))
26		<u>\$47,375,000</u>
27	<u>Pension Funding Stabilization Account—State</u>	
28	<u>Appropriation. . . . .</u>	<u>\$4,858,000</u>
29	TOTAL APPROPRIATION. . . . .	(( <del>\$91,661,000</del> ))
30		<u>\$98,435,000</u>

31     The appropriations in this section are subject to the following  
32 conditions and limitations: The special commitment center may use  
33 funds appropriated in this subsection to purchase goods (~~and~~),  
34 supplies, and services through hospital group purchasing  
35 organizations when it is cost-effective to do so.

36     **Sec. 211.** 2017 3rd sp.s. c 1 s 211 (uncodified) is amended to  
37 read as follows:

1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND**  
2 **SUPPORTING SERVICES PROGRAM**

3	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$36,681,000</del> ))
4		<u>\$33,757,000</u>
5	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$30,791,000</del> ))
6		<u>\$31,754,000</u>
7	General Fund—Federal Appropriation. . . . .	(( <del>\$39,963,000</del> ))
8		<u>\$44,783,000</u>
9	<del>((General Fund—Private/Local Appropriation. . . . .</del>	<del>\$654,000))</del>
10	<u>Pension Funding Stabilization Account—State</u>	
11	<u>Appropriation. . . . .</u>	<u>\$6,247,000</u>
12	TOTAL APPROPRIATION. . . . .	(( <del>\$108,089,000</del> ))
13		<u>\$116,541,000</u>

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

16 (1) \$300,000 of the general fund—state appropriation for fiscal  
17 year 2018 and ((~~\$300,000~~)) \$500,000 of the general fund—state  
18 appropriation for fiscal year 2019 are provided solely for a  
19 Washington state mentoring organization to continue its public-  
20 private partnerships to provide technical assistance and training to  
21 mentoring programs that serve at-risk youth.

22 (2) Within amounts appropriated in this section, the department  
23 shall provide to the department of health, where available, the  
24 following data for all nutrition assistance programs funded by the  
25 United States department of agriculture and administered by the  
26 department. The department must provide the report for the preceding  
27 federal fiscal year by February 1, 2018, and February 1, 2019. The  
28 report must provide:

29 (a) The number of people in Washington who are eligible for the  
30 program;

31 (b) The number of people in Washington who participated in the  
32 program;

33 (c) The average annual participation rate in the program;

34 (d) Participation rates by geographic distribution; and

35 (e) The annual federal funding of the program in Washington.

36 (3) \$1,216,000 of the general fund—state appropriation for fiscal  
37 year 2019 and \$515,000 of the general fund—federal appropriation are  
38 provided solely for the implementation of Engrossed Second Substitute  
39 House Bill No. 1661 (child, youth, families department). If the bill

1 is not enacted by July 31, 2017, the amount provided in this  
2 subsection shall lapse.

3 (4) \$81,000 of the general fund—state appropriation for fiscal  
4 year 2018, \$86,000 of the general fund—state appropriation for fiscal  
5 year 2019, and \$167,000 of the general fund—federal appropriation are  
6 provided solely for the implementation of an agreement reached  
7 between the governor and the Washington federation of state employees  
8 for the language access providers under the provisions of chapter  
9 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent  
10 upon the enactment of Senate Bill No. 5969 (transparency in public  
11 employee collective bargaining). If the bill is not enacted by July  
12 31, 2017, the amounts provided is this subsection shall lapse.

13 (5) \$2,031,000 of the general fund—state appropriation for fiscal  
14 year 2019 and \$816,000 of the general fund—federal appropriation for  
15 fiscal year 2019 are provided solely for a time, leave, and  
16 attendance scheduling system and are subject to the conditions,  
17 limitations, and review provided in section 724, chapter 1, Laws of  
18 2017 3rd sp. sess. The department shall examine business practices  
19 and coordinate with the department of enterprise services and the  
20 department of transportation regarding the scheduling system.

21 **Sec. 212.** 2017 3rd sp.s. c 1 s 212 (uncodified) is amended to  
22 read as follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER**  
24 **AGENCIES PROGRAM**

25	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$81,319,000</del> ))
26		<u>\$82,017,000</u>
27	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$43,380,000</del> ))
28		<u>\$42,354,000</u>
29	General Fund—Federal Appropriation. . . . .	(( <del>\$57,578,000</del> ))
30		<u>\$57,287,000</u>
31	TOTAL APPROPRIATION. . . . .	(( <del>\$182,277,000</del> ))
32		<u>\$181,658,000</u>

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

35 (1) \$39,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$11,000 of the general fund—federal appropriation are  
37 provided solely for the implementation of Engrossed Second Substitute  
38 House Bill No. 1661 (child, youth, families department). If the bill



1 is not enacted by July 31, 2017, the amounts provided in this  
2 subsection shall lapse.

3 (2) \$12,000 of the general fund—state appropriation for fiscal  
4 year 2018, \$12,000 of the general fund—state appropriation for fiscal  
5 year 2019, and \$24,000 of the general fund—federal appropriation are  
6 provided solely for the implementation of chapter 268, Laws of 2017  
7 (2SHB 1402) (incapacitated persons/rights).

8 **Sec. 213.** 2017 3rd sp.s. c 1 s 213 (uncodified) is amended to  
9 read as follows:

10 **FOR THE STATE HEALTH CARE AUTHORITY**

11 During the 2017-2019 fiscal biennium, the health care authority  
12 shall provide support and data as required by the office of the state  
13 actuary in providing the legislature with health care actuarial  
14 analysis, including providing any information in the possession of  
15 the health care authority or available to the health care authority  
16 through contracts with providers, plans, insurers, consultants, or  
17 any other entities contracting with the health care authority.

18 Information technology projects or investments and proposed  
19 projects or investments impacting time capture, payroll and payment  
20 processes and systems, eligibility, case management, and  
21 authorization systems within the health care authority are subject to  
22 technical oversight by the office of the chief information officer.

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

1 spent on specifically defined projects or matched on a formula basis  
2 by state funds.

3 The appropriations to the health care authority in this act shall  
4 be expended for the programs and in the amounts specified in this  
5 act. To the extent that appropriations in this section are  
6 insufficient to fund actual expenditures in excess of caseload  
7 forecasts and utilization assumptions, the authority, after May 1,  
8 2018, may transfer general fund—state appropriations for fiscal year  
9 2018 that are provided solely for a specified purpose. The authority  
10 may not transfer funds, and the director of the office of financial  
11 management shall not approve the transfer, unless the transfer is  
12 consistent with the objective of conserving, to the maximum extent  
13 possible, the expenditure of state funds. The director of the office  
14 of financial management shall notify the appropriate fiscal  
15 committees of the senate and house of representatives in writing  
16 seven days prior to approving any allotment modifications or  
17 transfers under this subsection. The written notification must  
18 include a narrative explanation and justification of changes, along  
19 with expenditures and allotments by budget unit and appropriation,  
20 both before and after any allotment modifications and transfers.

21 (1) MEDICAL ASSISTANCE

22	General Fund—State Appropriation (FY 2018) . . . .	(( <del>\$2,065,747,000</del> ))
23		<u>\$2,024,873,000</u>
24	General Fund—State Appropriation (FY 2019). . . .	(( <del>\$2,114,943,000</del> ))
25		<u>\$2,151,530,000</u>
26	General Fund—Federal Appropriation. . . . .	(( <del>\$11,503,815,000</del> ))
27		<u>\$11,959,581,000</u>
28	General Fund—Private/Local Appropriation. . . . .	(( <del>\$232,300,000</del> ))
29		<u>\$204,427,000</u>
30	Emergency Medical Services and Trauma Care Systems	
31	Trust Account—State Appropriation. . . . .	\$15,086,000
32	Hospital Safety Net Assessment Account—State	
33	Appropriation. . . . .	(( <del>\$725,012,000</del> ))
34		<u>\$693,099,000</u>
35	Medicaid Fraud Penalty Account—State Appropriation. . . .	\$28,163,000
36	Medical Aid Account—State Appropriation. . . . .	\$528,000
37	Dedicated Marijuana Account—State Appropriation	
38	(FY 2018). . . . .	(( <del>\$16,205,000</del> ))
39		<u>\$17,616,000</u>

1	Dedicated Marijuana Account—State Appropriation	
2	(FY 2019). . . . .	(( <del>\$17,039,000</del> ))
3		<u>\$18,396,000</u>
4	<del>((State Health Care Authority Administrative Account—</del>	
5	<del>State Appropriation. . . . .</del>	<del>\$7,000))</del>
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation. . . . .</u>	<u>\$4,538,000</u>
8	TOTAL APPROPRIATION. . . . .	(( <del>\$16,718,845,000</del> ))
9		<u>\$17,117,837,000</u>

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

12 (a) \$256,645,000 of the general fund—state appropriation for  
13 fiscal year 2018 and \$264,704,000 of the general fund—state  
14 appropriation for fiscal year 2019 are provided solely for the  
15 authority to implement a single, standard medicaid preferred drug  
16 list to be used by all contracted medicaid managed health care  
17 systems, on or before January 1, 2018. The preferred drug list shall  
18 be developed in consultation with all contracted managed health care  
19 systems and the state pharmacy and therapeutics committee or drug  
20 utilization review board and shall further the goals and objectives  
21 of the medicaid program. The list shall be designed to maximize  
22 federal rebates and supplemental rebates and ensure access to  
23 clinically effective and appropriate drug therapies under each class.  
24 Entities eligible for 340B drug pricing shall continue to operate  
25 under their current pricing agreement, unless otherwise required by  
26 federal laws or regulations. The authority may utilize external  
27 consultants with expertise in evidence-based drug class reviews,  
28 pharmacy benefit management, and purchasing to assist with the  
29 completion of this development and implementation. The authority  
30 shall require each managed care organization that has contracted with  
31 the authority to provide care to medicaid beneficiaries to use the  
32 established preferred drug list; and shall prohibit each managed care  
33 organization and any of its agents from negotiating or collecting  
34 rebates for any medications listed in the state's medicaid single  
35 preferred drug list whether preferred or nonpreferred. To assist in  
36 the implementation of the single preferred drug list, contracted  
37 medicaid managed health care systems shall provide the authority  
38 drug-specific financial information in a format and frequency  
39 determined by the authority to include the actual amounts paid to

1 pharmacies for prescription drugs dispensed to covered individuals  
2 compared to the cost invoiced to the health plan and individual  
3 rebates collected for prescription drugs dispensed to medicaid  
4 members. Information disclosed to the authority by the manufacturer  
5 pursuant to this provision shall only be used for the purposes of  
6 developing and implementing a single, standard state preferred drug  
7 list in accordance with this provision. The authority, medicaid  
8 managed care organizations, and all other parties shall maintain the  
9 confidentiality of drug-specific financial and other proprietary  
10 information and such information shall not be subject to the  
11 Washington public records act. The authority shall provide a report  
12 to the governor and appropriate committees of the legislature by  
13 November 15, 2018, and by November 15, 2019, including a comparison  
14 of the amount spent in the previous two fiscal years to expenditures  
15 under the new system by, at a minimum, fund source, total  
16 expenditure, drug class, and top twenty-five drugs. The data provided  
17 to the authority shall be aggregated in any report by the authority,  
18 the legislature, or the office of financial management so as not to  
19 disclose the proprietary or confidential drug-specific information,  
20 or the proprietary or confidential information that directly or  
21 indirectly identifies financial information linked to a single  
22 manufacturer. It is the intent of the legislature to revisit this  
23 policy in subsequent biennia to determine whether it is in the best  
24 interest of the state.

25 (b) (~~(\$118,813,000)~~) \$113,356,000 of the general fund—state  
26 appropriation for fiscal year 2018 and (~~(\$120,265,000)~~) \$155,368,000  
27 of the general fund—state appropriation for fiscal year 2019 are  
28 provided solely for (~~holding~~) managed care capitation (~~rates flat~~  
29 ~~at calendar year 2017 levels in state fiscal years and calendar years~~  
30 ~~2018 and 2019~~) payments.

31 (c) \$122,244,000 of the general fund—state appropriation for  
32 fiscal year 2018 and \$116,038,000 of the general fund—state  
33 appropriation for fiscal year 2019 are provided solely for the  
34 authority through the competitive procurement process, to contract  
35 with licensed dental health plans or managed health care plans on a  
36 prepaid or fixed-sum risk basis to provide carved-out managed dental  
37 care services on a statewide basis that will result in greater  
38 efficiency and will facilitate better access and oral health outcomes  
39 for medicaid enrollees. Except in areas where only a single plan is

1 available, the authority must contract with at least two plans. The  
2 authority shall include in the contracts: (i) Quarterly reporting  
3 requirements to include medicaid utilization and encounter data by  
4 current dental technology (CDT) code; (ii) a direction to increase  
5 the dental provider network; (iii) a commitment to retain innovative  
6 programs that improve access and care such as the access to baby and  
7 child dentistry program; (iv) a program to reduce emergency room use  
8 for dental purposes; (v) a requirement to ensure that dental care is  
9 being coordinated with the primary care provider of the patient to  
10 ensure integrated care; (vi) a provision that no less than eighty-  
11 five percent of the contracting fee be used to directly offset the  
12 cost of providing direct patient care as opposed to administrative  
13 costs; and (vii) a provision to ensure the contracting fee shall be  
14 sufficient to compensate county health departments and federally  
15 qualified health centers for dental patient care. The plan(s) awarded  
16 this contract must absorb all start-up costs associated with moving  
17 the program from fee-for-service to managed care and shall commit to  
18 achieving an overall savings to the program based on 2016 fee-for-  
19 service experience. In order to comply with state insurance  
20 underwriting standards, the authority shall ensure that savings  
21 offered by dental plans are actuarially sound. Starting January 31,  
22 2019, and every year thereafter through December 2024, the authority  
23 shall submit an annual report to the governor and the appropriate  
24 committees of the legislature detailing how the contracted entities  
25 have met the requirements of the contract. The report shall include  
26 specific information to include utilization, how the contracted  
27 entities have increased their dental provider networks, how the  
28 emergency room use for dental purposes has been reduced, and how  
29 dental care has been integrated with patients' primary care  
30 providers. If after the end of five years the data reported does not  
31 demonstrate sufficient progress to address the stated contracted  
32 goals, the legislature will reevaluate whether carved-out dental  
33 managed care needs to be replaced with a different delivery model.  
34 The authority is authorized to seek any necessary state plan  
35 amendments or federal waivers to implement this subsection.  
36 Additional dental program savings achieved by the plans beyond those  
37 assumed in the 2017-2019 omnibus appropriations act will be used to  
38 increase dental provider reimbursement rates.

39 (d) (~~(\$1,540,849,000 of the general fund state appropriation for~~  
40 ~~fiscal year 2018 and \$1,585,513,000 of the general fund state~~

1 ~~appropriation for fiscal year 2019 are provided solely for medicaid~~  
2 ~~services and the medicaid program. However,~~) By October 30, 2018,  
3 the authority shall report to the governor and the appropriate  
4 committees of the legislature anticipated savings related to  
5 reduction in dental emergency department visits and utilization once  
6 managed care dental coverage begins.

7 (e) No later than November 1, 2018, and each year thereafter, the  
8 authority shall report to the governor and appropriate committees of  
9 the legislature: (i) Savings attributed to behavioral and physical  
10 integration in areas that are scheduled to integrate in the following  
11 calendar year, and (ii) savings attributed to behavioral and physical  
12 health integration and the level of savings achieved in areas that  
13 have integrated behavioral and physical health.

14 (f) The authority shall not accept or expend any federal funds  
15 received under a medicaid transformation waiver under healthier  
16 Washington except as described in (~~(e) and (f)~~) (g) and (h) of this  
17 subsection until specifically approved and appropriated by the  
18 legislature. To ensure compliance with legislative directive budget  
19 requirements and terms and conditions of the waiver, the authority  
20 shall implement the waiver and reporting requirements with oversight  
21 from the office of financial management. The legislature finds that  
22 appropriate management of the innovation waiver requires better  
23 analytic capability, transparency, consistency, timeliness, accuracy,  
24 and lack of redundancy with other established measures and that the  
25 patient must be considered first and foremost in the implementation  
26 and execution of the demonstration waiver. In order to effectuate  
27 these goals, the authority shall: (i) Require the Dr. Robert Bree  
28 collaborative and the health technology assessment program to reduce  
29 the administrative burden upon providers by only requiring  
30 performance measures that are nonduplicative of other nationally  
31 established measures. The joint select committee on health care  
32 oversight will evaluate the measures chosen by the collaborative and  
33 the health technology assessment program for effectiveness and  
34 appropriateness; (ii) develop a patient satisfaction survey with the  
35 goal to gather information about whether it was beneficial for the  
36 patient to use the center of excellence location in exchange for  
37 additional out-of-pocket savings; (iii) ensure patients and health  
38 care providers have significant input into the implementation of the  
39 demonstration waiver, in order to ensure improved patient health  
40 outcomes; and (iv) in cooperation with the department of social and

1 health services, consult with and provide notification of work on  
2 applications for federal waivers, including details on waiver  
3 duration, financial implications, and potential future impacts on the  
4 state budget, to the joint select committee on health care oversight  
5 prior to submitting waivers for federal approval. By federal  
6 standard, the medicaid transformation demonstration waiver shall not  
7 exceed the duration originally granted by the centers for medicare  
8 and medicaid services and any programs created or funded by this  
9 waiver do not create an entitlement.

10 ((e)) (g) No more than (~~\$479,600,000~~) \$486,683,000 of the  
11 general fund—federal appropriation and no more than (~~\$154,289,000~~)  
12 \$129,103,000 of the general fund—local appropriation may be expended  
13 for transformation through accountable communities of health  
14 described in initiative 1 of the medicaid transformation  
15 demonstration wavier under healthier Washington, including preventing  
16 youth drug use, opioid prevention and treatment, and physical and  
17 behavioral health integration. Under this initiative, the authority  
18 shall take into account local input regarding community needs. In  
19 order to ensure transparency to the appropriate fiscal committees of  
20 the legislature, the authority shall provide fiscal staff of the  
21 legislature query ability into any database of the fiscal  
22 intermediary that authority staff would be authorized to access. The  
23 authority shall not increase general fund—state expenditures under  
24 this initiative. The director shall report to the joint select  
25 committee on health care oversight no less than quarterly, and  
26 include details for each accountable community of health, on the  
27 financial status and measurable health outcomes. The director shall  
28 also report to the fiscal committees of the legislature all of the  
29 expenditures under this subsection and shall provide such fiscal data  
30 in the time, manner, and form requested by the legislative fiscal  
31 committees. By December 15, 2019, the authority in collaboration with  
32 each accountable community of health shall demonstrate how it will be  
33 self-sustaining by the end of the demonstration waiver period,  
34 including sources of outside funding, and provide this reporting to  
35 the joint select committee on health care oversight. If by the third  
36 year of the demonstration waiver there are not measurable, improved  
37 patient outcomes and financial returns, the Washington state  
38 institute for public policy will conduct an audit of the accountable  
39 communities of health, in addition to the process set in place

1 through the independent evaluation required by the agreement with  
2 centers for medicare and medicaid services. Prior to the 2018  
3 legislative session, the human services, health care, and judiciary  
4 committees of the legislature will convene a joint work session to  
5 review models in the delivery system and the impacts on medical  
6 liability. The work sessions should include integrated delivery  
7 models with multiple health care providers and medical malpractice  
8 insurance carriers.

9 ~~((f))~~ (h) No more than ~~((42,584,000))~~ \$38,425,000 of the  
10 general fund—federal appropriation may be expended for supported  
11 housing and employment services described in initiative 3a and 3b of  
12 the medicaid transformation demonstration waiver under healthier  
13 Washington. Under this initiative, the authority and the department  
14 of social and health services shall ensure that allowable and  
15 necessary services are provided to eligible clients as identified by  
16 the department or its third party administrator. The authority and  
17 the department in consultation with the medicaid forecast work group,  
18 shall ensure that reasonable reimbursements are established for  
19 services deemed necessary within an identified limit per individual.  
20 The authority shall not increase general fund—state expenditures  
21 under this initiative. The director shall report to the joint select  
22 committee on health care oversight no less than quarterly on  
23 financial and health outcomes. The director shall also report to the  
24 fiscal committees of the legislature all of the expenditures of this  
25 subsection and shall provide such fiscal data in the time, manner,  
26 and form requested by the legislative fiscal committees.

27 ~~((g))~~ (i) Sufficient amounts are appropriated in this  
28 subsection to implement the medicaid expansion as defined in the  
29 social security act, section 1902(a)(10)(A)(i)(VIII).

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



1       ~~((+i))~~ (k) Based on quarterly expenditure reports and caseload  
2 forecasts, if the health care authority estimates that expenditures  
3 for the medical assistance program will exceed the appropriations,  
4 the health care authority shall take steps including but not limited  
5 to reduction of rates or elimination of optional services to reduce  
6 expenditures so that total program costs do not exceed the annual  
7 appropriation authority.

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

12       ~~((+k))~~ (m) The legislature affirms that it is in the state's  
13 interest for Harborview medical center to remain an economically  
14 viable component of the state's health care system.

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

20       ~~((+m))~~ (o) \$4,261,000 of the general fund—state appropriation  
21 for fiscal year 2018, \$4,261,000 of the general fund—state  
22 appropriation for fiscal year 2019, and \$8,522,000 of the general  
23 fund—federal appropriation are provided solely for low-income  
24 disproportionate share hospital payments.

25       ~~((+n))~~ (p) Within the amounts appropriated in this section, the  
26 health care authority shall provide disproportionate share hospital  
27 payments to hospitals that provide services to children in the  
28 children's health program who are not eligible for services under  
29 Title XIX or XXI of the federal social security act due to their  
30 citizenship status.

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

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

15 ~~((p))~~ (r) The health care authority shall continue the  
16 inpatient hospital certified public expenditures program for the  
17 2017-2019 fiscal biennium. The program shall apply to all public  
18 hospitals, including those owned or operated by the state, except  
19 those classified as critical access hospitals or state psychiatric  
20 institutions. The health care authority shall submit reports to the  
21 governor and legislature by November 1, 2017, and by November 1,  
22 2018, that evaluate whether savings continue to exceed costs for this  
23 program. If the certified public expenditures (CPE) program in its  
24 current form is no longer cost-effective to maintain, the health care  
25 authority shall submit a report to the governor and legislature  
26 detailing cost-effective alternative uses of local, state, and  
27 federal resources as a replacement for this program. During fiscal  
28 year 2018 and fiscal year 2019, hospitals in the program shall be  
29 paid and shall retain one hundred percent of the federal portion of  
30 the allowable hospital cost for each medicaid inpatient fee-for-  
31 service claim payable by medical assistance and one hundred percent  
32 of the federal portion of the maximum disproportionate share hospital  
33 payment allowable under federal regulations. Inpatient medicaid  
34 payments shall be established using an allowable methodology that  
35 approximates the cost of claims submitted by the hospitals. Payments  
36 made to each hospital in the program in each fiscal year of the  
37 biennium shall be compared to a baseline amount. The baseline amount  
38 will be determined by the total of (i) the inpatient claim payment  
39 amounts that would have been paid during the fiscal year had the  
40 hospital not been in the CPE program based on the reimbursement rates

1 developed, implemented, and consistent with policies approved in the  
2 2017-2019 biennial operating appropriations act and in effect on July  
3 1, 2015, (ii) one-half of the indigent assistance disproportionate  
4 share hospital payment amounts paid to and retained by each hospital  
5 during fiscal year 2005, and (iii) all of the other disproportionate  
6 share hospital payment amounts paid to and retained by each hospital  
7 during fiscal year 2005 to the extent the same disproportionate share  
8 hospital programs exist in the 2017-2019 fiscal biennium. If payments  
9 during the fiscal year exceed the hospital's baseline amount, no  
10 additional payments will be made to the hospital except the federal  
11 portion of allowable disproportionate share hospital payments for  
12 which the hospital can certify allowable match. If payments during  
13 the fiscal year are less than the baseline amount, the hospital will  
14 be paid a state grant equal to the difference between payments during  
15 the fiscal year and the applicable baseline amount. Payment of the  
16 state grant shall be made in the applicable fiscal year and  
17 distributed in monthly payments. The grants will be recalculated and  
18 redistributed as the baseline is updated during the fiscal year. The  
19 grant payments are subject to an interim settlement within eleven  
20 months after the end of the fiscal year. A final settlement shall be  
21 performed. To the extent that either settlement determines that a  
22 hospital has received funds in excess of what it would have received  
23 as described in this subsection, the hospital must repay the excess  
24 amounts to the state when requested. (~~(\$10,575,000)~~) \$359,000 of the  
25 general fund—state appropriation for fiscal year 2018 and  
26 (~~(\$13,185,000)~~) \$361,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for state grants for the  
28 participating hospitals.

29 (~~(s)~~) (s) The health care authority shall seek public-private  
30 partnerships and federal funds that are or may become available to  
31 provide on-going support for outreach and education efforts under the  
32 federal children's health insurance program reauthorization act of  
33 2009.

34 (~~(t)~~) (t) The health care authority shall target funding for  
35 maternity support services towards pregnant women with factors that  
36 lead to higher rates of poor birth outcomes, including hypertension,  
37 a preterm or low birth weight birth in the most recent previous  
38 birth, a cognitive deficit or developmental disability, substance  
39 abuse, severe mental illness, unhealthy weight or failure to gain  
40 weight, tobacco use, or African American or Native American race. The

1 health care authority shall prioritize evidence-based practices for  
2 delivery of maternity support services. To the extent practicable,  
3 the health care authority shall develop a mechanism to increase  
4 federal funding for maternity support services by leveraging local  
5 public funding for those services.

6 ~~((s))~~ (u) The authority shall submit reports to the governor  
7 and the legislature by September 15, 2018, and no later than  
8 September 15, 2019, that delineate the number of individuals in  
9 medicaid managed care, by carrier, age, gender, and eligibility  
10 category, receiving preventative services and vaccinations. The  
11 reports should include baseline and benchmark information from the  
12 previous two fiscal years and should be inclusive of, but not limited  
13 to, services recommended under the United States preventative  
14 services task force, advisory committee on immunization practices,  
15 early and periodic screening, diagnostic, and treatment (EPSDT)  
16 guidelines, and other relevant preventative and vaccination medicaid  
17 guidelines and requirements.

18 ~~((t))~~ (v) Managed care contracts must incorporate  
19 accountability measures that monitor patient health and improved  
20 health outcomes, and shall include an expectation that each patient  
21 receive a wellness examination that documents the baseline health  
22 status and allows for monitoring of health improvements and outcome  
23 measures.

24 ~~((u))~~ (w) Sufficient amounts are appropriated in this section  
25 for the authority to provide an adult dental benefit.

26 ~~((v))~~ (x) The health care authority shall coordinate with the  
27 department of social and health services to provide referrals to the  
28 Washington health benefit exchange for clients that will be  
29 ineligible for medicaid.

30 ~~((w))~~ (y) To facilitate a single point of entry across public  
31 and medical assistance programs, and to maximize the use of federal  
32 funding, the health care authority, the department of social and  
33 health services, and the health benefit exchange will coordinate  
34 efforts to expand HealthPlanfinder access to public assistance and  
35 medical eligibility staff. The health care authority shall complete  
36 medicaid applications in the HealthPlanfinder for households  
37 receiving or applying for medical assistance benefits.

38 ~~((x))~~ (z) \$90,000 of the general fund—state appropriation for  
39 fiscal year 2018, \$90,000 of the general fund—state appropriation for

1 fiscal year 2019, and \$180,000 of the general fund—federal  
2 appropriation are provided solely to continue operation by a  
3 nonprofit organization of a toll-free hotline that assists families  
4 to learn about and enroll in the apple health for kids program.

5 ~~((y))~~ (aa) The appropriations in this section reflect savings  
6 and efficiencies by transferring children receiving medical care  
7 provided through fee-for-service to medical care provided through  
8 managed care.

9 ~~((z))~~ (bb) Within the amounts appropriated in this section, the  
10 authority shall reimburse for primary care services provided by  
11 naturopathic physicians.

12 ~~((aa))~~ (cc) Within the amounts appropriated in this section,  
13 the authority shall continue to provide coverage for pregnant teens  
14 that qualify under existing pregnancy medical programs, but whose  
15 eligibility for pregnancy related services would otherwise end due to  
16 the application of the new modified adjusted gross income eligibility  
17 standard.

18 ~~((bb))~~ (dd) Sufficient amounts are appropriated in this section  
19 to remove the mental health visit limit and to provide the shingles  
20 vaccine and screening, brief intervention, and referral to treatment  
21 benefits that are available in the medicaid alternative benefit plan  
22 in the classic medicaid benefit plan.

23 ~~((ee))~~ (ee) The authority shall use revenue appropriated from  
24 the dedicated marijuana fund for contracts with community health  
25 centers under RCW 69.50.540 in lieu of general fund—state payments to  
26 community health centers for services provided to medical assistance  
27 clients, and it is the intent of the legislature that this policy  
28 will be continued in subsequent fiscal biennia.

29 ~~((dd))~~ (ff) \$127,000 of the general fund—state appropriation  
30 for fiscal year 2018 and \$1,144,000 of the general fund—federal  
31 appropriation are provided solely to the ProviderOne provider  
32 overtime project and are subject to the conditions, limitations, and  
33 review provided in section 724 of this act.

34 ~~((ee))~~ (gg) \$175,000 of the general fund—state appropriation  
35 for fiscal year 2018 and \$825,000 of the general fund—federal  
36 appropriation are provided solely to the ProviderOne CORE operating  
37 rules project and are subject to the conditions, limitations, and  
38 review provided in section 724 of this act.

1        ~~((ff))~~ ~~(\$2,200,000))~~ (hh) \$1,483,000 of the general fund—state  
2 appropriation for fiscal year 2018 ~~((and \$2,701,000))~~, \$1,594,000 of  
3 the general fund—state appropriation for fiscal year 2019, and  
4 \$1,509,000 of the general fund—federal appropriation are provided  
5 ~~((solely))~~ for a rate increase effective July 1, 2018 and performance  
6 payments to reward successful beneficiary engagement in the health  
7 homes program for ~~((dual-eligible))~~ fee-for-service enrollees and  
8 these are the maximum amounts in each fiscal year the authority may  
9 expend for this purpose.

10        ~~((gg))~~ (ii) \$450,000 of the general fund—state appropriation  
11 for fiscal year 2018, \$450,000 of the general fund—state  
12 appropriation for fiscal year 2019, and \$1,058,000 of the general  
13 fund—federal appropriation are provided solely for the authority to  
14 hire ten nurse case managers to coordinate medically assisted  
15 treatment and movements to medical homes for those being treated for  
16 opioid use disorder. Nurses shall be located in areas and provider  
17 settings with the highest concentration of opioid use disorder  
18 patients.

19        ~~((hh))~~ (jj) Sufficient amounts are appropriated in this section  
20 for the authority to provide a collaborative care benefit beginning  
21 July 1, 2017.

22        ~~((ii))~~ (kk) The authority and the department of social and  
23 health services shall convene a work group consisting of  
24 representatives of skilled nursing facilities, adult family homes,  
25 assisted living facilities, managers of in-home long-term care,  
26 hospitals, and managed health care systems. The work group shall  
27 identify barriers that may prevent skilled nursing facilities from  
28 accepting and admitting clients from acute care hospitals in a timely  
29 and appropriate manner. The work group shall consider what additional  
30 resources are needed to allow for faster transfers of enrollees,  
31 including those with complex needs. By December 1, 2017, the  
32 authority shall report the work group's findings to the governor and  
33 the appropriate committees of the legislature.

34        ~~((jj))~~ (ll) Within the amounts appropriated within this  
35 section, the authority shall implement the plan to show how improved  
36 access to home health nursing reduces potentially preventable  
37 readmissions, increases access to care, reduces hospital length of  
38 stay, and prevents overall hospital admissions for clients receiving  
39 private duty nursing, medically intensive care, or home health

1 benefits as described in their report to the legislature dated  
2 December 15, 2016, entitled home health nursing. The authority shall  
3 report to the governor and appropriate committees of the legislature  
4 by December 31, 2017, information regarding the effect of the ten  
5 dollar rate increases for skilled nursing care delivered via private  
6 duty nursing or home health nursing, and how the rate changes  
7 impacted the utilization and cost of emergency room visits, reduced  
8 the length of stay for initial hospital admissions, and reduced  
9 utilization and costs of preventable hospital readmissions. The  
10 report will quantify potential cost saving opportunities that may  
11 exist through improved access to private duty and home health nursing  
12 statewide.

13 ~~((kk))~~ (mm) Within the amounts appropriated within this  
14 section, beginning July 1, 2017, the authority must increase facility  
15 fees to birth centers to the amount listed on page two of their  
16 report to the legislature dated October 15, 2016, entitled  
17 reimbursement for births performed at birth centers. This increased  
18 rate is applicable in both a fee for service setting and is the  
19 minimum allowable rate in a managed care setting. The authority shall  
20 report to the governor and appropriate committees of the legislature  
21 by October 15, 2018, updated information regarding access to care,  
22 improvements to the Cesarean section rate, and savings outcomes for  
23 utilizing birth centers as an alternative to hospitals.

24 ~~((ll))~~ (nn) Beginning no later than January 1, 2018, for any  
25 service eligible under the medicaid state plan for encounter  
26 payments, managed care organizations at the request of a rural health  
27 clinic shall pay the full published encounter rate directly to the  
28 clinic. At no time will a managed care organization be at risk for or  
29 have any right to the supplemental portion of the claim. Payments  
30 will be reconciled on at least an annual basis between the managed  
31 care organization and the authority, with final review and approval  
32 by the authority. By September 31, 2017, the authority shall report  
33 to the legislature on its progress implementing this subsection.

34 ~~((mm))~~ (oo) Within the amounts appropriated in this section,  
35 and in consultation with appropriate parties, including the rural  
36 health clinic association of Washington and the centers for medicare  
37 and medicaid services, by December 1, 2017, the authority shall  
38 submit a report to the governor and appropriate committees of the  
39 legislature evaluating legislative and administrative options to  
40 reduce or eliminate any amounts owed by rural health clinics under

1 the payment reconciliation process established in the medicaid state  
2 plan.

3 ~~((nn))~~ (pp) \$500,000 of the general fund—state appropriation  
4 for fiscal year 2019 and \$500,000 of the general fund—federal  
5 appropriation are provided solely for the authority to implement the  
6 oral health connections pilot project in ~~((Yakima, Adams,))~~ Spokane,  
7 Thurston, and Cowlitz counties. The authority shall work in  
8 collaboration with Washington dental service foundation to jointly  
9 develop and implement the program. The purpose of the three-year  
10 pilot is to test the effect that enhanced dental benefits for adult  
11 medicaid clients with diabetes and pregnant women have on access to  
12 dental care, health outcomes, and medical care costs. The authority  
13 must model the pilot on the access to baby and child dentistry  
14 program. The pilot program must include enhanced reimbursement rates  
15 for participating dental providers, including denturists licensed  
16 under chapter 18.30 RCW, and an increase in the allowable number of  
17 periodontal treatments to up to four per calendar year. Diabetic or  
18 pregnant adult medicaid clients who are receiving dental care within  
19 the pilot region(s), regardless of location of the service within the  
20 pilot region(s), are eligible for the increased number of periodontal  
21 treatments. The Washington dental service foundation shall partner  
22 with the authority and provide wraparound services to link patients  
23 to care. The authority and Washington dental service foundation shall  
24 jointly develop the program. The authority and foundation shall  
25 provide a joint progress report to the appropriate committees of the  
26 legislature on December 1, 2017, and December 1, 2018.

27 ~~((oo))~~ (qq) Sufficient amounts are appropriated in this section  
28 to increase the daily rate by \$155.20 for skilled nursing performed  
29 by licensed practical nurses and registered nurses who serve  
30 medically intensive children's program clients who reside in a group  
31 home setting.

32 ~~((pp))~~ (rr) During the 2017-2019 fiscal biennium, the authority  
33 must revise its agreements and contracts with vendors to include a  
34 provision to require that each vendor agrees to equality among its  
35 workers by ensuring similarly employed individuals are compensated as  
36 equals as follows:

37 (i) Employees are similarly employed if the individuals work for  
38 the same employer, the performance of the job requires comparable  
39 skill, effort, and responsibility, and the jobs are performed under



1 similar working conditions. Job titles alone are not determinative of  
2 whether employees are similarly employed;

3 (ii) Vendors may allow differentials in compensation for its  
4 workers based in good faith on any of the following:

5 (A) A seniority system; a merit system; a system that measures  
6 earnings by quantity or quality of production; a bona fide job-  
7 related factor or factors; or a bona fide regional difference in  
8 compensation levels.

9 (B) A bona fide job-related factor or factors may include, but  
10 not be limited to, education, training, or experience, that is:  
11 Consistent with business necessity; not based on or derived from a  
12 gender-based differential; and accounts for the entire differential.

13 (C) A bona fide regional difference in compensation level must  
14 be: Consistent with business necessity; not based on or derived from  
15 a gender-based differential; and account for the entire differential.

16 (iii) The provision must allow for the termination of the  
17 contract if the authority or department of enterprise services  
18 determines that the vendor is not in compliance with this agreement  
19 or contract term.

20 (iv) The authority must implement this provision with any new  
21 contract and at the time of renewal of any existing contract.

22 ~~((+q+))~~ (ss) \$100,000 of the general fund—state appropriation  
23 for fiscal year 2018 and \$100,000 of the general fund—state  
24 appropriation for fiscal year 2019 are provided solely for a pilot  
25 program for treatment of inmates at the Snohomish county jail who are  
26 undergoing detoxification from heroin and other opioids and for  
27 connecting those individuals with treatment providers in the  
28 community upon their release.

29 ~~((+rr+))~~ (tt) \$6,487,000 of the general fund—state appropriation  
30 for fiscal year 2018 and \$1,340,000 of the general fund—state  
31 appropriation for fiscal year 2019 are provided solely for the  
32 physical health care costs of medicaid clients receiving services in  
33 facilities classified as institutions for mental diseases for longer  
34 than 15 days in a calendar month. The authority must apply for a  
35 waiver from the center for medicare and medicaid services to allow  
36 for the full cost of stays in institutions for mental diseases to be  
37 included in managed care rates beginning on July 1, 2018. The  
38 authority must submit a report on the status of the waiver to the

1 office of financial management and the appropriate committees of the  
2 legislature by December 1, 2017.

3 ~~((ss))~~ (uu) The authority shall evaluate adding a tele-  
4 pyschiatry consultation benefit for medicaid covered individuals. The  
5 authority shall submit a report with the cost associated with adding  
6 such a benefit to the governor and appropriate committees of the  
7 legislature by October 1, 2017.

8 ~~((tt))~~ (vv) \$33,000 of the general fund—state appropriation for  
9 fiscal year 2018, ~~(((\$7,000 of the state health care authority  
10 administrative account—state appropriation,))~~ and \$42,000 of the  
11 general fund—federal appropriation are provided solely for the  
12 bleeding disorder collaborative for care.

13 ~~((uu))~~ (ww) \$304,000 of the general fund—state appropriation  
14 for fiscal year 2018, \$304,000 of the general fund—state  
15 appropriation for fiscal year 2019, and \$608,000 of the general fund—  
16 federal appropriation are provided solely for the authority to  
17 contract with the University of Washington tele-pain pain management  
18 program and pain management call center to advance primary care  
19 provider knowledge of complex pain management issues, including  
20 opioid addiction.

21 ~~((vv))~~ (xx) \$165,000 of the general fund—state appropriation  
22 for fiscal year 2018, \$329,000 of the general fund—state  
23 appropriation for fiscal year 2019, and \$604,000 of the general fund—  
24 federal appropriation are provided solely for implementation of  
25 chapter 202, Laws of 2017 (Engrossed Second Substitute House Bill No.  
26 1713) (children's mental health).

27 ~~((ww))~~ (yy) \$1,813,000 of the general fund—state appropriation  
28 for fiscal year 2018, \$3,764,000 of the general fund—state  
29 appropriation for fiscal year 2019, and \$12,930,000 of the general  
30 fund—federal appropriation are provided solely for implementation of  
31 chapter 110, Laws of 2017 (Second Substitute House Bill No. 1338)  
32 (state health insurance pool).

33 ~~((xx)—\$347,000))~~ (zz) \$69,000 of the general fund—state  
34 appropriation for fiscal year 2018, ~~(((\$839,000))~~ \$1,118,000 of the  
35 general fund—state appropriation for fiscal year 2019, and \$943,000  
36 of the general fund—federal appropriation are provided solely for  
37 implementation of chapter 198, Laws of 2017 (Substitute House Bill  
38 No. 1520) (hospital payment methodology).

1       (~~(yy)~~) (aaa) Sufficient amounts are appropriated in this  
2 section for the implementation of chapter 273, Laws of 2017  
3 (Engrossed Second Substitute House Bill No. 1358) (community asst.  
4 referral programs).

5       (~~(zz)~~) (bbb) \$69,000 of the general fund—state appropriation  
6 for fiscal year 2018, \$560,000 of the general fund—state  
7 appropriation for fiscal year 2019, and \$308,000 of the general fund—  
8 federal appropriation are provided solely for the authority to  
9 implement, operate, and maintain a provider credentialing system and  
10 are subject to the conditions, limitations, and review provided in  
11 section 724 of this act. The authority, in collaboration with the  
12 department of health, department of corrections, department of social  
13 and health services, the public employees' benefits board, and the  
14 department of labor and industries, shall work to ensure that a  
15 single platform provider credentialing system is implemented. The  
16 authority, departments, and board shall ensure that appropriate cost  
17 offsets and cost avoidance are assumed for reduced staff time  
18 required for provider credentialing activity and reductions in  
19 improper billing activity when implementing provider credentialing  
20 systems. The authority must enter into agreements with the department  
21 of labor and industries and the public employees' benefits board to  
22 pay their share of the costs of implementing and operating a new  
23 provider credentialing system. The authority shall submit a report to  
24 the office of financial management and appropriate committees of the  
25 legislature outlining projected cost savings and cost avoidance no  
26 later than December 1, 2018.

27       (ccc) \$100,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$400,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for the department and the  
30 health care authority to enter into an interagency agreement to  
31 contract with Washington autism alliance and advocacy (WAAA) to  
32 educate and assist persons seeking the authority's services to  
33 address a suspected or diagnosed autism spectrum disorder or  
34 developmental disability related to autism spectrum disorder. The  
35 department or the authority may refer such individuals to WAAA to  
36 support them in navigating the health care system. The authority, in  
37 collaboration with the department and the WAAA, shall submit a report  
38 to the governor and the appropriate committees of the legislature by  
39 December 15, 2018, and December 15, 2019, detailing how many persons

1 were referred to, how many persons received services from, and what  
2 services were provided by the WAAA. The reports shall also include  
3 what health care services the WAAA was able to connect the referred  
4 persons to, the length of time these connections took, the type of  
5 health coverage the person referred had at the time of referral and  
6 whether alternate coverage was obtained.

7 (ddd) The authority and the office of the insurance commissioner  
8 shall consult with the University of Washington, medicaid managed  
9 care organizations, and health insurance carriers as defined in RCW  
10 48.44.010 to develop an alternative funding model for the partnership  
11 access line (PAL).

12 (i) The funding model must identify potential sources to support:

13 (A) Current PAL services for primary care providers;

14 (B) An expansion of PAL services to include consultation services  
15 for primary care providers treating depression in pregnant women and  
16 new mothers; and

17 (C) An expansion of PAL services to include referrals to  
18 children's mental health services and other resources for parents and  
19 guardians with concerns related to their child's mental health.

20 (ii) In developing the alternative funding model, the authority  
21 and office of the insurance commissioner must:

22 (A) Consider a mechanism that determines the annual cost of  
23 operating the PAL and collects a proportional share of the program  
24 cost from each health insurance carrier;

25 (B) Differentiate between PAL activities eligible for medicaid  
26 funding from other nonmedicaid eligible activities; and

27 (C) Ensure that the expanded services identified in this  
28 subsection do not duplicate existing requirements for medicaid  
29 managed care organizations as required by RCW 74.09.492.

30 (eee) \$20,000 of the general fund—state appropriation for fiscal  
31 year 2019 and \$20,000 of the general fund—federal appropriation are  
32 provided solely for the authority, in partnership with the department  
33 of social and health services and the department of health, to assist  
34 a collaborative public-private entity with implementation of  
35 recommendations in the state plan to address alzheimer's disease and  
36 other dementias.

37 (fff) \$5,825,000 of the general fund—state appropriation for  
38 fiscal year 2019 and \$8,019,000 of the general fund—federal  
39 appropriation are provided solely for an increase in pediatric

1 primary care provider rates to privately owned and operated pediatric  
2 care providers. These amounts are the maximum that the authority may  
3 spend for this purpose. The authority must pursue a state plan  
4 amendment to increase pediatric primary care provider and pediatric  
5 vaccine rates to this class of providers through state directed  
6 payments through a permissible payment model. The codes considered  
7 for these increases should follow those that were used under the  
8 temporary increase provided in calendar years 2013 and 2014 as  
9 outlined in section 1202 of the affordable care act. Both physician  
10 and nonphysician practitioners are eligible for these increases and  
11 are not required to attest. Increases are based upon eligible codes.  
12 The authority must provide a report to the governor and appropriate  
13 committees of the legislature by November 1, 2019, detailing how the  
14 amounts provided in this subsection were used, what percentage  
15 increase was provided for pediatric primary care provider evaluation  
16 and management rates, what percentage increase was provided for  
17 pedsiatric vaccine rates, how utilization has changed within each  
18 category, and how these rate increases have impacted access to care.

19 (ggg) \$50,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$100,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for the authority to conduct a  
22 study to identify strategies for enhancing access to primary care for  
23 medical assistance clients. The authority may collaborate with other  
24 stakeholders as appropriate. The authority shall provide a report  
25 with recommendations to the appropriate committees of the legislature  
26 by December 1, 2018. The study shall, to the extent possible:

27 (i) Review the effect of the temporary rate increase provided as  
28 part of the patient protection and affordable care act on:

29 (A) The number of providers serving medical assistance clients;

30 (B) The number of medical assistance clients receiving services;

31 and

32 (C) Utilization of primary care services.

33 (ii) Identify client barriers to accessing primary care services;

34 (iii) Identify provider barriers to accepting medical assistance  
35 clients;

36 (iv) Identify strategies for incentivizing providers to accept  
37 more medical assistance clients;

38 (v) Prioritize areas for investment that are likely to have the  
39 most impact on increasing access to care; and

1 (vi) Strategically review the current medicaid rates and identify  
2 specific areas and amounts that may promote access to care.

3 (hhh) \$1,400,000 of the general fund—state appropriation for  
4 fiscal year 2019 and \$3,900,000 of the general fund—federal  
5 appropriation are provided solely to increase the rates paid to rural  
6 hospitals that were certified by the centers for medicare and  
7 medicaid services as sole community hospitals as of January 1, 2013,  
8 with less than one hundred fifty acute care licensed beds in fiscal  
9 year 2011. Payments for state and federal medical assistance programs  
10 for services provided by such a hospital, regardless of the  
11 beneficiary's managed care enrollment status, must be increased to  
12 one hundred and fifty percent of the hospital's fee-for-service  
13 rates.

14 (iii) \$40,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely to create a work group at the Robert  
16 Bree collaborative to identify best practices for mental health  
17 services regarding patient mental health treatment and patient  
18 management. The work group shall identify best practices on patient  
19 confidentiality, discharging patients, treating patients with  
20 homicide ideation and suicide ideation, recordkeeping to decrease  
21 variation in practice patterns in these areas, and other areas as  
22 defined by the work group. The work group shall be composed of  
23 clinical and administrative experts including psychologists,  
24 psychiatrists, advanced practice psychiatric nurses, social workers,  
25 marriage and family therapists, certified counselors, and mental  
26 health counselors.

27 (jjj) \$536,000 of the general fund—state appropriation for fiscal  
28 year 2019 is provided solely for implementation of Substitute House  
29 Bill No. 1291 (Pacific Islander health care). If the bill is not  
30 enacted by June 30, 2018, the amount provided in this subsection  
31 shall lapse.

32 (kkk) \$50,000 of the general fund—state appropriation for fiscal  
33 year 2019 and \$50,000 of the general fund—federal appropriation are  
34 provided solely for implementation of Engrossed Second Substitute  
35 House Bill No. 2779 (children's mental health services). If the bill  
36 is not enacted by June 30, 2018, the amounts provided in this  
37 subsection shall lapse.

38 (lll) \$31,000 of the general fund—state appropriation for fiscal  
39 year 2018 and \$44,000 of the general fund—federal appropriation are

1 provided solely for implementation of chapter 303, Laws of 2017  
2 (public records administration).

3 (mmm) \$200,000 of the general fund—state appropriation for fiscal  
4 year 2019 and \$150,000 of the general fund—federal appropriation are  
5 provided solely for the authority to develop and issue a request for  
6 proposal (RFP) to implement a population-based, cost-effective  
7 approach to eradicate the hepatitis C disease in Washington state. In  
8 coordination with the department of health and the department of  
9 corrections, the authority shall contract with a consultant to  
10 support the development of a RFP that requires: (a) A partnership  
11 with a hepatitis C drug manufacturer to make available cost-effective  
12 hepatitis C medications for medicaid and nonmedicaid populations  
13 through potentially new and innovative pricing strategies; (b)  
14 identification of the universe of medicaid and nonmedicaid  
15 populations infected with hepatitis C and the development of  
16 successful strategies to treat and eradicate the disease with  
17 associated costs; (c) an evaluation of state agency efforts to treat  
18 medicaid and nonmedicaid populations infected with hepatitis C; (d)  
19 research of population-based hepatitis C models that take into  
20 consideration alternative payment models and service delivery  
21 strategies; (e) the development of care-model options for case  
22 finding and delivery of hepatitis C treatment that leverage existing  
23 efforts in the state, including project ECHO and hub and spoke opiate  
24 use disorder treatment, and estimated costs of implementing such  
25 models; and (f) the development of a timeline to implement care  
26 models and a service delivery system that will eradicate the disease.  
27 The authority shall report initial findings and implementation  
28 timeframes to the office of financial management and the appropriate  
29 committees of the legislature by November 1, 2018, and shall issue a  
30 request for proposal no later than January 1, 2019.

31 (nnn) Sufficient amounts are provided in this subsection for the  
32 authority to provide an adult hearing aid benefit.

33 (2) PUBLIC EMPLOYEES' BENEFITS BOARD AND EMPLOYEE BENEFITS  
34 PROGRAMS

35 State Health Care Authority Administration Account—

36 State Appropriation. . . . . ((\$42,061,000))  
37 \$63,221,000

38 The appropriation in this subsection is subject to the following  
39 conditions and limitations:

1 (a) The authority and the public employees' benefits board shall  
2 consult with the Washington state institute for public policy on the  
3 cost-effectiveness of the wellness plan and any changes to the plan  
4 that can be made to increase the health care efficiency of the  
5 wellness plan. The authority shall report its findings to the  
6 governor and the appropriate committees of the legislature by October  
7 15, 2018.

8 (b) The authority and the public employees' benefits board shall  
9 ensure that procurement for employee health benefits during the  
10 2019-2021 fiscal biennium is consistent with the funding limitations  
11 provided in part 9 of this act.

12 (c) \$236,000 of the state health care authority administration  
13 account—state appropriation for fiscal year 2018 and \$236,000 of the  
14 state health care authority administration account—state  
15 appropriation for fiscal year 2019 are provided solely to the  
16 affordable care act employer shared responsibility project and are  
17 subject to the conditions, limitations, and review provided in  
18 section 724 of this act.

19 (d) All savings resulting from reduced claim costs or other  
20 factors identified after December 31, 2016, must be reserved for  
21 funding employee health benefits in the 2019-2021 fiscal biennium.  
22 Any changes to benefits, including covered prescription drugs, must  
23 be approved by the public employees' benefits board. Upon procuring  
24 benefits for calendar years 2018 and 2019, the public employees'  
25 benefits board shall: (1) Not consider any changes to benefits,  
26 including prescription drugs, without considering comprehensive  
27 analysis of the cost of those changes; and (2) not adopt a package of  
28 benefits and premiums that results in a projected unrestricted  
29 reserve funding level lower than was projected under the assumptions  
30 made prior to procurement. For this purpose, assumptions means  
31 projections about the levels of future claims, costs, enrollment and  
32 other factors, prior to any changes in benefits. The certificates of  
33 coverage agreed to by the health care authority for calendar years  
34 2018 and 2019 must ensure that no increases in coverage of  
35 prescription drugs, services, or other benefits may occur prior to  
36 approval by the public employees' benefits board at the time of  
37 procurement of benefits for the ensuing calendar year. The public  
38 employees' benefits board may, within the funds provided, adopt a  
39 virtual diabetes prevention program and adjust the waiting period for



1 dental crown replacement in the Uniform dental program to align with  
2 the dental managed care plans.

3 (e) Within the amounts appropriated within this section, the  
4 authority, in consultation with one Washington within the office of  
5 financial management, the office of the chief information officer,  
6 and other state agencies with statewide payroll or benefit systems,  
7 shall prepare a report describing options for the replacement of the  
8 Pay 1 information technology system. The report shall evaluate the  
9 potential costs, benefits, and feasibility of integrating the  
10 functions currently performed by Pay 1 into an existing or new  
11 statewide system, as well for a stand-alone system. The report shall  
12 also update the business and system requirements documents previously  
13 developed for a Pay 1 replacement system. This report shall be  
14 provided to the governor and appropriate committees of the  
15 legislature by September 30, 2018.

16 (f) (~~(\$8,000,000)~~) \$28,730,000 of the health care authority  
17 administrative account—state appropriation is provided solely for  
18 implementation of the school employees' benefits board until the new  
19 board commences provision of benefits on January 1, 2020. This  
20 expenditure shall be reimbursed to the health care authority  
21 administrative account from the newly created school employees'  
22 insurance administrative account after January 1, 2020.

23 (g) The public employees' benefits board, in collaboration with  
24 the authority, shall work to ensure that a single platform provider  
25 credentialing system is implemented. The authority and the board  
26 shall ensure that appropriate cost offsets and cost avoidance are  
27 assumed for reduced staff time required for provider credentialing  
28 activity and reductions in improper billing activity when  
29 implementing provider credentialing systems. The board must enter  
30 into an agreement with the authority to pay its share of the costs of  
31 implementing and operating a new provider credentialing system.

32 (3) SCHOOL EMPLOYEES' BENEFITS BOARD  
33 School Employees' Insurance Administrative  
34 Account—State Appropriation. . . . . \$28,730,000

35 The appropriation in this subsection is subject to the following  
36 conditions and limitations: \$28,730,000 of the school employees'  
37 insurance administrative account—state appropriation is provided  
38 solely for implementation of the school employees' benefits board  
39 until the new board commences provision of benefits on January 1,

1 2020. It is the intent of the legislature that the state health care  
2 authority administration account be reimbursed for the appropriation  
3 to this account made in this section, with interest.

4 (4) HEALTH BENEFIT EXCHANGE

5	General Fund—State Appropriation (FY 2018). . . . .	\$5,184,000
6	General Fund—State Appropriation (FY 2019). . . . .	<del>((5,184,000))</del>
7		<u>\$5,701,000</u>
8	General Fund—Federal Appropriation. . . . .	<del>((52,837,000))</del>
9		<u>\$53,892,000</u>
10	Health Benefit Exchange Account—State Appropriation. <del>((56,736,000))</del>	
11		<u>\$59,385,000</u>
12	TOTAL APPROPRIATION. . . . .	<del>((119,941,000))</del>
13		<u>\$124,162,000</u>

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

16 (a) The receipt and use of medicaid funds provided to the health  
17 benefit exchange from the health care authority are subject to  
18 compliance with state and federal regulations and policies governing  
19 the Washington apple health programs, including timely and proper  
20 application, eligibility, and enrollment procedures.

21 (b)(i) By July 15th and January 15th of each year, the authority  
22 shall make a payment of one-half the general fund—state appropriation  
23 and one-half the health benefit exchange account—state appropriation  
24 to the exchange.

25 (ii) For the 2017-2019 biennium, for the purpose of annually  
26 calculating issuer assessments, exchange operational costs may  
27 include up to three months of additional operating costs.

28 (iii) The exchange shall monitor actual to projected revenues and  
29 make necessary adjustments in expenditures or carrier assessments to  
30 ensure expenditures do not exceed actual revenues.

31 (iv) Payments made from general fund—state appropriation and  
32 health benefit exchange account—state appropriation shall be  
33 available for expenditure for no longer than the period of the  
34 appropriation from which it was made. When the actual cost of  
35 materials and services have been fully determined, and in no event  
36 later than the lapsing of the appropriation, any unexpended balance  
37 of the payment shall be returned to the authority for credit to the  
38 fund or account from which it was made, and under no condition shall  
39 expenditures exceed actual revenue.

1 (c) \$321,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for implementation of Second Substitute  
3 House Bill No. 2595 (automatic voter registration). If the bill is  
4 not enacted by June 30, 2018, the amount provided in this subsection  
5 shall lapse.

6 (d) \$196,000 of the general fund—state appropriation for fiscal  
7 year 2019 is provided solely for implementation of Substitute House  
8 Bill No. 1291 (Pacific Islander health care). If the bill is not  
9 enacted by June 30, 2018, the amount provided in this subsection  
10 shall lapse.

11 (5) COMMUNITY BEHAVIORAL HEALTH PROGRAM

12	<u>General Fund—State Appropriation (FY 2019). . . . .</u>	<u>\$576,489,000</u>
13	<u>General Fund—Federal Appropriation. . . . .</u>	<u>\$917,440,000</u>
14	<u>General Fund—Private/Local Appropriation. . . . .</u>	<u>\$18,261,000</u>
15	<u>Criminal Justice Treatment Account—State Appropriation. . . . .</u>	<u>\$6,490,000</u>
16	<u>Problem Gambling Account—State Appropriation. . . . .</u>	<u>\$728,000</u>
17	<u>Dedicated Marijuana Account—State</u>	
18	<u>Appropriation (FY 2019). . . . .</u>	<u>\$28,486,000</u>
19	<u>Pension Funding Stabilization Account—State</u>	
20	<u>Appropriation. . . . .</u>	<u>\$857,000</u>
21	<u>TOTAL APPROPRIATION. . . . .</u>	<u>\$1,548,751,000</u>

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

24 (a) For the purposes of this subsection, amounts provided for  
25 behavioral health organizations shall also be available for the  
26 health care authority to contract with entities that assume the  
27 responsibilities of behavioral health organizations in regions in  
28 which the health care authority is purchasing medical and behavioral  
29 health services through fully integrated contracts pursuant to RCW  
30 71.24.380.

31 (b) \$6,590,000 of the general fund—state appropriation for fiscal  
32 year 2019 and \$3,810,000 of the general fund—federal appropriation  
33 are provided solely for the authority and behavioral health  
34 organizations to continue to contract for implementation of high-  
35 intensity programs for assertive community treatment (PACT) teams. In  
36 determining the proportion of medicaid and nonmedicaid funding  
37 provided to behavioral health organizations with PACT teams, the  
38 authority shall consider the differences between behavioral health

1 organizations in the percentages of services and other costs  
2 associated with the teams that are not reimbursable under medicaid.  
3 The authority may allow behavioral health organizations which have  
4 nonmedicaid reimbursable costs that are higher than the nonmedicaid  
5 allocation they receive under this section to supplement these funds  
6 with local dollars or funds received under (f) of this subsection.  
7 The authority and behavioral health organizations shall maintain  
8 consistency with all essential elements of the PACT evidence-based  
9 practice model in programs funded under this section.

10 (c) From the general fund—state appropriations in this  
11 subsection, the authority shall assure that behavioral health  
12 organizations reimburse the department of social and health services  
13 aging and long term support administration for the general fund—state  
14 cost of medicaid personal care services that enrolled behavioral  
15 health organization consumers use because of their psychiatric  
16 disability.

17 (d) \$1,760,000 of the general fund—federal appropriation is  
18 provided solely for the authority to maintain a pilot project to put  
19 peer bridging staff into each behavioral health organization as part  
20 of the state psychiatric liaison teams to promote continuity of  
21 service as individuals return to their communities.

22 (e) \$6,858,000 of the general fund—state appropriation for fiscal  
23 year 2019 and \$4,023,000 of the general fund—federal appropriation  
24 are provided solely for new crisis triage or stabilization centers.  
25 The authority must seek proposals from behavioral health  
26 organizations for the use of these funds based on regional  
27 priorities. Services in these facilities may include crisis  
28 stabilization and intervention, individual counseling, peer support,  
29 medication management, education, and referral assistance. The  
30 authority shall monitor each center's effectiveness at lowering the  
31 rate of state psychiatric hospital admissions.

32 (f) \$81,930,000 of the general fund—state appropriation for  
33 fiscal year 2019 is provided solely for persons and services not  
34 covered by the medicaid program. To the extent possible, levels of  
35 behavioral health organization spending must be maintained in the  
36 following priority order: Crisis and commitment services; community  
37 inpatient services; and residential care services, including personal  
38 care and emergency housing assistance. These amounts must be  
39 distributed to behavioral health organizations proportionate to the

1 fiscal year 2017 allocation of flexible nonmedicaid funds. The  
2 authority must include the following language in medicaid contracts  
3 with behavioral health organizations unless they are provided formal  
4 notification from the center for medicaid and medicare services that  
5 the language will result in the loss of federal medicaid  
6 participation: "The contractor may voluntarily provide services that  
7 are in addition to those covered under the state plan, although the  
8 cost of these services cannot be included when determining payment  
9 rates unless including these costs are specifically allowed under  
10 federal law or an approved waiver."

11 (g) The authority is authorized to continue to contract directly,  
12 rather than through contracts with behavioral health organizations  
13 for children's long-term inpatient facility services.

14 (h) \$1,125,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely for the Spokane county behavioral health  
16 organization to implement services to reduce utilization and the  
17 census at eastern state hospital. Such services shall include:

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

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

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

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

29 At least annually, the Spokane county behavioral health  
30 organization shall assess the effectiveness of these services in  
31 reducing utilization at eastern state hospital, identify services  
32 that are not optimally effective, and modify those services to  
33 improve their effectiveness.

34 (i) \$1,204,000 of the general fund—state appropriation for fiscal  
35 year 2019 is provided solely to reimburse Pierce and Spokane counties  
36 for the cost of conducting one hundred eighty-day commitment hearings  
37 at the state psychiatric hospitals.

38 (j) Behavioral health organizations may use local funds to earn  
39 additional federal medicaid match, provided the locally matched rate  
40 does not exceed the upper-bound of their federally allowable rate

1 range, and provided that the enhanced funding is used only to provide  
2 medicaid state plan or waiver services to medicaid clients.  
3 Additionally, behavioral health organizations may use a portion of  
4 the state funds allocated in accordance with (f) of this subsection  
5 to earn additional medicaid match, but only to the extent that the  
6 application of such funds to medicaid services does not diminish the  
7 level of crisis and commitment, community inpatient, residential  
8 care, and outpatient services presently available to persons not  
9 eligible for medicaid.

10 (k) \$2,291,000 of the general fund—state appropriation for fiscal  
11 year 2019 is provided solely for mental health services for mentally  
12 ill offenders while confined in a county or city jail and for  
13 facilitating access to programs that offer mental health services  
14 upon release from confinement. The authority must collect information  
15 from the behavioral health organizations on their plan for using  
16 these funds, the numbers of individuals served, and the types of  
17 services provided and submit a report to the office of financial  
18 management and the appropriate fiscal committees of the legislature  
19 by December 1st of each year of the biennium.

20 (l) Within the amounts appropriated in this section, funding is  
21 provided for the authority to develop and phase in intensive mental  
22 health services for high needs youth consistent with the settlement  
23 agreement in *T.R. v. Dreyfus and Porter*.

24 (m) The authority must establish minimum and maximum funding  
25 levels for all reserves allowed under behavioral health organization  
26 contracts and insert contract language that clearly states the  
27 requirements and limitations. The authority must monitor and ensure  
28 that behavioral health organization reserves do not exceed maximum  
29 levels. The authority must monitor behavioral health organization  
30 revenue and expenditure reports and must require a behavioral health  
31 organization to submit a corrective action plan on how it will spend  
32 its excess reserves within a reasonable period of time, when its  
33 reported reserves exceed maximum levels established under the  
34 contract. The authority must review and approve such plans and  
35 monitor to ensure compliance. If the authority determines that a  
36 behavioral health organization has failed to provide an adequate  
37 excess reserve corrective action plan or is not complying with an  
38 approved plan, the authority must reduce payments to the behavioral  
39 health organization in accordance with remedial actions provisions  
40 included in the contract. These reductions in payments must continue

1 until the authority determines that the behavioral health  
2 organization has come into substantial compliance with an approved  
3 excess reserve corrective action plan.

4 (n) \$3,079,000 of the general fund—state appropriation for fiscal  
5 year 2019 and \$2,892,000 of the general fund—federal appropriation  
6 are provided solely for the authority to increase rates for community  
7 hospitals that provide a minimum of two hundred medicaid psychiatric  
8 inpatient days. The authority must increase both medicaid and  
9 nonmedicaid psychiatric per-diem reimbursement rates for these  
10 providers within these amounts. The amounts in this subsection  
11 include funding for additional hold harmless payments resulting from  
12 the rate increase. The authority shall prioritize increases for  
13 hospitals not currently paid based on provider specific costs using a  
14 similar methodology used to set rates for existing inpatient  
15 facilities and the latest available cost report information. Rate  
16 increases for providers must be set so as not to exceed the amounts  
17 provided within this subsection. The rate increase related to  
18 nonmedicaid clients must be done to maintain the provider at the same  
19 percentage as currently required under WAC 182-550-4800.

20 (o) \$100,000 of the general fund—state appropriation for fiscal  
21 year 2019 is provided solely for the authority to collaborate with  
22 tribal governments and develop a plan for establishing an evaluation  
23 and treatment facility that will specialize in providing care  
24 specifically to the American Indian and Alaska Native population. The  
25 plan must include options for maximizing federal participation and  
26 ensure that utilization will be based on medical necessity and  
27 identify a specific geographic location where a tribal evaluation and  
28 treatment facility will be built.

29 (p) \$7,103,000 of the general fund—state appropriation for fiscal  
30 year 2019 and \$8,052,000 of the general fund—federal appropriation  
31 are provided solely for the authority to contract with community  
32 hospitals or freestanding evaluation and treatment centers to provide  
33 up to forty-eight long-term inpatient care beds as defined in RCW  
34 71.24.025. The authority must seek proposals and contract directly  
35 for these services rather than contracting through behavioral health  
36 organizations. The authority must not use any of the amounts provided  
37 under this subsection for contracts with facilities that are subject  
38 to federal funding restrictions that apply to institutions of mental

1 diseases, unless they have received a waiver that allows for full  
2 federal participation in these facilities.

3 (q) \$1,133,000 of the general fund—state appropriation for fiscal  
4 year 2019 and \$1,297,000 of the general fund—federal appropriation  
5 are provided solely to increase the number of psychiatric residential  
6 treatment beds for individuals transitioning from psychiatric  
7 inpatient settings. The authority must seek proposals from behavioral  
8 health organizations for the use of these amounts and coordinate with  
9 the department of social and health services in awarding these funds.  
10 The authority must not allow for any of the amounts provided under  
11 this subsection to be used for services in facilities that are  
12 subject to federal funding restrictions that apply to institutions of  
13 mental diseases, unless they have received a waiver that allows for  
14 full federal participation in these facilities.

15 (r) \$6,744,000 of the general fund—state appropriation for fiscal  
16 year 2019 and \$14,516,000 of the general fund—federal appropriation  
17 are provided solely for the authority to increase medicaid capitation  
18 payments for behavioral health organizations. The authority must work  
19 with the actuaries responsible for certifying behavioral health  
20 capitation rates to adjust average salary assumptions in order to  
21 implement this increase. In developing further updates for medicaid  
22 managed care rates for behavioral health services, the authority must  
23 require the contracted actuaries to: (i) Review and consider  
24 comparison of salaries paid by government agencies and hospitals that  
25 compete with community providers for behavioral health workers in  
26 developing salary assumptions; and (ii) review data to see whether a  
27 specific travel assumption for high congestion areas is warranted.  
28 The authority must include and make available all applicable  
29 documents and analysis to legislative staff from the fiscal  
30 committees throughout the process. The authority must require the  
31 actuaries to develop and submit rate ranges for each behavioral  
32 health organization prior to certification of specific rates.

33 (s) The number of beds allocated for use by behavioral health  
34 organizations at eastern state hospital shall be one hundred ninety  
35 two per day. The number of nonforensic beds allocated for use by  
36 behavioral health organizations at western state hospital shall be  
37 five hundred fifty-seven per day. In fiscal year 2019, the authority  
38 must reduce the number of beds allocated for use by behavioral health  
39 organizations at western state hospital by thirty beds to allow for



1 the repurposing of a civil ward at western state hospital to provide  
2 forensic services. The contracted beds provided under (p) of this  
3 subsection shall be allocated to the behavioral health organizations  
4 in lieu of beds at the state hospitals and be incorporated in their  
5 allocation of state hospital patient days of care for the purposes of  
6 calculating reimbursements pursuant to RCW 71.24.310. It is the  
7 intent of the legislature to continue the policy of expanding  
8 community based alternatives for long term civil commitment services  
9 that allow for state hospital beds to be prioritized for forensic  
10 patients.

11 (t) \$11,405,000 of the general fund—state appropriation for  
12 fiscal year 2019 and \$8,840,000 of the general fund—federal  
13 appropriation are provided solely to maintain enhancements of  
14 community mental health services. The authority must contract these  
15 funds for the operation of community programs in which the authority  
16 determines there is a need for capacity that allows individuals to be  
17 diverted or transitioned from the state hospitals including but not  
18 limited to: (i) Community hospital or free standing evaluation and  
19 treatment services providing short-term detention and commitment  
20 services under the involuntary treatment act to be located in the  
21 geographic areas of the King behavioral health organization, the  
22 Spokane behavioral health organization outside of Spokane county, and  
23 the Thurston Mason behavioral health organization; (ii) one new full  
24 program of an assertive community treatment team in the King  
25 behavioral health organization and two new half programs of assertive  
26 community treatment teams in the Spokane behavioral health  
27 organization and the Pierce behavioral health organization; and (iii)  
28 three new recovery support services programs in the Great Rivers  
29 behavioral health organization, the greater Columbia behavioral  
30 health organization, and the north sound behavioral health  
31 organization. In contracting for community evaluation and treatment  
32 services, the authority may not use these resources in facilities  
33 that meet the criteria to be classified under federal law as  
34 institutions for mental diseases. If the authority is unable to come  
35 to a contract agreement with a designated behavioral health  
36 organization for any of the services identified above, it may  
37 consider contracting for that service in another region that has the  
38 need for such service.

1       (u) \$1,296,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for clubhouse programs. The authority  
3 shall ensure that \$400,000 is used for the biennium for support of  
4 the Spokane clubhouse program and the remaining funds must be used  
5 for support of new clubhouse programs. The authority must develop  
6 options and cost estimates for implementation of clubhouse programs  
7 statewide through a medicaid state plan amendment or a medicaid  
8 waiver and submit a report to the office of financial management and  
9 the appropriate committees of the legislature by December 1, 2018.

10       (v) \$213,000 of the general fund—state appropriation for fiscal  
11 year 2019 is provided solely to fund one pilot project in Pierce  
12 county and one in Yakima county to promote increased utilization of  
13 assisted outpatient treatment programs. The authority shall require  
14 two behavioral health organizations to contract with local government  
15 to establish the necessary infrastructure for the programs. The  
16 authority shall provide a report by October 15, 2018, to the office  
17 of financial management and the appropriate fiscal and policy  
18 committees of the legislature to include the number of individuals  
19 served, outcomes to include reduced use of inpatient treatment and  
20 state hospital stays, and recommendations for further implementation  
21 based on lessons learned and best practices identified by the pilot  
22 projects.

23       (w) \$3,278,000 of the dedicated marijuana account—state  
24 appropriation for fiscal year 2019 is provided solely for a  
25 memorandum of understanding with the department of social and health  
26 services juvenile rehabilitation administration to provide substance  
27 abuse treatment programs for juvenile offenders. Of the amounts  
28 provided in this subsection (5)(w):

29       (i) \$1,130,000 of the dedicated marijuana account—state  
30 appropriation for fiscal year 2019 is provided solely for alcohol and  
31 substance abuse treatment programs for locally committed offenders.  
32 The juvenile rehabilitation administration shall award these funds as  
33 described in section 203(4) of this act.

34       (ii) \$282,000 of the dedicated marijuana account—state  
35 appropriation for fiscal year 2019 is provided solely for the  
36 expansion of evidence-based treatments and therapies as described in  
37 section 203(2) of this act.

38       (x) During fiscal year 2019, any amounts provided in this section  
39 that are used for case management services for pregnant and parenting

1 women must be contracted directly between the authority and providers  
2 rather than through contracts with behavioral health organizations.

3 (y) Within the amounts appropriated in this section, the  
4 authority may contract with the University of Washington and  
5 community-based providers for the provision of the parent-child  
6 assistance program or other specialized chemical dependency case  
7 management providers for pregnant, post-partum, and parenting women.  
8 For all contractors: (i) Service and other outcome data must be  
9 provided to the department by request; and (ii) indirect charges for  
10 administering the program must not exceed ten percent of the total  
11 contract amount.

12 (z) \$1,750,000 of the general fund—federal appropriation (from  
13 the substance abuse prevention and treatment federal block grant) is  
14 provided solely for the continued funding of existing county drug and  
15 alcohol use prevention programs.

16 (aa) \$200,000 of the dedicated marijuana account—state  
17 appropriation for fiscal year 2019 is provided solely for a contract  
18 with the Washington state institute for public policy to conduct  
19 cost-benefit evaluations of the implementation of chapter 3, Laws of  
20 2013 (Initiative Measure No. 502).

21 (bb) \$500,000 of the dedicated marijuana account—state  
22 appropriation for fiscal year 2019 is provided solely to design and  
23 administer the Washington state healthy youth survey and the  
24 Washington state young adult behavioral health survey.

25 (cc) \$396,000 of the dedicated marijuana account—state  
26 appropriation for fiscal year 2019 is provided solely for maintaining  
27 increased services to pregnant and parenting women provided through  
28 the parent child assistance program.

29 (dd) \$250,000 of the dedicated marijuana account—state  
30 appropriation for fiscal year 2019 is provided solely for a grant to  
31 the office of superintendent of public instruction to provide life  
32 skills training to children and youth in schools that are in high  
33 needs communities.

34 (ee) \$386,000 of the dedicated marijuana account—state  
35 appropriation for fiscal year 2019 is provided solely to maintain  
36 increased prevention and treatment services provided by tribes to  
37 children and youth.

38 (ff) \$2,684,000 of the dedicated marijuana account—state  
39 appropriation for fiscal year 2019 and \$950,000 of the general fund—

1 federal appropriation are provided solely to maintain increased  
2 residential treatment services for children and youth.

3 (gg) \$250,000 of the dedicated marijuana account—state  
4 appropriation for fiscal year 2019 is provided solely for training  
5 and technical assistance for the implementation of evidence based,  
6 research based, and promising programs which prevent or reduce  
7 substance use disorders.

8 (hh) \$2,434,000 of the dedicated marijuana account—state  
9 appropriation for fiscal year 2019 is provided solely for expenditure  
10 into the home visiting services account.

11 (ii) \$2,500,000 of the dedicated marijuana account—state  
12 appropriation for fiscal year 2019 is provided solely for grants to  
13 community-based programs that provide prevention services or  
14 activities to youth, including programs for school-based resource  
15 officers. These funds must be utilized in accordance with RCW  
16 69.50.540.

17 (jj) Within the amounts provided in this section, behavioral  
18 health organizations must provide outpatient chemical dependency  
19 treatment for offenders enrolled in the medicaid program who are  
20 supervised by the department of corrections pursuant to a term of  
21 community supervision. Contracts with behavioral health organizations  
22 must require that behavioral health organizations include in their  
23 provider network specialized expertise in the provision of  
24 manualized, evidence-based chemical dependency treatment services for  
25 offenders. The department of corrections and the authority must  
26 develop a memorandum of understanding for department of corrections  
27 offenders on active supervision who are medicaid eligible and meet  
28 medical necessity for outpatient substance use disorder treatment.  
29 The agreement will ensure that treatment services provided are  
30 coordinated, do not result in duplication of services, and maintain  
31 access and quality of care for the individuals being served. The  
32 authority must provide all necessary data, access, and reports to the  
33 department of corrections for all department of corrections offenders  
34 that receive medicaid paid services.

35 (kk) \$562,000 of the general fund—federal appropriation is  
36 provided solely for the authority to develop a memorandum of  
37 understanding with the department of health for implementation of  
38 chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment programs).

1 The authority must use these amounts to reimburse the department of  
2 health for costs incurred through the implementation of the bill.

3 (ll) \$2,580,000 of the general fund—state appropriation for  
4 fiscal year 2019 and \$2,320,000 of the general fund—federal  
5 appropriation are provided solely for the development and operation  
6 of two secure detoxification facilities. The authority must not use  
7 any of these amounts for services in facilities that are subject to  
8 federal funding restrictions that apply to institutions for mental  
9 diseases, unless they have received a waiver that allows for full  
10 federal participation in these facilities.

11 (mm) \$100,000 of the general fund—state appropriation for fiscal  
12 year 2019 is provided solely for parenting education services focused  
13 on pregnant and parenting women.

14 (nn) Within existing appropriations, the authority shall  
15 prioritize the prevention and treatment of intravenous opiate-based  
16 drug use.

17 (oo) The criminal justice treatment account—state appropriation  
18 is provided solely for treatment and treatment support services for  
19 offenders with a substance use disorder pursuant to RCW 71.24.580.  
20 The authority must offer counties the option to administer their  
21 share of the distributions provided for under RCW 71.24.580(5)(a). If  
22 a county is not interested in administering the funds, the authority  
23 shall contract with a behavioral health organization or  
24 administrative services organization to administer these funds  
25 consistent with the plans approved by local panels pursuant to RCW  
26 71.24.580(5)(b). The authority must provide a report to the office of  
27 financial management and the appropriate committees of the  
28 legislature which identifies the distribution of criminal justice  
29 treatment account funds by September 30, 2018.

30 (pp) \$26,000,000 of the general fund—state appropriation for  
31 fiscal year 2019 and \$44,200,000 of the general fund—federal  
32 appropriation are provided solely for the enhancement of community-  
33 based behavioral health services. This funding must be allocated to  
34 behavioral health organizations proportionate to their regional  
35 population. In order to receive these funds, each behavioral health  
36 organization must submit a plan to address the following issues: (i)  
37 Reduction in their use of long-term commitment beds through community  
38 alternatives; (ii) compliance with RCW 71.05.365 requirements for  
39 transition of state hospital patients into community settings within

1 fourteen days of the determination that they no longer require active  
2 psychiatric treatment at an inpatient level of care; (iii)  
3 improvement of staff recruitment and retention in community  
4 behavioral health facilities; (iv) diversion of individuals with  
5 behavioral health issues from the criminal justice system; and (v)  
6 efforts to improve recovery oriented services, including, but not  
7 limited to, expansion of clubhouse models. The plans are not limited  
8 to the amounts in this subsection and may factor in all resources the  
9 behavioral health organization receives from the state. Each plan  
10 must identify metrics for tracking progress in each of the areas  
11 identified. The authority must collect information on the metrics and  
12 outcomes and submit a report summarizing the findings to the office  
13 of financial management and the appropriate committees of the  
14 legislature by June 30, 2019. Up to twenty percent of the general  
15 fund—state appropriation amounts for each behavioral health  
16 organization may be used to increase their nonmedicaid funding and  
17 the remainder must be used to increase medicaid rates up to but not  
18 exceeding the top of each behavioral health organizations medicaid  
19 rate range. Each behavioral health organization must specify in their  
20 plan how they would like the funds distributed between medicaid rates  
21 and nonmedicaid funding in accordance with this subsection.

22 (qq) \$11,023,000 of the general fund—state appropriation for  
23 fiscal year 2019 is provided solely to assist behavioral health  
24 organizations with the costs of providing services to medicaid  
25 clients receiving services in psychiatric facilities classified as  
26 institutions of mental diseases. The authority must distribute these  
27 amounts proportionate to the number of bed days for medicaid clients  
28 in institutions for mental diseases that were excluded from  
29 behavioral health organization fiscal year 2019 capitation rates  
30 because they exceeded the amounts allowed under federal regulations.  
31 The department must also use these amounts to directly pay for costs  
32 that are ineligible for medicaid reimbursement in institutions of  
33 mental disease facilities for American Indian and Alaska Natives who  
34 opt to receive behavioral health services on a fee-for-service basis.  
35 The amounts used for these individuals must be reduced from the  
36 allocation of the behavioral health organization where the individual  
37 resides. If a behavioral health organization receives more funding  
38 through this subsection than is needed to pay for the cost of their  
39 medicaid clients in institutions for mental diseases, they must use  
40 the remainder of the amounts to provide other services not covered

1 under the medicaid program. The authority must explore options for  
2 continuing to expand waivers which allow for federal matching funds  
3 to be used in these facilities. The authority must submit a report on  
4 the status of the waiver to the office of financial management and  
5 the appropriate committees of the legislature by December 1, 2018.

6 (rr) \$15,000,000 of the general fund—state appropriation for  
7 fiscal year 2019 is provided solely to ensure a smooth transition to  
8 integrated managed care for behavioral health regions and to maintain  
9 the existing level of regional behavioral health crisis and diversion  
10 programs, and other required behavioral health administrative service  
11 organization services. These amounts must be used to support the  
12 regions transitioning to become mid-adopters for full integration of  
13 physical and behavioral health care. These amounts must be  
14 distributed proportionate to the population of each regional area  
15 covered. The maximum amount allowed per region is \$3,175 per 1,000  
16 residents. These amounts must be used to provide a reserve for  
17 nonmedicaid services in the region and to stabilize the new crisis  
18 services system. The authority must require all behavioral health  
19 organizations transitioning to full integration to either spend down  
20 or return all reserves in accordance with contract requirements and  
21 federal and state law. Behavioral health organization reserves may  
22 not be used to pay for services to be provided beyond the end of a  
23 behavioral health organization's contract or for start-up costs in  
24 full integration regions. The authority must ensure that any  
25 increases in expenditures in behavioral health reserve spend-down  
26 plans are required for the operation of services during the contract  
27 period and do not result in overpayment to providers.

28 (ss) \$806,000 of the general fund—state appropriation for fiscal  
29 year 2019 is provided solely for the authority to develop a peer  
30 support program for individuals with substance use disorders. These  
31 amounts must be used for development of training and certification of  
32 peers specialists. The authority must submit a state plan amendment  
33 which provides for these services to be included in behavioral health  
34 capitation rates beginning in fiscal year 2020 and allows for federal  
35 matching funds to be leveraged for these services.

36 (tt) \$200,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the authority, in collaboration with  
38 the department of social and health services, to further develop  
39 efforts to shift funding and risk for most civil long-term inpatient

1 commitments into fully integrated care contracts beginning in January  
2 2020. The funding and risk for patients at the state hospitals who  
3 have been committed pursuant to dismissal of felony charges after  
4 being determined incompetent to stand trial shall not be incorporated  
5 into integrated care contracts.

6 (i) By December 1, 2018, the authority, in coordination with the  
7 department of social and health services, must submit a report to the  
8 office of financial management and the appropriate committees of the  
9 legislature on the following: (A) Actuarial estimates on the impact  
10 to per member per month payments and estimated annual state and  
11 federal costs for medicaid managed care organizations with fully  
12 integrated contracts; (B) actuarial estimates on the estimated annual  
13 costs for administrative services organizations; (C) estimates of the  
14 per-diem cost at the state hospitals that will be charged to entities  
15 with responsibility for paying for long-term civil inpatient  
16 commitments once these are incorporated into fully integrated care  
17 contracts; and (D) estimates of the amount of funding that can be  
18 reduced from direct appropriations for the state hospitals to reflect  
19 the shift in financial responsibility.

20 (ii) The authority must also explore and report on options for  
21 fully leveraging the state's share of federal medicaid  
22 disproportionate share funding allowed for institutions of mental  
23 diseases, including but not limited to: (A) Prioritizing the use of  
24 this funding for forensic patients and those civilly committed  
25 pursuant to dismissal of a felony charge; (B) obtaining an  
26 institution for mental diseases—disproportionate share hospital  
27 waiver to allow for regular medicaid federal financial participation  
28 to be used at the state hospitals; and (C) shifting some of the  
29 state's current disproportionate share funding used at the state  
30 hospitals to community-based institutions for mental diseases to  
31 reduce the state cost of patients for whom regular federal medicaid  
32 match is not allowed.

33 (uu) \$2,732,000 of the general fund—state appropriation for  
34 fiscal year 2019 and \$9,026,000 of the general fund—federal  
35 appropriation are provided solely for the authority to implement  
36 strategies to improve access to prevention and treatment of opioid  
37 use disorders. The authority may use these funds for the following  
38 activities: (i) Expansion of hub and spoke treatment networks; (ii)  
39 expansion of pregnant and parenting case management programs; (iii)



1 grants to tribes to prevent opioid use and expand treatment for  
2 opioid use disorders; (iv) development and implementation of a tool  
3 to track medication assisted treatment provider capacity; (v) support  
4 of drug take-back programs which allow individuals to return unused  
5 opioids and other drugs for safe disposal; (vi) purchase and  
6 distribution of opioid reversal medication; and (vii) maintaining  
7 support for youth prevention services. The authority must coordinate  
8 these activities with the department of health to avoid duplication  
9 of effort and must work to identify additional federal resources that  
10 can be used to maintain and expand these efforts. The authority must  
11 submit a report to the office of financial management and the  
12 appropriate committees of the legislature on the status of these  
13 efforts by December 1, 2018. The report must include identification  
14 of any increase in behavioral health federal block grants or other  
15 federal funding awards received by the authority and the plan for the  
16 use of these funds.

17 (vv) \$150,000 of the general fund—state appropriation for fiscal  
18 year 2019 is provided solely for the authority to contract with  
19 actuaries to develop estimates for the cost of implementing new  
20 behavioral health service types in the medicaid state plan. The  
21 authority must coordinate with behavioral health organizations to  
22 identify: (i) Eligible behavioral health service types that are  
23 currently provided to medicaid enrollees without federal funding and  
24 are dependent on state, local, or other funds; and (ii) eligible  
25 behavioral health service types that are not currently available to  
26 medicaid enrollees due to the lack of federal funding. The authority  
27 must contract with the actuaries responsible for certifying state  
28 behavioral health capitation rates to develop estimates for the cost  
29 of implementing each of these services. The estimates must identify  
30 the cost of implementing each service statewide, the estimated state  
31 and federal medicaid cost, and any estimated offset in state non-  
32 medicaid spending. The authority must submit a report to the office  
33 of financial management and the appropriate committees of the  
34 legislature identifying the services and costs estimates by November  
35 1, 2018.

36 (ww)(i) \$446,000 of the general fund—state appropriation for  
37 fiscal year 2019 and \$89,000 of the general fund—federal  
38 appropriation are provided solely for the University of Washington's  
39 evidence-based practice institute which supports the identification,

1 evaluation, and implementation of evidence-based or promising  
2 practices. The institute must work with the department to develop a  
3 plan to seek private, federal, or other grant funding in order to  
4 reduce the need for state general funds. The department must collect  
5 information from the institute on the use of these funds and submit a  
6 report to the office of financial management and the appropriate  
7 fiscal committees of the legislature by December 1st of each year of  
8 the biennium.

9 (ii) No more than \$13,098,000 of the general fund—federal  
10 appropriation may be expended for supported housing and employment  
11 services described in initiative 3a and 3b of the medicaid  
12 transformation demonstration waiver under healthier Washington. Under  
13 this initiative, the department and the health care authority shall  
14 ensure that allowable and necessary services are provided to eligible  
15 clients as identified by the department or its providers or third  
16 party administrator. The department and the authority in consultation  
17 with the medicaid forecast work group, shall ensure that reasonable  
18 reimbursements are established for services deemed necessary within  
19 an identified limit per individual. The department shall not increase  
20 general fund—state expenditures under this initiative. The secretary  
21 in collaboration with the director of the authority shall report to  
22 the joint select committee on health care oversight no less than  
23 quarterly on financial and health outcomes. The secretary in  
24 cooperation with the director shall also report to the fiscal  
25 committees of the legislature all of the expenditures of this  
26 subsection and shall provide such fiscal data in the time, manner,  
27 and form requested by the legislative fiscal committees.

28 **Sec. 214.** 2017 3rd sp.s. c 1 s 214 (uncodified) is amended to  
29 read as follows:

30 **FOR THE HUMAN RIGHTS COMMISSION**

31	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$2,317,000</del> ))
32			\$2,298,000
33	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$2,359,000</del> ))
34			\$2,330,000
35	General Fund—Federal Appropriation	. . . . .	\$2,427,000
36	<u>Pension Funding Stabilization Account—State</u>		
37	<u>Appropriation.</u>	. . . . .	\$190,000
38	TOTAL APPROPRIATION.	. . . . .	(( <del>\$7,103,000</del> ))

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The appropriations in this section are subject to the following conditions and limitations: \$10,000 of the general fund—state appropriation for fiscal year 2018 and \$40,000 of the general fund—state appropriation for fiscal year 2019 is provided to convene a work group consisting of representatives from the agribusiness industry, the department of labor and industries, farmworkers, public sector attorneys, immigrant rights leaders, and social workers. The work group shall study the issue of sexual harassment in the farmworker industry. The work group shall hold meetings in each of the following locations across the state: Yakima, Wenatchee, Pasco, Bellingham, and Vancouver. The work group is staffed by the human rights commission. The work group must make recommendations to the appropriate committees of the legislature by November 21, 2018. Recommendations may include, but are not limited to, statutory changes, funding for education and outreach, training programs, or increasing penalties for violating chapter 49.60 RCW.

**Sec. 215.** 2017 3rd sp.s. c 1 s 215 (uncodified) is amended to read as follows:

**FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

Worker and Community Right-to-Know Account—State	
Appropriation . . . . .	\$10,000
Accident Account—State Appropriation . . . . .	<del>(\$22,437,000)</del>
	\$22,434,000
Medical Aid Account—State Appropriation . . . . .	<del>(\$22,438,000)</del>
	\$22,435,000
TOTAL APPROPRIATION. . . . .	<del>(\$44,885,000)</del>
	\$44,879,000

**Sec. 216.** 2017 3rd sp.s. c 1 s 216 (uncodified) is amended to read as follows:

**FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

General Fund—State Appropriation (FY 2018) . . . . .	<del>(\$21,703,000)</del>
	\$21,662,000
General Fund—State Appropriation (FY 2019) . . . . .	<del>(\$20,705,000)</del>
	\$23,170,000
General Fund—Private/Local Appropriation . . . . .	<del>(\$5,905,000)</del>
	\$6,785,000

1	Death Investigations Account—State Appropriation . . . . .	\$148,000
2	Municipal Criminal Justice Assistance Account—State	
3	Appropriation . . . . .	\$460,000
4	<u>Pension Funding Stabilization Account—State</u>	
5	<u>Appropriation. . . . .</u>	<u>\$460,000</u>
6	Washington Auto Theft Prevention Authority Account—State	
7	Appropriation . . . . .	\$8,167,000
8	24/7 Sobriety Account—State Appropriation . . . . .	(( <del>\$30,000</del> ))
9		\$20,000
10	TOTAL APPROPRIATION. . . . .	(( <del>\$57,118,000</del> ))
11		<u>\$60,872,000</u>

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

14 (1) \$5,000,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$5,000,000 of the general fund—state appropriation for  
16 fiscal year 2019, are provided to the Washington association of  
17 sheriffs and police chiefs solely to verify the address and residency  
18 of registered sex offenders and kidnapping offenders under RCW  
19 9A.44.130. The association may use no more than \$50,000 per fiscal  
20 year of the amounts provided on program management activities.

21 (2) \$1,284,000 of the general fund—state appropriation for fiscal  
22 year 2018 and ((~~\$1,283,000~~)) \$1,712,000 of the general fund—state  
23 appropriation for fiscal year 2019 are provided solely for seventy-  
24 five percent of the costs of providing six additional statewide basic  
25 law enforcement trainings in ((~~each~~)) fiscal year 2018, and eight  
26 additional statewide basic law enforcement trainings in fiscal year  
27 2019. The criminal justice training commission must schedule its  
28 funded classes to minimize wait times throughout each fiscal year and  
29 meet statutory wait time requirements.

30 (3) ((~~\$745,000~~)) \$791,520 of the general fund—local appropriation  
31 is provided solely to purchase ammunition for the basic law  
32 enforcement academy. Jurisdictions shall reimburse to the criminal  
33 justice training commission the costs of ammunition, based on the  
34 average cost of ammunition per cadet, for cadets that they enroll in  
35 the basic law enforcement academy.

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

38 (5) \$100,000 of the general fund—state appropriation for fiscal  
39 year 2018 and \$100,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for a school safety program. The  
2 commission, in collaboration with the school safety center advisory  
3 committee, shall provide the school safety training for all school  
4 administrators and school safety personnel hired after the effective  
5 date of this section.

6 (6) \$96,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$96,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for the school safety center  
9 within the commission. The safety center shall act as an information  
10 dissemination and resource center when an incident occurs in a school  
11 district in Washington or in another state, coordinate activities  
12 relating to school safety, and review and approve manuals and  
13 curricula used for school safety models and training. Through an  
14 interagency agreement, the commission shall provide funding for the  
15 office of the superintendent of public instruction to continue to  
16 develop and maintain a school safety information web site. The school  
17 safety center advisory committee shall develop and revise the  
18 training program, using the best practices in school safety, for all  
19 school safety personnel. The commission shall provide research-  
20 related programs in school safety and security issues beneficial to  
21 both law enforcement and schools.

22 (7) \$146,000 of the general fund—state appropriation for fiscal  
23 year 2018 and \$146,000 of the general fund—state appropriation for  
24 fiscal year 2019 are provided solely for the costs of providing  
25 statewide advanced driving training with the use of a driving  
26 simulator.

27 (8) \$679,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$587,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for implementation of chapter  
30 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

31 (9) \$57,000 of the general fund—state appropriation for fiscal  
32 year 2018 is provided solely for implementation of chapter 295, Laws  
33 of 2017 (SHB 1258) (first responders/disability).

34 (10) \$198,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$414,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for implementation of chapter  
37 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

38 (11) \$117,000 of the general fund—state appropriation for fiscal  
39 year 2018, \$117,000 of the general fund—state appropriation for

1 fiscal year 2019, and \$1,000,000 of the Washington auto theft  
2 prevention account—state appropriation are provided solely for the  
3 first responder building mapping information system.

4 (12) \$595,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$595,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely to continue crisis intervention  
7 training required in chapter 87, Laws of 2015.

8 (13) \$250,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$250,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for the criminal justice  
11 training commission to deliver research-based programs to instruct,  
12 guide, and support local law enforcement agencies in fostering the  
13 "guardian philosophy" of policing, which emphasizes de-escalating  
14 conflicts and reducing the use of force.

15 (14) \$429,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$429,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for expenditure into the  
18 nonappropriated Washington internet crimes against children account  
19 for the implementation of chapter 84, Laws of 2015.

20 (15) \$842,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$353,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for the purpose of creating and  
23 funding on an ongoing basis the: (a) Updating and providing of basic  
24 and in-service training for peace officers and corrections officers  
25 that emphasizes de-escalation and use of less lethal force; and (b)  
26 creation and provision of an evidence-based leadership development  
27 program, in partnership with Microsoft, that trains, equips, and  
28 supports law enforcement leaders using research-based strategies to  
29 reduce crime and improve public trust.

30 (16) \$100,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$100,000 of the general fund—state appropriation for  
32 fiscal year 2019 are provided solely to the Washington association of  
33 sheriffs and police chiefs to fund pilot projects in Benton county to  
34 support local law enforcement education for law enforcement, medical  
35 professionals, first responders, courts, educators, and others to  
36 raise awareness and identifying warning signs of human trafficking.  
37 Any educational opportunities created through the pilot projects in  
38 Benton county may provide access for adjacent counties if resources  
39 and availability permits.

1 (17) \$500,000 of the general fund—state appropriation for fiscal  
2 year 2018 is provided solely to the Washington association of  
3 sheriffs and police chiefs to administer statewide training in the  
4 use of the Washington state gang database, established in compliance  
5 with RCW 43.43.762, and provide grant funding to ensure agencies  
6 enter appropriate and reliable data into the database. The training  
7 shall develop professionals with regional responsibilities for  
8 database administration throughout the state.

9 (18) \$800,000 of the general fund—state appropriation for fiscal  
10 year 2019 is provided solely for providing grants for a criminal  
11 justice diversion center pilot program in Snohomish county. Snohomish  
12 county must collect and report data from the pilot program to the  
13 Washington association of sheriffs and police chiefs. The Washington  
14 association of sheriffs and police chiefs must submit a report to the  
15 appropriate committees of the legislature by October 1, 2019. The  
16 report must contain, at a minimum: (i) An analysis of arrests and  
17 bookings for individuals served in the pilot program; (ii) an  
18 analysis of connections to behavioral health services made for  
19 individuals who were served by the pilot program; (iii) an analysis  
20 of impacts on housing stability for individuals served by the pilot  
21 program; (iv) the number of individuals served by the pilot program  
22 who were connected to a detoxification program, completed a  
23 detoxification program, completed a chemical dependency assessment,  
24 completed chemical dependency treatment, or were connected to  
25 housing.

26 (19) \$1,000,000 of the general fund—state appropriation for  
27 fiscal year 2019 is provided solely for providing grants for the  
28 mental health field response team grant program established in House  
29 Bill No. 2892 (mental health field response). If the bill is not  
30 enacted by June 30, 2018, the amount provided in this subsection  
31 shall lapse.

32 **Sec. 217.** 2017 3rd sp.s. c 1 s 217 (uncodified) is amended to  
33 read as follows:

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

35	General Fund—State Appropriation (FY 2018)	. . . . .	((( <del>\$7,671,000</del> )))
36			\$6,511,000
37	General Fund—State Appropriation (FY 2019)	. . . . .	((( <del>\$8,897,000</del> )))
38			\$7,838,000

1	General Fund—Federal Appropriation . . . . .	\$11,876,000
2	Asbestos Account—State Appropriation . . . . .	\$527,000
3	Electrical License Account—State Appropriation . . . . .	<del>((52,100,000))</del>
4		<u>\$53,851,000</u>
5	Farm Labor Contractor Account—State Appropriation . . . . .	\$28,000
6	Worker and Community Right-to-Know Account—State	
7	Appropriation . . . . .	\$993,000
8	Public Works Administration Account—State	
9	Appropriation . . . . .	<del>((6,303,000))</del>
10		<u>\$8,529,000</u>
11	Manufactured Home Installation Training	
12	Account—State Appropriation . . . . .	\$378,000
13	Accident Account—State Appropriation . . . . .	<del>((320,314,000))</del>
14		<u>\$321,179,000</u>
15	Accident Account—Federal Appropriation . . . . .	\$16,765,000
16	Medical Aid Account—State Appropriation . . . . .	<del>((333,053,000))</del>
17		<u>\$333,862,000</u>
18	Medical Aid Account—Federal Appropriation . . . . .	\$3,739,000
19	Plumbing Certificate Account—State Appropriation . . . . .	\$1,882,000
20	Pressure Systems Safety Account—State Appropriation . . . . .	\$4,442,000
21	Construction Registration Inspection Account—State	
22	Appropriation. . . . .	<del>((19,128,000))</del>
23		<u>\$20,706,000</u>
24	<u>Pension Funding Stabilization Account—State</u>	
25	<u>Appropriation. . . . .</u>	<u>\$1,435,000</u>
26	TOTAL APPROPRIATION. . . . .	<del>((788,096,000))</del>
27		<u>\$794,541,000</u>

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

30       ~~((3))~~ (1) \$123,000 of the accident account—state appropriation  
31 and \$22,000 of the medical aid—state appropriation are provided  
32 solely for implementation of chapter 150, Laws of 2017 (House Bill  
33 No. 1906) (farm internship).

34       ~~((4))~~ (2) The department, in collaboration with the health care  
35 authority, shall work to ensure that a single platform provider  
36 credentialing system is implemented. The authority and department  
37 shall ensure that appropriate cost offsets and cost avoidance are  
38 assumed for reduced staff time required for provider credentialing



1 activity and reductions in improper billing activity when  
2 implementing provider credentialing systems. The department must  
3 enter into an agreement with the health care authority to pay its  
4 share of the costs of implementing and operating a new provider  
5 credentialing system.

6 ~~((5) \$6,124,000))~~ (3) \$5,802,000 of the accident account—state  
7 appropriation and ~~((5,989,000))~~ \$5,676,000 of the medical aid  
8 account—state appropriation are provided solely for business  
9 transformation projects and are subject to the conditions,  
10 limitations, and review provided in section 724 of this act.

11 ~~((6))~~ (4) \$19,128,000 of the construction registration  
12 inspection account—state appropriation is provided solely to  
13 implement House Bill No. 1716 (construction inspection account). If  
14 the bill is not enacted by July 31, 2017, the amounts provided in  
15 this subsection shall lapse.

16 ~~((7))~~ (5) \$2,000,000 of the accident account—state  
17 appropriation and \$2,000,000 of the medical account—state  
18 appropriation are provided solely for a contract with a workforce  
19 institute to provide supplemental instruction for information  
20 technology apprentices. Funds spent for this purpose must be matched  
21 by an equal amount of funding from the information technology  
22 industry members, except small and mid-sized employers. Up to  
23 \$2,000,000 may be spent to provide supplemental instruction for  
24 apprentices at small and mid-sized businesses. "Small and mid-sized  
25 employers" means those that have fewer than one hundred employees or  
26 have less than five percent net profitability.

27 (6) \$107,000 of the accident account—state appropriation and  
28 \$18,000 of the medical aid account—state are provided solely for work  
29 associated with the work-integrated learning strategic plan in  
30 section 501(59) of this act.

31 (7) \$250,000 of the medical aid account—state appropriation and  
32 \$250,000 of the accident fund—state appropriation are provided solely  
33 for the department of labor and industries safety and health  
34 assessment and research for prevention program to conduct research to  
35 address the high injury rates of the janitorial workforce. The  
36 research must quantify the physical demands of common janitorial work  
37 tasks and assess the safety and health needs of janitorial workers.  
38 The research must also identify potential risk factors associated  
39 with increased risk of injury in the janitorial workforce and measure

1 workload based on the strain janitorial work tasks place on janitors'  
 2 bodies. The department must conduct interviews with janitors and  
 3 their employers to collect information on risk factors, identify the  
 4 tools, technologies, and methodologies used to complete work, and  
 5 understand the safety culture and climate of the industry. The  
 6 department must issue an initial report to the legislature, by June  
 7 30, 2020, assessing the physical capacity of workers in the context  
 8 of the industry's economic environment and ascertain usable support  
 9 tools for employers and workers to decrease risk of injury. After the  
 10 initial report, the department must produce annual progress reports,  
 11 beginning in 2021 through the year 2022 or until the tools are fully  
 12 developed and deployed. The annual progress reports must be submitted  
 13 to the legislature by December 1st of each year such reports are due.

14 **Sec. 218.** 2017 3rd sp.s. c 1 s 218 (uncodified) is amended to  
 15 read as follows:

16 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

17 (1) HEADQUARTERS

18	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$2,004,000</del> ))
19			<u>\$1,911,000</u>
20	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$1,997,000</del> ))
21			<u>\$1,905,000</u>
22	Charitable, Educational, Penal, and Reformatory		
23	Institutions Account—State Appropriation	. . . . .	\$10,000
24	<u>Pension Funding Stabilization Account—State</u>		
25	<u>Appropriation.</u>	. . . . .	<u>\$185,000</u>
26	TOTAL APPROPRIATION.	. . . . .	\$4,011,000

27 The appropriations in this subsection are subject to the  
 28 following conditions and limitations: \$85,000 of the general fund—  
 29 state appropriation for fiscal year 2018 and \$84,000 of the general  
 30 fund—state appropriation for fiscal year 2019 are provided solely for  
 31 the implementation of chapter 173, Laws of 2017 (ESSB 1802)  
 32 (veterans' shared leave pool).

33 (2) FIELD SERVICES

34	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$6,220,000</del> ))
35			<u>\$6,074,000</u>
36	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$6,278,000</del> ))
37			<u>\$6,329,000</u>

1	General Fund—Federal Appropriation . . . . .	\$3,751,000
2	General Fund—Private/Local Appropriation . . . . .	\$4,799,000
3	Veteran Estate Management Account—Private/Local	
4	Appropriation . . . . .	\$666,000
5	<u>Pension Funding Stabilization Account—State</u>	
6	<u>Appropriation. . . . .</u>	<u>\$443,000</u>
7	TOTAL APPROPRIATION. . . . .	(( <del>\$21,714,000</del> ))
8		<u>\$22,062,000</u>

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

11 (a) \$300,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$300,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely to provide crisis and emergency  
14 relief and education, training, and employment assistance to veterans  
15 and their families in their communities through the veterans  
16 innovation program.

17 (b) \$200,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$200,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for the implementation of  
20 chapter 192, Laws of 2017 (SB 5849) (veterans' services).

21 (c) \$110,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$110,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for the expansion of the  
24 veterans conservation corps by fifteen paid internships.

25 (3) INSTITUTIONAL SERVICES

26	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$2,105,000</del> ))
27		<u>\$10,925,000</u>
28	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$2,307,000</del> ))
29		<u>\$6,500,000</u>
30	General Fund—Federal Appropriation . . . . .	(( <del>\$93,767,000</del> ))
31		<u>\$84,905,000</u>
32	General Fund—Private/Local Appropriation . . . . .	(( <del>\$35,687,000</del> ))
33		<u>\$28,269,000</u>
34	<u>Pension Funding Stabilization Account—State</u>	
35	<u>Appropriation. . . . .</u>	<u>\$1,462,000</u>
36	TOTAL APPROPRIATION. . . . .	(( <del>\$133,866,000</del> ))
37		<u>\$132,061,000</u>

1       **Sec. 219.** 2017 3rd sp.s. c 1 s 219 (uncodified) is amended to  
2 read as follows:

3 **FOR THE DEPARTMENT OF HEALTH**

4	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$71,759,000</del> ))
5			<u>\$70,937,000</u>
6	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$72,148,000</del> ))
7			<u>\$80,780,000</u>
8	General Fund—Federal Appropriation	. . . . .	(( <del>\$550,186,000</del> ))
9			<u>\$550,304,000</u>
10	General Fund—Private/Local Appropriation	. . . . .	(( <del>\$185,189,000</del> ))
11			<u>\$186,886,000</u>
12	Hospital Data Collection Account—State Appropriation	. . . . .	\$348,000
13	Health Professions Account—State Appropriation	. . . . .	(( <del>\$129,629,000</del> ))
14			<u>\$132,368,000</u>
15	Aquatic Lands Enhancement Account—State Appropriation	. . . . .	\$623,000
16	Emergency Medical Services and Trauma Care Systems		
17	Trust Account—State Appropriation	. . . . .	\$9,247,000
18	Safe Drinking Water Account—State Appropriation	. . . . .	(( <del>\$5,678,000</del> ))
19			<u>\$5,676,000</u>
20	Drinking Water Assistance Account—Federal		
21	Appropriation	. . . . .	(( <del>\$16,016,000</del> ))
22			<u>\$16,006,000</u>
23	Waterworks Operator Certification—State Appropriation	. . . . .	(( <del>\$1,671,000</del> ))
24			<u>\$1,839,000</u>
25	Drinking Water Assistance Administrative Account—State		
26	Appropriation	. . . . .	\$372,000
27	Site Closure Account—State Appropriation	. . . . .	\$169,000
28	Biotoxin Account—State Appropriation	. . . . .	(( <del>\$1,972,000</del> ))
29			<u>\$1,971,000</u>
30	State Toxics Control Account—State Appropriation	. . . . .	(( <del>\$4,259,000</del> ))
31			<u>\$4,258,000</u>
32	Medicaid Fraud Penalty Account—State Appropriation	. . . . .	\$938,000
33	Medical Test Site Licensure Account—State		
34	Appropriation	. . . . .	\$2,594,000
35	Youth Tobacco and Vapor Products Prevention Account—State		
36	Appropriation	. . . . .	(( <del>\$4,963,000</del> ))
37			<u>\$3,363,000</u>
38	Dedicated Marijuana Account—State Appropriation		
39	(FY 2018)	. . . . .	\$9,761,000

1	Dedicated Marijuana Account—State Appropriation	
2	(FY 2019). . . . .	\$9,766,000
3	Public Health Supplemental Account—Private/Local	
4	Appropriation . . . . .	\$3,248,000
5	<u>Pension Funding Stabilization Account—State</u>	
6	<u>Appropriation. . . . .</u>	<u>\$3,821,000</u>
7	Accident Account—State Appropriation . . . . .	\$344,000
8	Medical Aid Account—State Appropriation . . . . .	\$53,000
9	Suicide-Safer Homes Project Account—State Appropriation. . .	\$50,000
10	TOTAL APPROPRIATION. . . . .	(( <del>\$1,080,983,000</del> ))
11		<u>\$1,095,722,000</u>

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

14 (1) The department of health shall not initiate any services that  
15 will require expenditure of state general fund moneys unless  
16 expressly authorized in this act or other law. The department of  
17 health and the state board of health shall not implement any new or  
18 amended rules pertaining to primary and secondary school facilities  
19 until the rules and a final cost estimate have been presented to the  
20 legislature, and the legislature has formally funded implementation  
21 of the rules through the omnibus appropriations act or by statute.  
22 The department may seek, receive, and spend, under RCW 43.79.260  
23 through 43.79.282, federal moneys not anticipated in this act as long  
24 as the federal funding does not require expenditure of state moneys  
25 for the program in excess of amounts anticipated in this act. If the  
26 department receives unanticipated unrestricted federal moneys, those  
27 moneys shall be spent for services authorized in this act or in any  
28 other legislation that provides appropriation authority, and an equal  
29 amount of appropriated state moneys shall lapse. Upon the lapsing of  
30 any moneys under this subsection, the office of financial management  
31 shall notify the legislative fiscal committees. As used in this  
32 subsection, "unrestricted federal moneys" includes block grants and  
33 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 (2) During the 2017-2019 fiscal biennium, each person subject to  
37 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to  
38 twenty-five dollars annually for the purposes of RCW 43.70.112,  
39 regardless of how many professional licenses the person holds.

1 (3) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,  
2 the department is authorized to adopt license and certification fees  
3 in fiscal years 2018 and 2019 to support the costs of the regulatory  
4 program. The department's fee schedule shall have differential rates  
5 for providers with proof of accreditation from organizations that the  
6 department has determined to have substantially equivalent standards  
7 to those of the department, including but not limited to the joint  
8 commission on accreditation of health care organizations, the  
9 commission on accreditation of rehabilitation facilities, and the  
10 council on accreditation. To reflect the reduced costs associated  
11 with regulation of accredited programs, the department's fees for  
12 organizations with such proof of accreditation must reflect the lower  
13 costs of licensing for these programs than for other organizations  
14 which are not accredited.

15 (4)(a) \$5,000,000 of the general fund—state appropriation for  
16 fiscal year 2018 and \$5,000,000 of the general fund—state  
17 appropriation for fiscal year 2019 are provided solely for the  
18 department to support the local health jurisdictions to improve their  
19 ability to address (i) communicable disease monitoring and prevention  
20 and (ii) chronic disease and injury prevention. The department and  
21 representatives of local health jurisdictions must work together to  
22 arrive at a mutually acceptable allocation and distribution of funds  
23 and to determine the best accountability measures to ensure efficient  
24 and effective use of funds, emphasizing the use of shared services.

25 (b) By December 31, 2017, the department shall provide a  
26 preliminary report, and by November 30, 2018, a final report, to the  
27 appropriate committees of the legislature regarding:

28 (i) The allocation of funding, as provided in this subsection, to  
29 the local health jurisdictions;

30 (ii) Steps taken by the local health jurisdictions that received  
31 funding to improve communicable disease monitoring and prevention and  
32 chronic disease and injury prevention;

33 (iii) An assessment of the effectiveness of the steps taken by  
34 local health jurisdictions and the criteria measured; and

35 (iv) Any recommendations for future models for service delivery  
36 to address communicable and chronic diseases.

37 (5)(a) \$1,000,000 of the general fund—state appropriation for  
38 fiscal year 2018 and \$1,000,000 of the general fund—state  
39 appropriation for fiscal year 2019 are provided solely for the

1 department, as part of foundational public health services, to  
2 implement strategies to control the spread of communicable diseases  
3 and other health threats. These strategies may include updating or  
4 replacing equipment in the state public health laboratory; addressing  
5 health inequities among state residents; reporting on the root cause  
6 analyses of adverse events at medical facilities; performing critical  
7 activities to prevent adverse health consequences of hepatitis C; or  
8 assessing information technology system consolidation and  
9 modernization opportunities for statewide public health data systems.

10 (b) By November 30, 2018, the department shall develop a  
11 statewide governmental public health improvement plan and provide it  
12 to the appropriate committees of the legislature.

13 (6) \$26,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$10,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for the implementation of  
16 chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

17 (7) Within amounts appropriated in this section, funding is  
18 provided to implement chapter 312, Laws of 2017 (SSB 5046) (language  
19 of public notices).

20 (8) \$39,000 of the general fund—local appropriation is provided  
21 solely for the implementation of chapter 249, Laws of 2017 (ESHB  
22 1714) (nurse staffing plans).

23 (9) \$27,000 of the health professions account—state appropriation  
24 and \$50,000 of the Suicide-Safer Homes Project account are provided  
25 solely for the implementation of chapter 262, Laws of 2017 (E2SHB  
26 1612) (reducing access to lethal means).

27 (10) \$269,000 of the health professions account—state  
28 appropriation is provided solely for the implementation of chapter  
29 297, Laws of 2017 (ESHB 1427) (opioid treatment program).

30 (11) \$350,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$350,000 of the general fund—state appropriation for  
32 fiscal year 2019 are provided to the department solely to cover costs  
33 of providing increased capacity under existing contracts with suicide  
34 prevention lines to respond to calls to the national suicide  
35 prevention lifeline.

36 (12) \$40,000 of the general fund—state appropriation for fiscal  
37 year 2018 and (~~(\$40,000)~~) \$90,000 of the general fund—state  
38 appropriation for fiscal year 2019 are provided solely for the  
39 midwifery licensure and regulatory program to supplement revenue from

1 fees. The department shall charge no more than five hundred twenty-  
2 five dollars annually for new or renewed licenses for the midwifery  
3 program.

4 (13)(a) Within amounts appropriated in this section, the  
5 department, in consultation with advocacy groups and experts that  
6 focus on hunger and poverty issues, shall produce a report regarding  
7 ongoing nutrition assistance programs funded by the United States  
8 department of agriculture and administered in Washington state. The  
9 report must be a compilation, by program, of data already collected  
10 by the department of social and health services, the department of  
11 health, the office of the superintendent of public instruction, and  
12 the Washington state department of agriculture, and it must include,  
13 where available, but is not limited to:

14 (i) The number of people in Washington who are eligible for the  
15 program;

16 (ii) The number of people in Washington who participated in the  
17 program;

18 (iii) The average annual participation rate in the program;

19 (iv) Participation rates by geographic distribution; and

20 (v) The annual federal funding of the program in Washington.

21 (b) The department shall report to the appropriate committees of  
22 the legislature and to the governor. An initial report is due by  
23 April 30, 2018, and a second report is due by April 30, 2019.

24 (14) Information technology projects or investments and proposed  
25 projects or investments impacting time capture, payroll and payment  
26 processes and systems eligibility, case management, and authorization  
27 systems within the department of health are subject to technical  
28 oversight by the office of the state chief information officer.

29 (15) \$2,604,000 of the health professions account—state  
30 appropriation is provided solely for the medical quality assurance  
31 commission to address increased workload.

32 (16) \$896,000 of the health professions account—state  
33 appropriation is provided solely for the pharmacy commission to  
34 improve research and communication to pharmacies regarding the  
35 development and implementation of new and changing rules.

36 (17) \$9,000,000 of the general fund—federal appropriation is  
37 provided solely for the department to implement projects and  
38 activities during the 2017-2019 fiscal biennium that are designed to



1 improve the health and well-being of individuals living with human  
2 immunodeficiency virus, including:

3 (a) A health disparity project to increase access to dental,  
4 mental health, and housing services for populations that have  
5 historically experienced limited access to needed services, including  
6 Latino individuals in central Washington;

7 (b) A project to establish a peer-to-peer network for individuals  
8 living with human immunodeficiency virus. Trained navigators will  
9 work to link individuals living with human immunodeficiency virus to  
10 medical care, housing support, training, and other needed services;

11 (c) A project to expand the MAX clinic within Harborview hospital  
12 to serve an increased number of high-need clients and establishing a  
13 MAX clinic to serve high-need clients in Pierce county. This project  
14 shall also provide statewide training for staff of the department, of  
15 local health jurisdictions, and of providers of services for persons  
16 with human immunodeficiency virus;

17 (d) The development of a single eligibility portal to allow  
18 statewide usage and streamlined case management for individuals who  
19 are living with human immunodeficiency virus and receiving public  
20 health services; and

21 (e) An assessment and evaluation of the effectiveness of each of  
22 the projects outlined in subsections (a) through (d) of this  
23 subsection.

24 (18) \$6,096,000 of the general fund—local appropriation is  
25 provided solely for the department to target its efforts in the HIV  
26 early intervention program toward populations with health  
27 disparities.

28 (19) \$1,118,000 of the general fund—local appropriation is  
29 provided solely for equipment, testing supplies, and materials  
30 necessary to add x-linked adrenoleukodystrophy to the mandatory  
31 newborn screening panel. The department is authorized to increase the  
32 newborn screening fee by \$8.10.

33 (20) \$1,500,000 of the general fund—state appropriation for  
34 fiscal year 2018 and \$1,500,000 of the general fund—state  
35 appropriation for fiscal year 2019 are provided solely for:

36 (a) Increased screening, case management, and an electronic data  
37 reporting system to identify children who are at the highest risk of  
38 having elevated levels of lead in their blood, prioritizing children  
39 who live in areas where the risk is highest; and

1 (b) Sampling and testing of drinking water and water fixtures in  
2 public schools. The department, in collaboration with the educational  
3 service districts, must prioritize testing within elementary schools  
4 where drinking water and water fixtures have not been tested for  
5 contaminants at any time, and elementary schools where drinking water  
6 and water fixtures have not been tested within the past three years.  
7 Consistent with the United States environmental protection agency's  
8 manual, "3Ts for Reducing Lead in Drinking Water in Schools—Revised  
9 Technical Guidance," the department must develop guidance and testing  
10 protocols for the lead action level for drinking water and for  
11 testing drinking water and drinking water fixtures in public and  
12 private schools. The guidance must include:

13 (i) Actions to take if test results exceed the federal action  
14 level or public drinking water standard;

15 (ii) Recommendations to schools on prioritizing fixture  
16 replacement, and options for further reducing lead, including  
17 replacement of fixtures or use of certified filters when results are  
18 below the federal action level for schools, but exceed the maximum  
19 level recommended by the American Academy of Pediatrics; and

20 (iii) Recommendations for communicating test results and risk to  
21 parents and the community, including that there is no safe level of  
22 lead in water and that action may be warranted even if levels are  
23 below the action level.

24 (21) \$277,000 of the general fund—local appropriation is provided  
25 solely to implement chapter 207, Laws of 2017 (E2SHB 1819)  
26 (children's mental health).

27 (22) \$130,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$130,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely to increase the funding for the  
30 breast, cervical, and colon health program administered by the  
31 department.

32 (23) Within the amounts appropriated in this section, and in  
33 accordance with RCW 43.20B.110 and 70.41.100, the department shall  
34 set fees to include the full costs of the performance of inspections  
35 pursuant to RCW 70.41.080.

36 (24) Within the amounts appropriated in this section, and in  
37 accordance with RCW 43.70.110 and 71.12.470, the department shall set  
38 fees to include the full costs of the performance of inspections  
39 pursuant to RCW 71.12.485.

1 (25) (~~(\$250,000)~~) \$100,000 of the general fund—state  
2 appropriation for fiscal year 2018 and (~~(\$250,000)~~) \$400,000 of the  
3 general fund—state appropriation for fiscal year 2019 are provided  
4 solely for the department to contract with a nongovernmental entity  
5 that has experience in adapting global health strategies to  
6 underserved communities for a pilot program to develop strategies to  
7 address health disparities in rural communities. The program should  
8 engage marginalized communities in order to identify barriers and  
9 social determinants that most impact health, including access to  
10 housing and food and economic stability. The department must report  
11 to the legislature by (~~December 1, 2018~~) June 30, 2019, regarding  
12 identified barriers and any recommendations for interventions.

13 (26) \$27,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$16,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for the implementation of  
16 chapter 273, Laws of 2017 (E2SHB 1358) (community assistance referral  
17 programs).

18 (27) \$224,000 of the health professions account—state  
19 appropriation is provided solely for the implementation of chapter  
20 320, Laws of 2017 (SSB 5322) (dentists and third parties).

21 (28) \$93,000 of the health professions account—state  
22 appropriation is provided solely for the implementation of chapter  
23 101, Laws of 2017 (ESHB 1431) (osteopathic medicine and surgery).

24 (29) \$82,000 of the general fund—local appropriation is provided  
25 solely for the implementation of chapter 263, Laws of 2017 (SSB 5152)  
26 (pediatric transitional care).

27 (30) \$25,000 of the general fund—state appropriation for fiscal  
28 year 2018 is provided solely for the department to prepare and submit  
29 a report about the certificate of need program to the governor and  
30 the appropriate fiscal and policy committees of the legislature by  
31 October 1, 2017. By health care setting, for each of the preceding  
32 ten fiscal years, the report must show the total number of  
33 applications, the total number of accepted applications, the total  
34 number of beds requested, the total number of beds approved, and a  
35 summary of the most common reasons for declining an application. The  
36 report must include suggestions for modifying the program to increase  
37 the number of successful applications. At least one suggestion must  
38 address the goal of adding psychiatric beds within hospitals.

1 (31) The department, in collaboration with the health care  
2 authority, shall work to ensure that a single platform provider  
3 credentialing system is implemented. The authority and department  
4 shall ensure that appropriate cost offsets and cost avoidance are  
5 assumed for reduced staff time required for provider credentialing  
6 activity and reductions in improper billing activity when  
7 implementing provider credentialing systems.

8 (32) \$28,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$28,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for staffing capacity at the  
11 department to support a performance audit of the fee-setting process  
12 for each health profession licensed by the department.

13 (33) The appropriations in this section include sufficient  
14 funding for the implementation of chapter 294, Laws of 2017 (SSB  
15 5835) (health outcomes/pregnancy).

16 (34)(a) \$500,000 of the general fund—state appropriation for  
17 fiscal year 2019 is provided solely to fund a pilot project in Pierce  
18 county to reduce the rate of hospitalizations for acute illnesses or  
19 chronic conditions, or both, that can be managed successfully in  
20 outpatient settings. Under the pilot program, the department shall  
21 coordinate with the local health jurisdiction to:

22 (i) Increase immunizations for bacterial pneumonia and influenza;  
23 and

24 (ii) Implement screening, brief intervention, and referrals to  
25 treatment for alcohol, tobacco, drugs, and depression.

26 (b) Providers in the pilot program shall enter data into the  
27 statewide immunization registry for easy tracking and access.

28 (c) No later than December 1, 2018, the department, in  
29 collaboration with the local health jurisdiction, shall provide to  
30 the legislature and the appropriate committees a preliminary report  
31 regarding the outcomes of the pilot program, addressing the following  
32 measures:

33 (i) Improvement in the rate of influenza and pneumonia  
34 immunizations, as determined by the number of unnecessary  
35 hospitalizations, the number of patient deaths, and calculated  
36 prevented costs; and

37 (ii) Effectiveness of screenings, brief interventions, and  
38 referrals to treatment, as determined by emergency room use,  
39 hospitalizations, and calculated prevented costs.

1 (d) A final report addressing the same measures as the  
2 preliminary report shall be provided to the legislature and the  
3 appropriate committees no later than June 30, 2019.

4 (35) \$556,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely to replace the comprehensive hospital  
6 abstract reporting system and is subject to the conditions,  
7 limitations, and review provided in section 724, chapter 1, Laws of  
8 2017 3rd sp. sess.

9 (36) \$40,000 of the general fund—state appropriation for fiscal  
10 year 2019 is provided solely for the department, in partnership with  
11 the department of social and health services and the health care  
12 authority, to assist a collaborative public-private entity with  
13 implementation of recommendations in the state plan to address  
14 alzheimer's disease and other dementias.

15 (37) \$140,000 of the general fund—state appropriation for fiscal  
16 year 2019 is provided solely for the department to convene and chair  
17 a pesticide incident reporting and tracking review panel.

18 (a) The panel must meet at least monthly and consist of the  
19 following members:

20 (i) The directors, secretaries, or designees of the departments  
21 of health, labor and industries, agriculture, natural resources, fish  
22 and wildlife, and ecology;

23 (ii) The chair of the department of environmental health at the  
24 University of Washington, or his or her designee;

25 (iii) The pesticide coordinator and specialist of the cooperative  
26 extension at Washington State University or his or her designee;

27 (iv) A representative of the Washington poison control center  
28 network;

29 (v) A practicing toxicologist; and

30 (vi) A member of the general public.

31 (b) The responsibilities of the panel shall include, but not be  
32 limited to:

33 (i) Establishing guidelines for the receipt of information  
34 relating to actual or alleged health and environmental incidents  
35 involving pesticides;

36 (ii) Reviewing and making recommendations for procedures for the  
37 investigation of pesticide incidents;

1 (iii) Monitoring the time periods required for response to  
2 reports of pesticide incidents by the departments of agriculture,  
3 department of health, and labor and industries;

4 (iv) Identifying inadequacies in state or federal law that result  
5 in insufficient protection of public health and safety.

6 (c) The panel must review and approve an annual report prepared  
7 by the department. The report shall be provided to the governor,  
8 agency heads, the legislature, and shall be made available to the  
9 public. The report shall include:

10 (i) A summary of the year's activities;

11 (ii) A synopsis of the cases reviewed;

12 (iii) A separate descriptive listing of each case in which  
13 adverse health or environmental effects from pesticides were found;

14 (iv) A tabulation of the data from each case, including the  
15 number of exposures;

16 (v) An assessment of the effects of pesticide exposure in the  
17 workplace;

18 (vi) Identification of trends, issues, and needs; and

19 (vii) Any recommendations for improved pesticide use practices.

20 (d) The first annual report is due June 30, 2019.

21 (38) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,  
22 and 43.135.055, the department is authorized to adopt fees for the  
23 review and approval of mental health and substance use disorder  
24 treatment programs in fiscal years 2018 and 2019 as necessary to  
25 support the costs of the regulatory program. The department's fee  
26 schedule must have differential rates for providers with proof of  
27 accreditation from organizations that the department has determined  
28 to have substantially equivalent standards to those of the  
29 department, including but not limited to the joint commission on  
30 accreditation of health care organizations, the commission on  
31 accreditation of rehabilitation facilities, and the council on  
32 accreditation. To reflect the reduced costs associated with  
33 regulation of accredited programs, the department's fees for  
34 organizations with such proof of accreditation must reflect the lower  
35 cost of licensing for these programs than for other organizations  
36 which are not accredited.

37 (39) \$30,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for the nursing care quality assurance  
39 commission to convene and facilitate a work group to assess the need  
40 for nurses in long-term care settings and to make recommendations

1 regarding worker recruitment, training, and retention challenges for  
2 long-term care providers in the sectors of skilled nursing  
3 facilities, assisted-living facilities, and adult family homes.

4 (a) The work group must:

5 (i) Determine the current and projected worker vacancy rates in  
6 the long-term care sectors compared to the workload projections for  
7 these sectors;

8 (ii) Develop recommendations for a standardized training  
9 curriculum for certified nursing assistants that ensures that workers  
10 are qualified to provide care in each sector, including integration  
11 into the curriculum of specific training for the care of clients with  
12 dementia, developmental disabilities, and mental health issues;

13 (iii) Review academic and other prerequisites for training for  
14 licensed practical nurses to identify any barriers to career  
15 advancement for certified nursing assistants;

16 (iv) Identify barriers to career advancement for long-term care  
17 workers; and

18 (v) Evaluate the oversight roles of the department of health and  
19 the department of social and health services for nurse training  
20 programs and make recommendations for streamlining those roles.

21 (b) The members of the work group must include the following:

22 (i) The chair of the house health care and wellness committee or  
23 his or her designee;

24 (ii) The chair of the senate health and long-term care committee  
25 or his or her designee;

26 (iii) The assistant secretary of the aging and disability support  
27 administration of the department of social and health services, or  
28 his or her designee;

29 (iv) A member of the Washington apprenticeship and training  
30 council, chosen by the director of the department of labor and  
31 industries;

32 (v) A representative from the health services quality assurance  
33 division of the department of health, chosen by the secretary;

34 (vi) The executive director of the Washington state board for  
35 community and technical colleges or his or her designee;

36 (vii) A representative of the largest statewide association  
37 representing nurses;

38 (viii) A representative of the largest statewide union  
39 representing home care workers;

1 (ix) A representative of the largest statewide association  
2 representing assisted living and skilled nursing facilities;

3 (x) A representative of the adult family home council of  
4 Washington; and

5 (xi) The Washington state long-term care ombuds or his or her  
6 designee.

7 (d) The work group must meet at least three times, and the first  
8 meeting must occur no later than July 15, 2018. The commission must  
9 report no later than December 15, 2018, to the governor and the  
10 legislature regarding the work group's assessments and  
11 recommendations.

12 (40) \$150,000 of the general fund—state appropriation for fiscal  
13 year 2019 is provided solely for the department to implement training  
14 and education recommendations described in the 2016 report of the  
15 community health worker task force. The department shall report to  
16 the legislature on the progress of implementation no later than June  
17 30, 2019. These moneys shall only be used to cover the cost of the  
18 department's staff time, meeting expenses, and community outreach.

19 (41) \$3,000,000 of the general fund—state appropriation for  
20 fiscal year 2019 is provided solely to Seattle and King county public  
21 health for core public health services that prevent and stop the  
22 spread of communicable disease, including but not limited to zoonotic  
23 and emerging diseases and chronic hepatitis B and hepatitis C.

24 (42) \$100,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$360,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for the department to coordinate  
27 with local health jurisdictions to establish and maintain  
28 comprehensive Group B programs to ensure safe and reliable drinking  
29 water. These amounts shall be used to support the costs of the  
30 development and adoption of rules, policies and procedures, and for  
31 technical assistance, training, and other program-related costs.

32 (43) \$485,000 of the general fund—state appropriation for fiscal  
33 year 2019 is provided solely for the implementation of Second  
34 Substitute House Bill No. 2671 (behavioral health/agricultural  
35 industry). If the bill is not enacted by June 30, 2018, the amounts  
36 provided in this subsection shall lapse.

37 **Sec. 220.** 2017 3rd sp.s. c 1 s 220 (uncodified) is amended to  
38 read as follows:



1 **FOR THE DEPARTMENT OF CORRECTIONS**

2 The appropriations to the department of corrections in this act  
3 shall be expended for the programs and in the amounts specified in  
4 this act. However, after May 1, 2018, after approval by the director  
5 of financial management and unless specifically prohibited by this  
6 act, the department may transfer general fund—state appropriations  
7 for fiscal year 2018 between programs. The department may not  
8 transfer funds, and the director of financial management may not  
9 approve the transfer, unless the transfer is consistent with the  
10 objective of conserving, to the maximum extent possible, the  
11 expenditure of state funds. The director of financial management  
12 shall notify the appropriate fiscal committees of the senate and  
13 house of representatives in writing seven days prior to approving any  
14 deviations from appropriation levels. The written notification must  
15 include a narrative explanation and justification of the changes,  
16 along with expenditures and allotments by budget unit and  
17 appropriation, both before and after any allotment modifications or  
18 transfers.

19 (1) ADMINISTRATION AND SUPPORT SERVICES

20	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$64,492,000</del> ))
21		<u>\$61,281,000</u>
22	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$64,219,000</del> ))
23		<u>\$61,541,000</u>
24	<u>General Fund—Federal Appropriation. . . . .</u>	<u>\$400,000</u>
25	<u>Pension Funding Stabilization Account—State</u>	
26	<u>Appropriation. . . . .</u>	<u>\$7,602,000</u>
27	TOTAL APPROPRIATION. . . . .	(( <del>\$128,711,000</del> ))
28		<u>\$130,824,000</u>

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

31 (a) \$35,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$35,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided solely for the support of a statewide  
34 council on mentally ill offenders that includes as its members  
35 representatives of community-based mental health treatment programs,  
36 current or former judicial officers, and directors and commanders of  
37 city and county jails and state prison facilities. The council will  
38 investigate and promote cost-effective approaches to meeting the  
39 long-term needs of adults and juveniles with mental disorders who

1 have a history of offending or who are at-risk of offending,  
2 including their mental health, physiological, housing, employment,  
3 and job training needs.

4 (b)(i) During the 2017-2019 fiscal biennium, the department must  
5 revise its agreements and contracts with vendors to include a  
6 provision to require that each vendor agrees to equality among its  
7 workers by ensuring similarly employed individuals are compensated as  
8 equals as follows:

9 (A) Employees are similarly employed if the individuals work for  
10 the same employer, the performance of the job requires comparable  
11 skill, effort, and responsibility, and the jobs are performed under  
12 similar working conditions. Job titles alone are not determinative of  
13 whether employees are similarly employed;

14 (B) Vendors may allow differentials in compensation for its  
15 workers based in good faith on any of the following:

16 (I) A seniority system; a merit system; a system that measures  
17 earnings by quantity or quality of production; a bona fide job-  
18 related factor or factors; or a bona fide regional difference in  
19 compensation levels.

20 (II) A bona fide job-related factor or factors may include, but  
21 not be limited to, education, training, or experience, that is:  
22 Consistent with business necessity; not based on or derived from a  
23 gender-based differential; and accounts for the entire differential.

24 (III) A bona fide regional difference in compensation level must  
25 be: Consistent with business necessity; not based on or derived from  
26 a gender-based differential; and account for the entire differential.

27 (ii) The provision must allow for the termination of the contract  
28 if the department or department of enterprise services determines  
29 that the vendor is not in compliance with this agreement or contract  
30 term.

31 (iii) The department must implement this provision with any new  
32 contract and at the time of renewal of any existing contract.

33 (c) \$865,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$587,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for information technology  
36 business solutions and are subject to the conditions, limitations,  
37 and review provided in section 724 of this act.

38 (d) The department, in collaboration with the health care  
39 authority, shall work to ensure that a single platform provider  
40 credentialing system is implemented. The authority and department

1 shall ensure that appropriate cost offsets and cost avoidance are  
2 assumed for reduced staff time required for provider credentialing  
3 activity and reductions in improper billing activity when  
4 implementing provider credentialing systems.

5 (2) CORRECTIONAL OPERATIONS

6	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$541,061,000</del> ))
7			<u>\$499,134,000</u>
8	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$562,878,000</del> ))
9			<u>\$518,049,000</u>
10	General Fund—Federal Appropriation	. . . . .	\$818,000
11	Washington Auto Theft Prevention Authority Account—State		
12	Appropriation	. . . . .	(( <del>\$4,608,000</del> ))
13			<u>\$4,597,000</u>
14	<u>Pension Funding Stabilization Account—State</u>		
15	<u>Appropriation.</u>	. . . . .	<u>\$62,831,000</u>
16	TOTAL APPROPRIATION.	. . . . .	(( <del>\$1,109,365,000</del> ))
17			<u>\$1,085,429,000</u>

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

20 (a) The department may contract for beds statewide to the extent  
21 that it is at no net cost to the department. The department shall  
22 calculate and report the average cost per offender per day, inclusive  
23 of all services, on an annual basis for a facility that is  
24 representative of average medium or lower offender costs. The  
25 duration of the contracts may be for up to four years. The department  
26 shall not pay a rate greater than \$85 per day per offender for all  
27 costs associated with the offender while in the local correctional  
28 facility to include programming and health care costs, or the  
29 equivalent of \$85 per day per bed including programming and health  
30 care costs for full units. The capacity provided at local  
31 correctional facilities must be for offenders whom the department of  
32 corrections defines as medium or lower security offenders.  
33 Programming provided for inmates held in local jurisdictions is  
34 included in the rate, and details regarding the type and amount of  
35 programming, and any conditions regarding transferring offenders must  
36 be negotiated with the department as part of any contract. Local  
37 jurisdictions must provide health care to offenders that meet  
38 standards set by the department. The local jail must provide all  
39 medical care including unexpected emergent care. The department must

1 utilize a screening process to ensure that offenders with existing  
2 extraordinary medical/mental health needs are not transferred to  
3 local jail facilities. If extraordinary medical conditions develop  
4 for an inmate while at a jail facility, the jail may transfer the  
5 offender back to the department, subject to terms of the negotiated  
6 agreement. Health care costs incurred prior to transfer are the  
7 responsibility of the jail.

8 (b) \$501,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$501,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for the department to maintain  
11 the facility, property, and assets at the institution formerly known  
12 as the maple lane school in Rochester.

13 (c) \$1,379,000 of the general fund—state appropriation for fiscal  
14 year 2018, and \$1,379,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for the department to contract  
16 for the use of inmate bed capacity in lieu of prison beds operated by  
17 the state to meet prison capacity needs.

18 (~~(\$250,000 of the general fund—state appropriation for fiscal~~  
19 ~~year 2018 and~~)) \$250,000 of the general fund—state appropriation for  
20 fiscal year 2019 are provided solely for the department to enter into  
21 an agreement to purchase electricity for the Monroe correctional  
22 complex from a (~~sawmill waste cogeneration system that is connected~~  
23 ~~to a lumber mill that employs at least 150 people. The agreement~~  
24 ~~cannot increase the total cost for the purchase of electricity for~~  
25 ~~the entire complex~~)) source located in Snohomish county that is  
26 fueled using commercial or industrial waste from an on-site lumber  
27 mill that employs at least 150 people.

28 (e) Within the amounts appropriated in this section, funding is  
29 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th  
30 offense/felony).

31 (f) The appropriations in this section include sufficient funding  
32 for the implementation of chapter 226, Laws of 2017 (HB 1153)  
33 (vulnerable persons/crimes).

34 (~~The appropriations in this section include sufficient~~  
35 ~~funding for the implementation of Senate Bill No. 5934 (concerning~~  
36 ~~convicted persons).~~

37 (+i)) Within the amounts appropriated in this section, the  
38 department of corrections must review the use of full body scanners  
39 at state correctional facilities for women to reduce the frequency of

1 strip and body cavity searches and report with recommendations to the  
2 governor and the appropriate legislative committees by November 15,  
3 2017. The report must address the cost of technology, installation,  
4 and maintenance; the benefits to personnel and inmates; information  
5 regarding accumulated exposure to radiation; and general guidelines  
6 for implementation at a pilot facility.

7 (h) \$400,000 of the general fund—state appropriation for fiscal  
8 year 2019 is provided solely for the department to contract with an  
9 independent third party to: (i) Provide a comprehensive review of the  
10 prison staffing model; and (ii) develop an updated prison staffing  
11 model for use by the department.

12 (3) COMMUNITY SUPERVISION

13	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$181,670,000</del> ))
14			<u>\$179,455,000</u>
15	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$187,807,000</del> ))
16			<u>\$192,507,000</u>
17	General Fund—Federal Appropriation	. . . . .	(( <del>\$2,368,000</del> ))
18			<u>\$2,902,000</u>
19	<u>Pension Funding Stabilization Account—State</u>		
20	<u>Appropriation.</u>	. . . . .	<u>\$12,791,000</u>
21	TOTAL APPROPRIATION.	. . . . .	(( <del>\$371,845,000</del> ))
22			<u>\$387,655,000</u>

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

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

36 (b) The department shall engage in ongoing mitigation strategies  
37 to reduce the costs associated with community supervision violators,  
38 including improvements in data collection and reporting and  
39 alternatives to short-term confinement for low-level violators.

1 (c) By January 1, 2018, the department of corrections shall  
 2 provide a report to the office of financial management and the  
 3 appropriate fiscal and policy committees of the legislature to  
 4 include a review of the department's policies and procedures related  
 5 to swift and certain sanctioning, and identification of legal  
 6 decisions that impact caseload and operations. The report shall  
 7 include recommendations for improving public and staff safety while  
 8 decreasing recidivism through improved alignment of the department's  
 9 policies and procedures with current best practices concerning swift  
 10 and certain sanctioning. The report shall include a review of  
 11 department practices, legal decisions that impact caseload and  
 12 operations, an analysis of current best practices in other  
 13 jurisdictions that have adopted swift and certain sanctioning, and  
 14 recommendations to improve the department's practices and procedures.

15 (d) Within the amounts appropriated in this section, funding is  
 16 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th  
 17 offense/felony).

18 ~~((e) The appropriations in this section include sufficient  
 19 funding for the implementation of Senate Bill No. 5934 (concerning  
 20 convicted persons).))~~

21 (4) CORRECTIONAL INDUSTRIES

22	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$5,985,000</del> )
23			<u>\$6,278,000</u>
24	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$6,085,000</del> )
25			<u>\$5,979,000</u>
26	<u>Pension Funding Stabilization Account—State</u>		
27	Appropriation. . . . .		\$510,000
28	TOTAL APPROPRIATION. . . . .		(( <del>\$12,070,000</del> )
29			<u>\$12,767,000</u>

30 (5) INTERAGENCY PAYMENTS

31	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$44,091,000</del> )
32			<u>\$44,810,000</u>
33	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$41,176,000</del> )
34			<u>\$42,200,000</u>
35	TOTAL APPROPRIATION. . . . .		(( <del>\$85,267,000</del> )
36			<u>\$87,010,000</u>

37 (6) OFFENDER CHANGE

38	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$55,170,000</del> )
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1		\$54,590,000
2	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$56,426,000</del> ))
3		<u>\$57,465,000</u>
4	<u>Pension Funding Stabilization Account—State</u>	
5	<u>Appropriation. . . . .</u>	\$4,434,000
6	TOTAL APPROPRIATION. . . . .	(( <del>\$111,596,000</del> ))
7		<u>\$116,489,000</u>

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

10       (a) The department of corrections shall use funds appropriated in  
11 this subsection (6) for offender programming. The department shall  
12 develop and implement a written comprehensive plan for offender  
13 programming that prioritizes programs which follow the risk-needs-  
14 responsivity model, are evidence-based, and have measurable outcomes.  
15 The department is authorized to discontinue ineffective programs and  
16 to repurpose underspent funds according to the priorities in the  
17 written plan.

18       (b) The department shall submit a report by December 1, 2018, to  
19 the appropriate committees of the legislature regarding the  
20 department's compliance with this subsection. The report must: (i)  
21 include a summary of the comprehensive plan; (ii) analyze state funds  
22 allocated to cognitive behavioral change programs and reentry  
23 specific programs, including percentages and amounts of funds used in  
24 evidence-based practices and the number of people being served; (iii)  
25 identify discontinued and newly implemented cognitive behavioral  
26 change programs and reentry specific programs, including information  
27 used by the department in evaluating the effectiveness of  
28 discontinued and implemented programs; and (iv) provide  
29 recommendations to improve program outcomes, including recommended  
30 strategies, deadlines, and funding.

31       (c) Within the amounts appropriated in this section, funding is  
32 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th  
33 offense/felony).

34       (7) HEALTH CARE SERVICES

35	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$128,680,000</del> ))
36		<u>\$144,271,000</u>
37	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$127,782,000</del> ))
38		<u>\$147,270,000</u>
39	TOTAL APPROPRIATION. . . . .	(( <del>\$256,462,000</del> ))

1 \$291,541,000

2 The appropriations in this subsection are subject to the  
3 following conditions and limitations: The state prison medical  
4 facilities may use funds appropriated in this subsection to purchase  
5 goods (~~and~~), supplies, and services through hospital or other group  
6 purchasing organizations when it is cost effective to do so.

7 **Sec. 221.** 2017 3rd sp.s. c 1 s 221 (uncodified) is amended to  
8 read as follows:

9 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

10	General Fund—State Appropriation (FY 2018) . . . . .	<del>(( \$2,478,000 ))</del>
11		<u>\$2,451,000</u>
12	General Fund—State Appropriation (FY 2019) . . . . .	<del>(( \$2,525,000 ))</del>
13		<u>\$2,567,000</u>
14	General Fund—Federal Appropriation . . . . .	<del>(( \$25,276,00 ))</del>
15		<u>\$25,282,000</u>
16	General Fund—Private/Local Appropriation . . . . .	\$60,000
17	<u>Pension Funding Stabilization Account—State</u>	
18	<u>Appropriation. . . . .</u>	<u>\$173,000</u>
19	TOTAL APPROPRIATION. . . . .	<del>(( \$30,339,000 ))</del>
20		<u>\$30,533,000</u>

21 **Sec. 222.** 2017 3rd sp.s. c 1 s 222 (uncodified) is amended to  
22 read as follows:

23 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

24	<u>General Fund—State Appropriation (FY 2019). . . . .</u>	<u>\$35,000</u>
25	General Fund—Federal Appropriation . . . . .	<del>(( \$216,993,000 ))</del>
26		<u>\$209,391,000</u>
27	General Fund—Private/Local Appropriation . . . . .	<del>(( \$35,426,000 ))</del>
28		<u>\$35,416,000</u>
29	Unemployment Compensation Administration Account—Federal	
30	Appropriation . . . . .	<del>(( \$270,643,000 ))</del>
31		<u>\$267,890,000</u>
32	Administrative Contingency Account—State	
33	Appropriation . . . . .	<del>(( \$20,386,000 ))</del>
34		<u>\$20,136,000</u>
35	Employment Service Administrative Account—State	
36	Appropriation . . . . .	<del>(( \$53,555,000 ))</del>
37		<u>\$53,543,000</u>



1	Family and Medical Leave Insurance Account—State	
2	Appropriation. . . . .	\$82,000,000
3	TOTAL APPROPRIATION. . . . .	(( <del>\$679,003,000</del> ))
4		<u>\$668,411,000</u>

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

7 (1) The department is directed to maximize the use of federal  
8 funds. The department must update its budget annually to align  
9 expenditures with anticipated changes in projected revenues.

10 (2) \$4,152,000 of the unemployment compensation administration  
11 account—federal appropriation is provided solely to the unemployment  
12 tax and benefits systems and is subject to the conditions,  
13 limitations, and review provided in section 724 of this act.

14 (3) \$82,000,000 of the family and medical leave insurance account  
15 —state appropriation is provided solely for implementation of  
16 Substitute House Bill No. 1116 (family and medical leave insurance),  
17 Senate Bill No. 5975 (paid family and medical leave), or Senate Bill  
18 No. 5032 (family and medical leave insurance). If none of the bills  
19 are enacted by July 31, 2017, the amount provided in this subsection  
20 shall lapse.

21 (4) \$125,000 of the general fund—federal appropriation is  
22 provided solely for work associated with the work-integrated learning  
23 strategic plan in section 501(59) of this act.

24 (5) \$35,000 of the general fund—state appropriation for fiscal  
25 year 2019 is provided solely for the implementation of Engrossed  
26 Second Substitute House Bill No. 1600 (career and college readiness).  
27 If the bill is not enacted by June 30, 2018, the amount provided in  
28 this subsection shall lapse.

29 (6) \$530,000 of the unemployment compensation administration—  
30 federal appropriation is provided solely for the implementation of  
31 Substitute House Bill No. 2703 (education employee compensation  
32 claims). If the bill is not enacted by June 30, 2018, the amount  
33 provided in this subsection shall lapse.

34 **Sec. 223.** 2017 3rd sp.s. c 1 s 223 (uncodified) is amended to  
35 read as follows:

36 **FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES**

37 (1) CHILDREN AND FAMILIES SERVICES PROGRAM  
38 General Fund—State Appropriation (FY 2019). . . . . ((~~\$366,467,000~~))

1		<u>\$364,464,000</u>
2	General Fund—Federal Appropriation. . . . .	(( <del>\$236,770,000</del> ))
3		<u>\$246,342,000</u>
4	General Fund—Private/Local Appropriation. . . . .	\$1,477,000
5	Domestic Violence Prevention Account—State	
6	Appropriation. . . . .	\$1,002,000
7	<u>Pension Funding Stabilization Account—State</u>	
8	<u>Appropriation. . . . .</u>	<u>\$13,976,000</u>
9	TOTAL APPROPRIATION. . . . .	(( <del>\$605,716,000</del> ))
10		<u>\$627,261,000</u>

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

13       (a) \$748,000 of the general fund—state appropriation for fiscal  
14 year 2019 is provided solely to contract for the operation of one  
15 pediatric interim care center. The center shall provide residential  
16 care for up to thirteen children through two years of age. Seventy-  
17 five percent of the children served by the center must be in need of  
18 special care as a result of substance abuse by their mothers. The  
19 center shall also provide on-site training to biological, adoptive,  
20 or foster parents. The center shall provide at least three months of  
21 consultation and support to the parents accepting placement of  
22 children from the center. The center may recruit new and current  
23 foster and adoptive parents for infants served by the center. The  
24 department shall not require case management as a condition of the  
25 contract.

26       (b) \$253,000 of the general fund—state appropriation for fiscal  
27 year 2019 is provided solely for the costs of hub home foster  
28 families that provide a foster care delivery model that includes a  
29 licensed hub home. Use of the hub home model is intended to support  
30 foster parent retention, improve child outcomes, and encourage the  
31 least restrictive community placements for children in out-of-home  
32 care.

33       (c) \$579,000 of the general fund—state appropriation for fiscal  
34 year 2019 and \$55,000 of the general fund—federal appropriation are  
35 provided solely for a receiving care center east of the Cascade  
36 mountains.

37       (d) \$990,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for services provided through children's  
39 advocacy centers.

1 (e) \$1,351,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for implementation of performance-based  
3 contracts for family support and related services pursuant to RCW  
4 74.13B.020.

5 (f) \$7,173,000 of the general fund—state appropriation for fiscal  
6 year 2019 and \$6,022,000 of the general fund—federal appropriation  
7 are provided solely for family assessment response. Amounts  
8 appropriated in this subsection are sufficient to implement  
9 Substitute House Bill No. 2449 or Substitute Senate Bill No. 6309  
10 (family assessment response).

11 (g) \$94,000 of the general fund—state appropriation for fiscal  
12 year 2019 is provided solely for a contract with a child advocacy  
13 center in Spokane to provide continuum of care services for children  
14 who have experienced abuse or neglect and their families.

15 (h) \$2,933,000 of the general fund—state appropriation for fiscal  
16 year 2019 and \$876,000 of the general fund—federal appropriation are  
17 provided solely for the department to reduce the caseload ratios of  
18 social workers serving children in foster care to promote decreased  
19 lengths of stay and to make progress towards achievement of the Braam  
20 settlement caseload outcome.

21 (i)(A) \$540,000 of the general fund—state appropriation for  
22 fiscal year 2019, \$328,000 of the general fund private/local  
23 appropriation, and \$126,000 of the general fund—federal appropriation  
24 are provided solely for a contract with an educational advocacy  
25 provider with expertise in foster care educational outreach. The  
26 amounts in this subsection are provided solely for contracted  
27 education coordinators to assist foster children in succeeding in  
28 K-12 and higher education systems and to assure a focus on education  
29 during the department's transition to performance-based contracts.  
30 Funding must be prioritized to regions with high numbers of foster  
31 care youth, or regions where backlogs of youth that have formerly  
32 requested educational outreach services exist. The department is  
33 encouraged to use private matching funds to maintain educational  
34 advocacy services.

35 (B) The department shall contract with the office of the  
36 superintendent of public instruction, which in turn shall contract  
37 with a nongovernmental entity or entities to provide educational  
38 advocacy services pursuant to RCW 28A.300.590.

1 (j) The department shall continue to implement policies to reduce  
2 the percentage of parents requiring supervised visitation, including  
3 clarification of the threshold for transition from supervised to  
4 unsupervised visitation prior to reunification.

5 (k) \$111,000 of the general fund—state appropriation for fiscal  
6 year 2019 and \$26,000 of the general fund—federal appropriation are  
7 provided solely for a base rate increase for licensed family child  
8 care providers. In addition, \$45,000 of the general fund—state  
9 appropriation for fiscal year 2019 and \$11,000 of the general fund—  
10 federal appropriation are provided solely for increasing paid  
11 professional days from three days to five days for licensed family  
12 child care providers. Amounts in this subsection are provided solely  
13 for the 2017-2019 collective bargaining agreement covering family  
14 child care providers as set forth in section 940 of this act. Amounts  
15 provided in this subsection are contingent on the enactment of Senate  
16 Bill No. 5969 (transparency in public employee collective  
17 bargaining). If the bill is not enacted by July 31, 2017, the amounts  
18 provided in this subsection (k) shall lapse.

19 (l) \$321,000 of the general fund—state appropriation for fiscal  
20 year 2019 and \$133,000 of the general fund—federal appropriation are  
21 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)  
22 (ext. foster care transitions).

23 (m) \$400,000 of the general fund—state appropriation for fiscal  
24 year 2019 is provided solely for a contract with a national nonprofit  
25 organization to, in partnership with private matching funds,  
26 subcontract with a community organization for specialized, enhanced  
27 adoption placement services for legally free children in state  
28 custody. The contract must supplement, but not supplant, the work of  
29 the department to secure permanent adoptive homes for children.

30 (n) \$375,000 of the general fund—state appropriation for fiscal  
31 year 2019 and \$56,000 of the general fund—federal appropriation are  
32 provided solely for the department to develop, implement, and expand  
33 strategies to improve the capacity, reliability, and effectiveness of  
34 contracted visitation services for children in temporary out-of-home  
35 care and their parents and siblings. Strategies may include, but are  
36 not limited to, increasing mileage reimbursement for providers,  
37 offering transportation-only contract options, and mechanisms to  
38 reduce the level of parent-child supervision when doing so is in the

1 best interest of the child. The department must submit an analysis of  
2 the strategies and associated outcomes no later than October 1, 2018.

3 ~~(o) ((\$3,600,000 of the general fund state appropriation for~~  
4 ~~fiscal year 2019 is provided solely for state supplemental payments~~  
5 ~~for the state maintenance of effort requirement to qualify for~~  
6 ~~medicaid federal financial participation.))~~ For purposes of meeting  
7 the state's maintenance of effort for the state supplemental payment  
8 program, the department of children, youth, and families shall track  
9 and report to the department of social and health services the  
10 monthly state supplemental payment amounts attributable to foster  
11 care children who meet eligibility requirements specified in the  
12 state supplemental payment state plan. Such expenditures must equal  
13 at least \$3,100,000 annually and may not be claimed toward any other  
14 federal maintenance of effort requirement. Annual state supplemental  
15 payment expenditure targets must continue to be established by the  
16 department of social and health services. Attributable amounts must  
17 be communicated by the department of children, youth, and families to  
18 the department of social and health services on a monthly basis.

19 (p) \$1,018,000 of the general fund—state appropriation for fiscal  
20 year 2019 and \$195,000 of the general fund—federal appropriation are  
21 provided solely for a six percent base rate increase for child care  
22 center providers, effective September 1, 2017.

23 (q) \$1,230,000 of the general fund—state appropriation for fiscal  
24 year 2019 and \$78,000 of the general fund—federal appropriation are  
25 provided solely to increase the travel reimbursement for in-home  
26 service providers.

27 (r) The department is encouraged to control exceptional  
28 reimbursement decisions so that the child's needs are met without  
29 excessive costs.

30 (s) \$1,342,000 of the general fund—state appropriation for fiscal  
31 year 2019 and \$959,000 of the general fund—federal appropriation are  
32 provided solely to implement Engrossed Substitute Senate Bill No.  
33 5890 (foster care and adoption). Within the amounts provided in this  
34 section, \$366,000 of the general fund—state appropriation for fiscal  
35 year 2019 and \$174,000 of the general fund—federal appropriation are  
36 provided solely for short-term care for licensed foster families. If  
37 the bill is not enacted by July 31, 2017, the amounts provided in  
38 this subsection shall lapse.

1 (t) \$197,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for the department to conduct biennial  
3 inspections and certifications of facilities, both overnight and day  
4 shelters, that serve those who are under 18 years old and are  
5 homeless.

6 (u) Beginning in the November 2018 forecast process, and in the  
7 2019 supplemental budget and thereafter, funding for the per-capita  
8 cost of children in the care and custody of the state who are placed  
9 in emergent placement contract beds shall be treated as a foster care  
10 maintenance payment and adjusted on the basis of actual and  
11 forecasted utilization.

12 (v) \$1,200,000 of the general fund—state appropriation for fiscal  
13 year 2019 is provided solely for the department to contract with a  
14 national nonprofit organization to offer a comprehensive, community-  
15 and research-based model of services to youth and young adults age  
16 seventeen through twenty-two who are transitioning from foster care,  
17 childhood homelessness, or the juvenile justice system to adulthood.  
18 The model shall be operated by community organizations, in three  
19 different sites, that are willing and able to ensure fidelity to the  
20 model as assessed by the national nonprofit organization. The  
21 contract shall supplement, but not supplant, the work of the  
22 department to provide extended foster care, and shall be implemented  
23 in partnership with private matching funds of at least twenty-five  
24 percent of total operating costs.

25 (w) \$250,000 of the general fund—state appropriation for fiscal  
26 year 2019 is provided solely for the department to contract with a  
27 county-wide nonprofit organization with early childhood expertise in  
28 Pierce county for a pilot project that convenes stakeholders to  
29 develop and plan an intervention using the help me grow model to  
30 prevent child abuse and neglect.

31 (x) \$300,000 of the general fund—state appropriation for fiscal  
32 year 2019 is provided solely for the department to work in  
33 collaboration with the University of Washington to continue  
34 developing and testing a supportive visitation program. The  
35 visitation program was jointly developed by the children and families  
36 services program and the University of Washington to be delivered by  
37 lay visitation supervisors.

38 (y) \$300,000 of the general fund—state appropriation for fiscal  
39 year 2019 is provided solely for a demonstration project to test

1 innovative intervention and reconciliation services to support  
2 families and youth in crisis who are seeking services to address  
3 family conflict.

4 (z) \$533,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely to begin expansion of performance-based  
6 contracts for family support and related services through network  
7 administrators, pursuant to Proposed Substitute Senate Bill No. 6407  
8 (H-4858.4). Of the amount provided in this subsection:

9 (i) \$100,000 is provided solely for the contract development and  
10 procurement process at the department of children, youth, and  
11 families;

12 (ii) \$433,000 is provided solely for a second network  
13 administrator of performance-based contracts, and assumes an  
14 implementation date of March 1, 2019.

15 (2) EARLY LEARNING PROGRAM

16	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$126,721,000</del> ))
17		<u>\$127,579,000</u>
18	General Fund—Federal Appropriation . . . . .	\$148,179,000
19	Education Legacy Trust Account—State Appropriation . . .	\$14,192,000
20	Home Visiting Services Account—State Appropriation . .	(( <del>\$3,191,000</del> ))
21		<u>\$5,490,000</u>
22	Home Visiting Services Account—Federal	
23	Appropriation . . . . .	\$11,708,000
24	WA Opportunity Pathways Account—State Appropriation . . .	\$40,000,000
25	<u>Pension Funding Stabilization Account—State</u>	
26	<u>Appropriation. . . . .</u>	<u>\$468,000</u>
27	TOTAL APPROPRIATION. . . . .	(( <del>\$343,991,000</del> ))
28		<u>\$347,616,000</u>

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

31 (a) \$67,938,000 of the general fund—state appropriation for  
32 fiscal year 2019, \$12,125,000 of the education legacy trust account—  
33 state appropriation, and \$40,000,000 of the opportunity pathways  
34 account appropriation are provided solely for the early childhood  
35 education and assistance program. These amounts shall support at  
36 least 13,491 slots in fiscal year 2019.

1 (b) \$200,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely to develop and provide culturally  
3 relevant supports for parents, family, and other caregivers.

4 (c)(i) The department is the lead agency for and recipient of the  
5 federal child care and development fund grant. Amounts within this  
6 grant shall be used to fund child care licensing, quality  
7 initiatives, agency administration, and other costs associated with  
8 child care subsidies. The department shall transfer a portion of this  
9 grant to the department of social and health services to fund the  
10 child care subsidies paid by the department of social and health  
11 services on behalf of the department.

12 (ii)(A) If the department receives additional federal child care  
13 and development funding while the legislature is not in session, the  
14 department shall request a federal allotment adjustment through the  
15 unanticipated receipts process defined in RCW 43.79.270 and shall  
16 prioritize its request based on the following priorities:

17 (I) Increasing child care rates comparable to market rates based  
18 on the most recent market survey;

19 (II) Increasing access to infant and toddler child care;

20 (III) Increasing access to child care in geographic areas where  
21 supply for subsidized child care does not meet the demand; and

22 (IV) Providing nurse consultation services to licensed providers.

23 (B) The secretary of the department shall consult with the chairs  
24 and ranking members of the appropriate policy committees of the  
25 legislature prior to submitting the unanticipated receipt.

26 (d)(i) (~~(\$76,650,000)~~) \$77,253,000 of the general fund—federal  
27 appropriation is provided solely for the working connections child  
28 care program under RCW 43.215.135. In order to not exceed the  
29 appropriated amount, the department shall manage the program so that  
30 the average monthly caseload does not exceed 33,000 households. The  
31 department shall give prioritized access into the program according  
32 to the following order:

33 (A) Families applying for or receiving temporary assistance for  
34 needy families (TANF);

35 (B) TANF families curing sanction;

36 (C) Foster children;

37 (D) Families that include a child with special needs;

38 (E) Families in which a parent of a child in care is a minor who  
39 is not living with a parent or guardian and who is a full-time



1 student in a high school that has a school-sponsored on-site child  
2 care center;

3 (F) Families with a child residing with a biological parent or  
4 guardian who have received child protective services, child welfare  
5 services, or a family assessment response from the department in the  
6 past six months, and has received a referral for child care as part  
7 of the family's case management;

8 (G) Families that received subsidies within the last thirty days  
9 and:

10 (I) Have reapplied for subsidies; and

11 (II) Have household income of two hundred percent federal poverty  
12 level or below; and

13 (H) All other eligible families.

14 (ii) The department, in collaboration with the department of  
15 social and health services, must submit a final report by December 1,  
16 2018, to the governor and the appropriate fiscal and policy  
17 committees of the legislature on quality control measures for the  
18 working connections child care program. The report must include:

19 (A) A detailed narrative of the procurement and implementation of  
20 an improved time and attendance system, including a detailed  
21 accounting of the costs of procurement and implementation;

22 (B) A comprehensive description of all processes, including  
23 computer algorithms and additional rule development, that the  
24 department and the department of social and health services plan to  
25 establish prior to and after full implementation of the time and  
26 attendance system. At a minimum, processes must be designed to:

27 (I) Ensure the department's auditing efforts are informed by  
28 regular and continuous alerts of the potential for overpayments;

29 (II) Avoid overpayments to the maximum extent possible and  
30 expediently recover overpayments that have occurred;

31 (III) Withhold payment from providers when necessary to  
32 incentivize receipt of the necessary documentation to complete an  
33 audit;

34 (IV) Establish methods for reducing future payments or  
35 establishing repayment plans in order to recover any overpayments;

36 (V) Sanction providers, including termination of eligibility, who  
37 commit intentional program violations or fail to comply with program  
38 requirements, including compliance with any established repayment  
39 plans; and

1 (VI) Consider pursuit of prosecution in cases with fraudulent  
2 activity; and

3 (C) A description of the process by which fraud is identified and  
4 how fraud investigations are prioritized and expedited.

5 (iii) Beginning July 1, 2018, and annually thereafter, the  
6 department, in collaboration with the department of social and health  
7 services, must report to the governor and the appropriate fiscal and  
8 policy committees of the legislature on the status of overpayments in  
9 the working connections child care program. The report must include  
10 the following information for the previous fiscal year:

11 (A) A summary of the number of overpayments that occurred;

12 (B) The reason for each overpayment;

13 (C) The total cost of overpayments;

14 (D) A comparison to overpayments that occurred in the past two  
15 preceding fiscal years; and

16 (E) Any planned modifications to internal processes that will  
17 take place in the coming fiscal year to further reduce the occurrence  
18 of overpayments.

19 (iv) By January 1, 2019, the department shall revise rules to  
20 allow working connections child care consumers who are full-time  
21 community or technical college students who have children attending  
22 part-day head start or early childhood education and assistance  
23 program classrooms to attend college full-time and not have to meet  
24 work requirements.

25 (e) Within available amounts, the department in consultation with  
26 the office of financial management and the department of social and  
27 health services shall report enrollments and active caseload for the  
28 working connections child care program to the legislative fiscal  
29 committees and the legislative-executive WorkFirst oversight task  
30 force on an agreed upon schedule. The report shall also identify the  
31 number of cases participating in both temporary assistance for needy  
32 families and working connections child care. The department must also  
33 report on the number of children served through contracted slots.

34 (f) \$1,560,000 of the general fund—state appropriation for fiscal  
35 year 2019 and \$6,712,000 of the general fund—federal appropriation  
36 are provided solely for the seasonal child care program. If federal  
37 sequestration cuts are realized, cuts to the seasonal child care  
38 program must be proportional to other federal reductions made within  
39 the department.

1 (g) (~~(\$2,522,000)~~) \$4,674,000 of the general fund—state  
2 appropriation for fiscal year 2019 is provided solely for the early  
3 childhood intervention prevention services (ECLIPSE) program. The  
4 department shall contract for ECLIPSE services to provide therapeutic  
5 child care and other specialized treatment services to abused,  
6 neglected, at-risk, and/or drug-affected children. Priority for  
7 services shall be given to children referred from the department.

8 (h) (~~(\$45,359,000)~~) \$42,706,000 of the general fund—state  
9 appropriation for fiscal year 2019 and \$13,954,000 of the general  
10 fund—federal appropriation are provided solely to maintain the  
11 requirements set forth in chapter 7, Laws of 2015, 3rd sp. sess. The  
12 department shall place a ten percent administrative overhead cap on  
13 any contract entered into with the University of Washington. In its  
14 annual report to the governor and the legislature, the department  
15 shall report the total amount of funds spent on the quality rating  
16 and improvements system and the total amount of funds spent on degree  
17 incentives, scholarships, and tuition reimbursements. Of the amounts  
18 provided in this subsection (h), \$577,000 of the general fund—state  
19 appropriation for fiscal year 2019 is provided solely for a six  
20 percent base rate increase for child care center providers.

21 (i) \$1,728,000 of the general fund—state appropriation for fiscal  
22 year 2019 is provided solely for reducing barriers for low-income  
23 providers to participate in the early achievers program.

24 (j) \$300,000 of the general fund—state appropriation for fiscal  
25 year 2019 is provided solely for a contract with a nonprofit entity  
26 experienced in the provision of promoting early literacy for children  
27 through pediatric office visits.

28 (k) \$2,000,000 of the education legacy trust account—state  
29 appropriation is provided solely for early intervention assessment  
30 and services.

31 (l) \$3,445,000 of the general fund—federal appropriation for  
32 fiscal year 2019 is provided solely for the department to procure a  
33 time and attendance system and are subject to the conditions,  
34 limitations, and review provided in section 724 of this act.

35 (m) Information technology projects or investments and proposed  
36 projects or investments impacting time capture, payroll and payment  
37 processes and systems, eligibility, case management and authorization  
38 systems within the department are subject to technical oversight by  
39 the office of the chief information officer. The department must

1 collaborate with the office of the chief information officer to  
2 develop a strategic business and technology architecture plan for a  
3 child care attendance and billing system that supports a statewide  
4 architecture.

5 (n)(i)(A) The department is required to provide to the education  
6 research and data center, housed at the office of financial  
7 management, data on all state-funded early childhood programs. These  
8 programs include the early support for infants and toddlers, early  
9 childhood education and assistance program (ECEAP), and the working  
10 connections and seasonal subsidized childcare programs including  
11 license exempt facilities or family, friend, and neighbor care. The  
12 data provided by the department to the education research data center  
13 must include information on children who participate in these  
14 programs, including their name and date of birth, and dates the child  
15 received services at a particular facility.

16 (B) ECEAP early learning professionals must enter any new  
17 qualifications into the department's professional development  
18 registry starting in the 2015-16 school year, and every school year  
19 thereafter. By October 2017, and every October thereafter, the  
20 department must provide updated ECEAP early learning professional  
21 data to the education research data center.

22 (C) The department must request federally funded head start  
23 programs to voluntarily provide data to the department and the  
24 education research data center that is equivalent to what is being  
25 provided for state-funded programs.

26 (D) The education research and data center must provide an  
27 updated report on early childhood program participation and K-12  
28 outcomes to the house of representatives appropriations committee and  
29 the senate ways and means committee using available data by March  
30 2018 for the school year ending in 2017.

31 (ii) The department, in consultation with the department of  
32 social and health services, must withhold payment for services to  
33 early childhood programs that do not report on the name, date of  
34 birth, and the dates a child received services at a particular  
35 facility.

36 (o) The department shall work with state and local law  
37 enforcement, federally recognized tribal governments, and tribal law  
38 enforcement to develop a process for expediting fingerprinting and  
39 data collection necessary to conduct background checks for tribal  
40 early learning and child care providers.

1 (p) \$2,651,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for the 2017-2019 collective bargaining  
3 agreement covering family child care providers as set forth in  
4 section 940 of this act. Amounts provided in this subsection (p) are  
5 contingent upon the enactment of Senate Bill No. 5969 (transparency  
6 in public employee collective bargaining). If the bill is not enacted  
7 by July 31, 2017, the amount provided in this subsection shall lapse.  
8 Of the amounts provided in this subsection:

9 (i) \$273,000 is for a base rate increase;

10 (ii) \$55,000 is for increasing paid professional development days  
11 from three days to five days;

12 (iii) \$1,708,000 is for the family child care providers 501(c)(3)  
13 organization for the substitute pool, training and quality  
14 improvement support services, and administration;

15 (iv) \$114,000 is for increasing licensing incentive payments; and

16 (v) \$500,000 is for needs based grants.

17 (q) \$175,000 of the general fund—state appropriation for fiscal  
18 year 2019 is provided solely for the department to contract with a  
19 nonprofit entity that provides quality improvement services to  
20 participants in the early achievers program to implement a community-  
21 based training module that supports licensed child care providers who  
22 have been rated in early achievers and who are specifically  
23 interested in serving children in the early childhood education and  
24 assistance program. The module must be functionally translated into  
25 Spanish and Somali. The module must prepare trainees to administer  
26 all aspects of the early childhood education and assistance program  
27 for eligible children in their licensed program and must be offered  
28 to 105 child care providers to serve children eligible for the early  
29 childhood education and assistance program by June 30, 2019.

30 (r) \$219,000 of the general fund—state appropriation for fiscal  
31 year 2019 is provided solely for implementation of chapter 236, Laws  
32 of 2017 (SHB 1445) (dual language in early learning & K-12).

33 (s) \$100,000 of the general fund—state appropriation for fiscal  
34 year 2019 is provided solely for implementation of chapter 202, Laws  
35 of 2017 (E2SHB 1713) (children's mental health).

36 (t) \$317,000 of the general fund—state appropriation for fiscal  
37 year 2019 are provided solely for implementation of chapter 162, Laws  
38 of 2017 (SSB 5357) (outdoor early learning programs).

1 (u) \$50,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for the department, in collaboration  
3 with the department of health, to submit a report on child care nurse  
4 consultation to the governor and appropriate fiscal and policy  
5 committees of the legislature by December 1, 2018. The report must  
6 address the following:

7 (i) Provide background on what nurse consultation services are  
8 currently available to licensed child care providers; and

9 (ii) Provide options and recommendations, including fiscal  
10 estimates, for a plan to provide nurse consultation services to  
11 licensed child care providers who request assistance in addressing  
12 the health and behavioral needs of children in their care.

13 (v) \$150,000 of the general fund—state appropriation for fiscal  
14 year 2019 is provided for the department, in collaboration with the  
15 health care authority, to:

16 (i) Develop a common set of definitions to clarify differences  
17 between evidence-based, research-based, and promising practices home  
18 visiting programs and discrete services provided in the home;

19 (ii) Develop a strategy to expand home visiting programs  
20 statewide;

21 (iii) Identify opportunities to leverage medicaid and other  
22 federal resources for the operation of current home visiting programs  
23 and the statewide strategy for future implementation developed under  
24 this section; and

25 (iv) Provide a set of recommendations to the legislature by  
26 December 1, 2018.

27 (w) \$163,000 of the general fund—state appropriation for fiscal  
28 year 2019 is provided solely for the department to develop a  
29 community-based training module in managing and sustaining a child  
30 care business for child care providers and entrepreneurs. To develop  
31 the training, the department must consult with the statewide child  
32 care resource and referral network, the community and technical  
33 college system, and one or more community-based organizations with  
34 experience in preparing child care providers for entry into the  
35 workforce. By November 1, 2018, the department must offer the  
36 training as a pilot in rural Jefferson county and urban Pierce  
37 county. The department must report on the results of the pilot to the  
38 governor and the legislature by December 1, 2019.

1 (x) \$614,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for implementation of Engrossed Second  
3 Substitute House Bill No. 2396 (child care). If the bill is not  
4 enacted by June 30, 2018, the amount provided in this subsection  
5 shall lapse.

6 (y) \$74,000 of the general fund—state appropriation for fiscal  
7 year 2019 is provided solely for implementation of Engrossed House  
8 Bill No. 2861 (trauma-informed child care). If the bill is not  
9 enacted by June 30, 2018, the amount provided in this subsection  
10 shall lapse.

11 (z) \$750,000 of the general fund—state appropriation for fiscal  
12 year 2019 is provided solely for the implementation of the expanded  
13 learning opportunity quality initiative pursuant to RCW  
14 43.215.100(3)(d).

15 (3) PROGRAM SUPPORT

16 General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$50,448,000</del> ))
17	\$50,598,000
18 General Fund—Federal Appropriation. . . . .	\$15,928,000
19 TOTAL APPROPRIATION. . . . .	(( <del>\$66,376,000</del> ))
20	\$66,526,000

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

23 (a) The appropriations provided in this subsection are provided  
24 solely for implementation of Engrossed Second Substitute House Bill  
25 No. 1661 (child, youth, families department). If the bill is not  
26 enacted by July 31, 2017, the amount provided in this subsection  
27 shall lapse.

28 (b)(i) During the 2017-2019 fiscal biennium, the department must  
29 revise its agreements and contracts with vendors to include a  
30 provision to require that each vendor agrees to equality among its  
31 workers by ensuring similarly employed individuals are compensated as  
32 equals as follows:

33 (A) Employees are similarly employed if the individuals work for  
34 the same employer, the performance of the job requires comparable  
35 skill, effort, and responsibility, and the jobs are performed under  
36 similar working conditions. Job titles alone are not determinative of  
37 whether employees are similarly employed;

38 (B) Vendors may allow differentials in compensation for its  
39 workers based in good faith on any of the following:

1 (I) A seniority system; a merit system; a system that measures  
2 earnings by quantity or quality of production; a bona fide job-  
3 related factor or factors; or a bona fide regional difference in  
4 compensation levels.

5 (II) A bona fide job-related factor or factors may include, but  
6 not be limited to, education, training, or experience, that is:  
7 Consistent with business necessity; not based on or derived from a  
8 gender-based differential; and accounts for the entire differential.

9 (III) A bona fide regional difference in compensation level must  
10 be: Consistent with business necessity; not based on or derived from  
11 a gender-based differential; and account for the entire differential.

12 (ii) The provision must allow for the termination of the contract  
13 if the department or department of enterprise services determines  
14 that the vendor is not in compliance with this agreement or contract  
15 term.

16 (iii) The department must implement this provision with any new  
17 contract and at the time of renewal of any existing contract.

18 (c)(i) \$150,000 of the general fund—state appropriation for  
19 fiscal year 2019 is provided solely for the department to conduct a  
20 study, jointly with the office of homeless youth prevention and  
21 protection programs within the department of commerce, on the public  
22 system response to families and youth in crisis who are seeking  
23 services to address family conflict in the absence of child abuse and  
24 neglect.

25 (ii) In conducting the study required under this section, the  
26 department and the office shall involve stakeholders involved in  
27 advocating and providing services to truants and at-risk youth, and  
28 shall consult with local jurisdictions, the Washington administrative  
29 office of the courts, and other entities as appropriate. The study  
30 shall review the utilization of existing resources such as secure  
31 crisis residential centers, crisis residential centers, and HOPE beds  
32 and make recommendations to assure effective use or redeployment of  
33 these resources.

34 (iii) The department and office shall develop recommendations to  
35 improve the delivery of services to youth and families in conflict  
36 which shall include a plan to provide community-based early  
37 intervention services as well as intensive interventions for families  
38 and youth facing crisis so severe that a youth cannot continue to  
39 reside in the home or is at risk of experiencing homelessness.  
40 Recommendations may include changes to family reconciliation



1 services, and revisions to the at-risk youth and child in need of  
2 services petition processes, including consideration of a combined  
3 family in need of services petition process or a civil citation  
4 process.

5 (iv) The department and the office shall jointly submit  
6 recommendations required by this section to the governor and the  
7 appropriate legislative committees no later than December 15, 2018.

(End of part)

PART III  
NATURAL RESOURCES

Sec. 301. 2017 3rd sp.s. c 1 s 301 (uncodified) is amended to read as follows:

**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund—State Appropriation (FY 2018)	(( <del>\$485,000</del> ))
	<u>\$462,000</u>
General Fund—State Appropriation (FY 2019)	(( <del>\$507,000</del> ))
	<u>\$483,000</u>
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	(( <del>\$960,000</del> ))
	<u>\$959,000</u>
<u>Pension Funding Stabilization Account—State</u>	
<u>Appropriation</u>	\$46,000
TOTAL APPROPRIATION	(( <del>\$1,984,000</del> ))
	<u>\$1,982,000</u>

Sec. 302. 2017 3rd sp.s. c 1 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund—State Appropriation (FY 2018)	(( <del>\$20,877,000</del> ))
	<u>\$19,672,000</u>
General Fund—State Appropriation (FY 2019)	(( <del>\$21,411,000</del> ))
	<u>\$24,465,000</u>
General Fund—Federal Appropriation	\$106,575,000
General Fund—Private/Local Appropriation	\$23,028,000
Reclamation Account—State Appropriation	\$4,106,000
Flood Control Assistance Account—State Appropriation	\$2,175,000
State Emergency Water Projects Revolving Account—State	
Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation	(( <del>\$13,736,000</del> ))
	<u>\$14,035,000</u>
State Drought Preparedness Account—State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water	
Supply Facilities)—State Appropriation	\$164,000
Aquatic Algae Control Account—State Appropriation	\$522,000
Water Rights Tracking System Account—State Appropriation	\$47,000

1	Site Closure Account—State Appropriation . . . . .	\$582,000
2	Wood Stove Education and Enforcement Account—State	
3	Appropriation . . . . .	\$560,000
4	Worker and Community Right-to-Know Account—State	
5	Appropriation . . . . .	\$1,872,000
6	Water Rights Processing Account—State Appropriation . . . . .	\$39,000
7	State Toxics Control Account—State Appropriation . . . . .	<del>(\$147,806,000)</del>
8		<u>\$149,117,000</u>
9	State Toxics Control Account—Private/Local	
10	Appropriation . . . . .	\$499,000
11	Local Toxics Control Account—State Appropriation . . . . .	<del>(\$4,845,000)</del>
12		<u>\$4,869,000</u>
13	Water Quality Permit Account—State Appropriation . . . . .	<del>(\$44,119,000)</del>
14		<u>\$44,421,000</u>
15	Underground Storage Tank Account—State Appropriation . . . . .	<del>(\$3,635,000)</del>
16		<u>\$3,666,000</u>
17	Biosolids Permit Account—State Appropriation . . . . .	\$2,207,000
18	Environmental Legacy Stewardship Account—State	
19	Appropriation . . . . .	<del>(\$41,259,000)</del>
20		<u>\$41,440,000</u>
21	Hazardous Waste Assistance Account—State	
22	Appropriation . . . . .	<del>(\$6,466,000)</del>
23		<u>\$6,599,000</u>
24	Radioactive Mixed Waste Account—State Appropriation . . . . .	<del>(\$18,170,000)</del>
25		<u>\$18,436,000</u>
26	Air Pollution Control Account—State Appropriation . . . . .	<del>(\$3,437,000)</del>
27		<u>\$3,650,000</u>
28	Oil Spill Prevention Account—State Appropriation . . . . .	<del>(\$8,469,000)</del>
29		<u>\$8,606,000</u>
30	Air Operating Permit Account—State Appropriation . . . . .	<del>(\$3,787,000)</del>
31		<u>\$3,819,000</u>
32	Freshwater Aquatic Weeds Account—State Appropriation . . . . .	\$1,460,000
33	Oil Spill Response Account—State Appropriation . . . . .	\$7,076,000
34	<u>Dedicated Marijuana Account—State Appropriation</u>	
35	(FY 2019). . . . .	\$180,000
36	<u>Pension Funding Stabilization Account—State</u>	
37	<u>Appropriation. . . . .</u>	<u>\$2,924,000</u>
38	Water Pollution Control Revolving Administration	
39	Account—State Appropriation . . . . .	\$3,601,000

1 TOTAL APPROPRIATION. . . . . ((~~\$492,774,000~~))  
2 \$500,656,000

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

5 (1) \$170,000 of the oil spill prevention account—state  
6 appropriation is provided solely for a contract with the University  
7 of Washington's sea grant program to continue an educational program  
8 targeted to small spills from commercial fishing vessels, ferries,  
9 cruise ships, ports, and marinas.

10 ((~~+3~~)) (2) \$15,000,000 of the general fund—state appropriation  
11 for fiscal year 2018 and \$15,000,000 of the general fund—state  
12 appropriation for fiscal year 2019 are provided solely for activities  
13 within the water resources program.

14 ((~~+4~~)) (3) \$228,000 of the general fund—state appropriation for  
15 fiscal year 2018 and \$227,000 of the general fund—state appropriation  
16 for fiscal year 2019 are provided solely for the department to grant  
17 to the northwest straits commission to distribute equally among the  
18 seven Puget Sound marine resource committees.

19 ((~~+5~~)) (4) Within existing resources, the department of ecology  
20 must engage stakeholders in a revision of WSR 13-22-073, rule  
21 amendments to chapter 173-350 WAC, to revise the proposed rule and  
22 submit a report to the senate local government and energy,  
23 environment, and telecommunications committees and the house of  
24 representatives local government and environment committees by  
25 September 1, 2017. The report must include a summary of areas of  
26 consensus and dispute, proposed resolution of disputes, a list of  
27 engaged stakeholders, a proposed timeline for potential rule  
28 adoption, and the most recent draft of proposed amendment language,  
29 if any.

30 (5) \$180,000 of the general fund—state appropriation for fiscal  
31 year 2019, \$44,000 of the waste reduction, recycling and litter  
32 control account—state appropriation, \$720,000 of the state toxics  
33 control account—state appropriation, \$17,000 of the local toxics  
34 control account—state appropriation, \$220,000 of the water quality  
35 permit account—state appropriation, \$23,000 of the underground  
36 storage tank account—state appropriation, \$132,000 of the  
37 environmental legacy stewardship account—state appropriation, \$39,000  
38 of the hazardous waste assistance account—state appropriation,  
39 \$86,000 of the radioactive mixed waste account—state appropriation,

1 \$18,000 of the air pollution control account—state appropriation,  
2 \$41,000 of the oil spill prevention account—state appropriation, and  
3 \$23,000 of the air operating permit account—state appropriation are  
4 provided solely for modernizing and migrating the department of  
5 ecology's business applications from an agency-based data center to  
6 the state data center or a cloud environment and are subject to the  
7 conditions, limitations, and review provided in section 724, chapter  
8 1, Laws of 2017 3rd sp. sess.

9 (6) \$180,000 of the dedicated marijuana account—state  
10 appropriation for fiscal year 2019 is provided solely for the  
11 implementation of Second Substitute House Bill No. 2227 (marijuana  
12 product testing). If the bill is not enacted by June 30, 2018, the  
13 amount provided in this subsection shall lapse.

14 (7) \$80,000 of the hazardous waste assistance account—state  
15 appropriation is provided solely for the implementation of Substitute  
16 House Bill No. 2634 (antifouling paints). If the bill is not enacted  
17 by June 30, 2018, the amount provided in this subsection shall lapse.

18 (8) \$240,000 of the waste reduction, recycling, and litter  
19 control account—state appropriation is provided solely for the  
20 implementation of Engrossed Second Substitute House Bill No. 2914  
21 (postconsumer materials). If the bill is not enacted by June 30,  
22 2018, the amount provided in this subsection shall lapse.

23 (9) \$97,000 of the state toxics control account—state  
24 appropriation is provided solely for the implementation of Engrossed  
25 Substitute House Bill No. 2658 (perfluorinated chemicals). If the  
26 bill is not enacted by June 30, 2018, the amount provided in this  
27 subsection shall lapse.

28 (10) \$190,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$3,707,000 of the general fund—state appropriation for  
30 fiscal year 2019 are provided solely for the implementation of  
31 Engrossed Substitute Senate Bill No. 6091 (water availability). If  
32 the bill is not enacted by June 30, 2018, the amounts provided in  
33 this subsection shall lapse.

34 (11)(a) \$625,000 of the general fund—state appropriation for  
35 fiscal year 2019 is provided solely to address unpermitted water use  
36 in priority watersheds. The legislature recognizes that unpermitted  
37 water use in priority watersheds can impair existing instream flows  
38 and senior water rights and supports actions taken by the department  
39 to reduce unpermitted water use. The department shall engage in

1 compliance and enforcement work to ensure compliance with  
2 requirements under chapters 90.03 and 90.44 RCW. Funding is  
3 authorized to be used for technical assistance, informal enforcement,  
4 and formal enforcement actions.

5 (b) The department shall use funds appropriated under this  
6 section to work in water resource inventory areas where: (a) Rules  
7 have been adopted under chapters 90.22 or 90.54 RCW; (b) those rules  
8 do not specify mitigation requirements for groundwater withdrawals  
9 exempt from permitting under RCW 90.44.050; and (c) the department  
10 believes unpermitted water use is negatively impacting streamflows.

11 (c) The department shall submit a report to the legislature by  
12 December 1, 2019, that summarizes the compliance and enforcement work  
13 completed in each basin, including the estimated benefit to  
14 streamflows occurring from actions taken.

15 (d) Appropriations under this section should not replace or  
16 otherwise impact funds appropriated to the department to carry out  
17 duties under RCW 90.03.605 and chapter 90.08 RCW.

18 (12) \$187,000 of the air pollution control account—state  
19 appropriation is provided solely to the department to begin a  
20 multiyear study to distinguish the sources of emissions of the toxic  
21 air pollutant that poses the greatest cancer risk at the air  
22 monitoring station that is located closest to a port in the state  
23 with the highest volume of container traffic in domestic and foreign  
24 waterborne trade, as measured by the United States bureau of  
25 transportation statistics for the most recent year such statistics  
26 were available, as of January 1, 2017. The local air pollution  
27 control authority may financially contribute to the completion of  
28 this study, and the department is encouraged to consult with the  
29 local air pollution control authority in designing and implementing  
30 this study.

31 **Sec. 303.** 2017 3rd sp.s. c 1 s 303 (uncodified) is amended to  
32 read as follows:

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

34	General Fund—State Appropriation (FY 2018)	. . . . .	((( <del>\$9,645,000</del> )))
35			<u>\$8,993,000</u>
36	General Fund—State Appropriation (FY 2019)	. . . . .	((( <del>\$9,945,000</del> )))
37			<u>\$9,288,000</u>
38	General Fund—Federal Appropriation	. . . . .	\$6,981,000

1	Winter Recreation Program Account—State Appropriation . . .	\$3,293,000
2	ORV and Nonhighway Vehicle Account—State Appropriation . . .	<del>(( \$232,000 ))</del>
3		<u>\$392,000</u>
4	Snowmobile Account—State Appropriation . . . . .	\$5,633,000
5	Aquatic Lands Enhancement Account—State Appropriation . . .	\$367,000
6	<del>(( Outdoor Education and Recreation Account—State</del>	
7	<del>Appropriation . . . . .</del>	<del>\$1,500,000))</del>
8	Recreation Access Pass Account—State Appropriation . . . . .	\$50,000
9	Parks Renewal and Stewardship Account—State	
10	Appropriation . . . . .	<del>(( \$124,759,000 ))</del>
11		<u>\$125,374,000</u>
12	Parks Renewal and Stewardship Account—Private/Local	
13	Appropriation . . . . .	<del>(( \$318,000 ))</del>
14		<u>\$420,000</u>
15	<u>Pension Funding Stabilization Account—State</u>	
16	<u>Appropriation . . . . .</u>	<u>\$1,498,000</u>
17	TOTAL APPROPRIATION . . . . .	<del>(( \$162,723,000 ))</del>
18		<u>\$162,289,000</u>

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

21 (1) \$129,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$129,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for a grant for the operation of  
24 the Northwest weather and avalanche center.

25 (2) \$100,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$100,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for the commission to pay  
28 assessments charged by local improvement districts.

29 (3) \$700,000 of the parks renewal and stewardship account—state  
30 appropriation is provided solely for the commission to replace 32  
31 existing automated pay stations and to install 38 additional  
32 automated pay stations within state parks.

33 (4) ~~(( \$500,000 of the outdoor education and recreation account—~~  
34 ~~state appropriation is provided solely for the commission to partner~~  
35 ~~with organizations that have at least one veteran on staff in~~  
36 ~~implementation of the no child left inside program.)) Of the amounts  
37 that the commission spends on the no child left inside program,  
38 \$500,000 must be used to partner with organizations that have at  
39 least one veteran on staff.~~

1 (5) \$50,000 of the recreation access pass account—state  
2 appropriation is provided solely for the commission, using its  
3 authority under RCW 79A.05.055(3) and in partnership with the  
4 department of fish and wildlife and the department of natural  
5 resources, to coordinate a process to develop options and  
6 recommendations to improve consistency, equity, and simplicity in  
7 recreational access fee systems while accounting for the fiscal  
8 health and stability of public land management. The process must be  
9 collaborative and include other relevant agencies and appropriate  
10 stakeholders. The commission must contract with the William D.  
11 Ruckelshaus Center or another neutral third party to facilitate  
12 meetings and discussions with parties involved in the process and  
13 provide a report to the appropriate committees of the legislature by  
14 December 1, 2017. The process must analyze and make recommendations  
15 on:

16 (a) Opportunities for federal and state recreational permit fee  
17 coordination, including the potential for developing a system that  
18 allows a single pass to provide access to federal and state lands;

19 (b) Opportunities to enhance consistency in the way state and  
20 federal recreational access fees apply to various types of  
21 recreational users, including those that travel to public lands by  
22 motor vehicle, boat, bicycle, foot, or another method; and

23 (c) Opportunities to develop a comprehensive and consistent  
24 statewide approach to recreational fee discounts and exemptions to  
25 social and other groups including, but not limited to, disabled  
26 persons, seniors, disabled veterans, foster families, low-income  
27 residents, and volunteers. This analysis must examine the cost of  
28 such a program, and should consider how recreational fee discounts  
29 fit into the broader set of benefits provided by the state to these  
30 social groups. This includes a review of the efficacy, purpose, and  
31 cost of existing recreational fee discounts and exemptions, as well  
32 as opportunities for new or modified social group discounts and  
33 exemptions. The department of veterans affairs and the department of  
34 social and health services must be included in this portion of the  
35 process.

36 **Sec. 304.** 2017 3rd sp.s. c 1 s 304 (uncodified) is amended to  
37 read as follows:

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

39 General Fund—State Appropriation (FY 2018) . . . . . (~~(\$1,441,000)~~)



1		<u>\$1,401,000</u>
2	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$1,398,000</del> ))
3		<u>\$1,483,000</u>
4	General Fund—Federal Appropriation . . . . .	\$3,646,000
5	General Fund—Private/Local Appropriation . . . . .	\$24,000
6	Aquatic Lands Enhancement Account—State Appropriation . . . . .	\$495,000
7	Firearms Range Account—State Appropriation . . . . .	\$37,000
8	Recreation Resources Account—State Appropriation . . . . .	(( <del>\$3,615,000</del> ))
9		<u>\$3,614,000</u>
10	NOVA Program Account—State Appropriation . . . . .	\$1,054,000
11	<u>Pension Funding Stabilization Account—State</u>	
12	<u>Appropriation. . . . .</u>	<u>\$80,000</u>
13	TOTAL APPROPRIATION. . . . .	(( <del>\$11,710,000</del> ))
14		<u>\$11,834,000</u>

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

17 (1) \$156,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$156,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for the board to grant to the  
20 Nisqually River Foundation for implementation of the Nisqually  
21 watershed stewardship plan.

22 (2) \$375,000 of the general fund—state appropriation for fiscal  
23 year 2018 and \$375,000 of the general fund—state appropriation for  
24 fiscal year 2019 are provided solely for the salmon recovery funding  
25 board to grant to the Hood Canal coordinating council for the sole  
26 purpose of conducting an ecosystem impact assessment on the Hood  
27 Canal. The assessment is to study any causal relationship between the  
28 Hood Canal bridge and migrating steelhead and salmon.

29 (3) \$125,000 of the general fund—state appropriation for fiscal  
30 year 2019 is provided solely for the board to conduct or contract for  
31 a study of the economic and health benefits of trail-based  
32 activities, including hiking, walking, and bicycling. The information  
33 gathered will assist in decision-making regarding the allocation of  
34 dedicated resources and investment in Washington's trail networks.  
35 Additionally, the information will aid in increasing and leveraging  
36 economic benefits in the development of public-private partnerships  
37 aimed at stewardship and growth connected to Washington's trail  
38 networks. The study may include, but is not limited to, analysis of  
39 the number of people in the state who hike, bike, and walk annually,

1 economic contribution, environmental and social benefits, and mental  
 2 and physical health outcomes. The study may also include regional  
 3 case studies. As appropriate, the analysis must incorporate data from  
 4 the state comprehensive outdoor recreation plan and federal  
 5 initiatives to integrate outdoor recreation into GDP accounting. To  
 6 allow for a collaborative process, the board must create an advisory  
 7 committee of appropriate agencies and stakeholders, including hiking  
 8 and bicycling groups. The board must report the results of the study  
 9 to the appropriate fiscal and policy committees of the legislature by  
 10 October 1, 2019.

11 **Sec. 305.** 2017 3rd sp.s. c 1 s 305 (uncodified) is amended to  
 12 read as follows:

13 **FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

14	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$2,318,000</del> ))
15			<u>\$2,190,000</u>
16	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$2,375,000</del> ))
17			<u>\$2,247,000</u>
18	<u>Pension Funding Stabilization Account—State</u>		
19	Appropriation. . . . .		\$255,000
20	TOTAL APPROPRIATION. . . . .		(( <del>\$4,693,000</del> ))
21			<u>\$4,692,000</u>

22 **Sec. 306.** 2017 3rd sp.s. c 1 s 306 (uncodified) is amended to  
 23 read as follows:

24 **FOR THE CONSERVATION COMMISSION**

25	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$7,301,000</del> ))
26			<u>\$7,074,000</u>
27	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$7,264,000</del> ))
28			<u>\$7,321,000</u>
29	General Fund—Federal Appropriation . . . . .		\$2,301,000
30	Public Works Assistance Account—State Appropriation. . . .		\$7,620,000
31	State Toxics Control Account—State Appropriation . . . . .		\$1,000,000
32	<u>Pension Funding Stabilization Account—State</u>		
33	Appropriation. . . . .		\$254,000
34	TOTAL APPROPRIATION. . . . .		(( <del>\$25,486,000</del> ))
35			<u>\$25,570,000</u>

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

1 (1) \$7,602,000 of the public works assistance account—state  
2 appropriation is provided solely for implementation of the voluntary  
3 stewardship program. This amount may not be used to fund agency  
4 indirect and administrative expenses.

5 (2)(a) \$50,000 of the general fund—state appropriation for fiscal  
6 year 2018 is provided solely for the commission to convene and  
7 facilitate a food policy forum. The director of the commission is  
8 responsible for appointing participating members of the food policy  
9 forum in consultation with the director of the department of  
10 agriculture. In making appointments, the director of the commission  
11 must attempt to ensure a diversity of knowledge, experience, and  
12 perspectives by building on the representation established by the  
13 food system roundtable initiated by executive order No. 10-02.

14 (b) In addition to members appointed by the director of the state  
15 conservation commission, four legislators may serve on the food  
16 policy forum in an ex officio capacity. Legislative participants must  
17 be appointed as follows:

18 (i) The speaker of the house of representatives shall appoint one  
19 member from each of the two largest caucuses of the house of  
20 representatives; and

21 (ii) The president of the senate shall appoint one member from  
22 each of the two largest caucuses of the senate.

23 (c) The commission shall coordinate with the office of farmland  
24 preservation and the department of agriculture to avoid duplication  
25 of effort. The commission must report to the appropriate committees  
26 of the legislature, consistent with RCW 43.01.036, with the forum's  
27 recommendations by October 31, 2018.

28 (3) (~~(\$375,000)~~) \$275,000 of the general fund—state appropriation  
29 for fiscal year 2018 and (~~(\$375,000)~~) \$475,000 of the general fund—  
30 state appropriation for fiscal year 2019 are provided solely for  
31 grants and technical assistance. Of the amounts provided in this  
32 subsection, (~~(\$125,000 in each fiscal year is)~~) \$25,000 in fiscal  
33 year 2018 and \$225,000 in fiscal year 2019 are provided solely for  
34 activities related to water quality improvements and fecal coliform  
35 DNA speciation statewide.

36 (4) \$85,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the implementation of Third  
38 Substitute House Bill No. 1562 (WA food policy forum). If the bill is

1 not enacted by June 30, 2018, the amount provided in this subsection  
2 shall lapse.

3 **Sec. 307.** 2017 3rd sp.s. c 1 s 307 (uncodified) is amended to  
4 read as follows:

5 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

6	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$46,860,000</del> ))
7		<u>\$45,527,000</u>
8	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$46,483,000</del> ))
9		<u>\$47,227,000</u>
10	General Fund—Federal Appropriation . . . . .	(( <del>\$118,809,000</del> ))
11		<u>\$130,476,000</u>
12	General Fund—Private/Local Appropriation . . . . .	(( <del>\$63,920,000</del> ))
13		<u>\$63,988,000</u>
14	ORV and Nonhighway Vehicle Account—State Appropriation .	(( <del>\$437,000</del> ))
15		<u>\$699,000</u>
16	Aquatic Lands Enhancement Account—State	
17	Appropriation . . . . .	\$10,460,000
18	Recreational Fisheries Enhancement—State	
19	Appropriation . . . . .	(( <del>\$3,084,000</del> ))
20		<u>\$3,122,000</u>
21	Warm Water Game Fish Account—State Appropriation . . .	(( <del>\$2,773,000</del> ))
22		<u>\$2,668,000</u>
23	Eastern Washington Pheasant Enhancement Account—State	
24	Appropriation . . . . .	\$675,000
25	State Wildlife Account—State Appropriation . . . . .	(( <del>\$118,033,000</del> ))
26		<u>\$117,951,000</u>
27	Special Wildlife Account—State Appropriation . . . . .	(( <del>\$71,000</del> ))
28		<u>\$3,234,000</u>
29	Special Wildlife Account—Federal Appropriation . . . . .	\$505,000
30	Special Wildlife Account—Private/Local Appropriation . . .	\$3,576,000
31	Wildlife Rehabilitation Account—State Appropriation . . . .	\$361,000
32	Ballast Water Management Account—State Appropriation. . . . .	\$10,000
33	Hydraulic Project Approval Account—State Appropriation .	(( <del>\$690,000</del> ))
34		<u>\$31,000</u>
35	Environmental Legacy Stewardship Account—State	
36	Appropriation . . . . .	\$2,765,000
37	Regional Fisheries Enhancement Salmonid Recovery Account—	
38	Federal Appropriation . . . . .	\$5,001,000

1	Oil Spill Prevention Account—State Appropriation . . . . .	\$1,122,000
2	<u>Pension Funding Stabilization Account—State</u>	
3	<u>Appropriation. . . . .</u>	<u>\$5,178,000</u>
4	Oyster Reserve Land Account—State Appropriation . . . . .	\$527,000
5	Performance Audits of Government Account—State	
6	Appropriation. . . . .	\$325,000
7	Aquatic Invasive Species Management Account—State	
8	Appropriation. . . . .	\$1,658,000
9	TOTAL APPROPRIATION. . . . .	<del>(( \$428,145,000 ))</del>
10		<u>\$447,086,000</u>

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

13       (1) ~~(( \$467,000 ))~~ \$67,000 of the general fund—state appropriation  
14 for fiscal year 2018 and \$467,000 of the general fund—state  
15 appropriation for fiscal year 2019 are provided solely to pay for  
16 emergency fire suppression costs. These amounts may not be used to  
17 fund agency indirect and administrative expenses.

18       (2) \$1,098,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$1,098,000 of the general fund—state appropriation for  
20 fiscal year 2019 are provided solely for payments in lieu of real  
21 property taxes to counties that elect to receive the payments for  
22 department-owned game lands within the county.

23       (3) \$415,000 of the general fund—state appropriation for fiscal  
24 year 2018, \$415,000 of the general fund—state appropriation for  
25 fiscal year 2019, and \$440,000 of the general fund—federal  
26 appropriation are provided solely for county assessments.

27       (4) Prior to submitting its 2019-2021 biennial operating and  
28 capital budget requests related to state fish hatcheries to the  
29 office of financial management, the department shall contract with  
30 the hatchery scientific review group (HSRG) to review the proposed  
31 requests. This review shall: (a) Determine if the proposed requests  
32 are consistent with HSRG recommendations; (b) prioritize the  
33 components of the requests based on their contributions to protecting  
34 wild salmonid stocks and meeting the recommendations of the HSRG; and  
35 (c) evaluate whether the proposed requests are being made in the most  
36 cost-effective manner. The department shall provide a copy of the  
37 HSRG review to the office of financial management with its agency  
38 budget proposal.

1 (5) \$400,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$400,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for a state match to support the  
4 Puget Sound nearshore partnership between the department and the  
5 United States army corps of engineers. Prior to implementation of any  
6 Puget Sound nearshore ecosystem restoration projects in Whatcom  
7 county, the department must consult with and seek, to the maximum  
8 extent practicable, consensus on those projects among appropriate  
9 landowners, federally recognized Indian tribes, agencies, and  
10 community and interest groups.

11 (6) Within the amounts appropriated in this section, the  
12 department shall identify additional opportunities for partnerships  
13 in order to keep fish hatcheries operational. Such partnerships shall  
14 aim to maintain fish production and salmon recovery with less  
15 reliance on state operating funds.

16 (7) \$525,000 of the general fund—state appropriation for fiscal  
17 year 2018 and (~~(\$425,000)~~) \$525,000 of the general fund—state  
18 appropriation for fiscal year 2019 are provided solely for training  
19 for a work unit to engage and empower diverse stakeholders in  
20 decisions about fish and wildlife, (~~and~~) the continued conflict  
21 transformation with the wolf advisory group, and for cost share  
22 partnerships with livestock owners and the use of range riders to  
23 reduce the potential for depredation of livestock from wolves. The  
24 department shall cooperate with the department of agriculture to  
25 shift the responsibility of implementing cost-sharing contracts with  
26 livestock producers to use nonlethal actions to minimize livestock  
27 loss from wolves and other carnivores to the department of  
28 agriculture.

29 (8) \$1,259,000 of the state wildlife account—state appropriation  
30 is provided solely for the fish program, including implementation of  
31 Substitute House Bill No. 1597 (commercial fishing). If the bill is  
32 not enacted by July 31, 2017, the amount provided in this subsection  
33 shall lapse.

34 (9) \$1,630,000 of the aquatic invasive species management  
35 account, \$600,000 of the general fund—federal appropriation, \$62,000  
36 of the state wildlife account—state appropriation, and \$10,000 of the  
37 ballast water management account—state appropriation are provided  
38 solely for activities related to aquatic invasive species, including  
39 implementation of Substitute House Bill No. 1429 or Substitute Senate

1 Bill No. 5303 (aquatic invasive species). If neither bill is enacted  
2 by July 31, 2017, the amounts provided in this subsection shall  
3 lapse.

4 (10) Within amounts provided in this section, the department must  
5 consult with affected tribes and landowners in Skagit county to  
6 develop and implement a plan designed to address elk-related  
7 agricultural damage and vehicular collisions by using all available  
8 and appropriate methods including, but not limited to, cooperative  
9 fencing projects and harvest in order to minimize elk numbers on  
10 private lands and maximize the number of elk located on state and  
11 federal lands. The plan must be implemented by September 1, 2018.

12 (11) Within the appropriations of this section, the department  
13 shall initiate outreach with recreational fishing stakeholders so  
14 that recreational fishing guide and non-guided angler data can be  
15 collected and analyzed to evaluate changes in the structure of guide  
16 licensing, with the objectives of: (a) Improving the fishing  
17 experience and ensuring equitable opportunity for both guided and  
18 non-guided river anglers, (b) managing fishing pressure to protect  
19 wild steelhead and other species; and (c) ensuring that recreational  
20 fish guiding remains a sustainable economic contributor to rural  
21 economies. The department shall convene public meetings in the North  
22 Olympic Peninsula and Klickitat River areas, and may include other  
23 areas of the state, and shall provide the appropriate standing  
24 committees of the legislature a summary of its findings, by December  
25 31, 2017.

26 ~~(12) ((\$450,000 of the general fund state appropriation for~~  
27 ~~fiscal year 2018 and \$450,000 of the general fund state appropriation~~  
28 ~~for fiscal year 2019 are provided solely for the department to grant~~  
29 ~~to the regional fisheries enhancement groups.~~

30 ~~(13))~~(a) \$5,500,000 of the general fund—state appropriation for  
31 fiscal year 2018, \$5,500,000 of the general fund—state appropriation  
32 for fiscal year 2019, and \$325,000 of the performance audits of  
33 government account—state appropriation are provided solely as one-  
34 time funding to support the department in response to its budget  
35 shortfall. Of the amounts provided in this subsection, \$450,000 of  
36 the general fund—state appropriation for fiscal year 2018 and  
37 \$450,000 of the general fund—state appropriation for fiscal year 2019  
38 are provided solely for the department to grant to the regional  
39 fisheries enhancement groups. In order to address this shortfall on a

1 long-term basis, the department must develop a plan for balancing  
2 projected revenue and expenditures and improving the efficiency and  
3 effectiveness of agency operations, including:

4 (i) Expenditure reduction options that maximize administrative  
5 and organizational efficiencies and savings, while avoiding hatchery  
6 closures and minimizing impacts to fisheries and hunting  
7 opportunities; and

8 (ii) Additional revenue options and an associated outreach plan  
9 designed to ensure that the public, stakeholders, the commission, and  
10 legislators have the opportunity to understand and impact the design  
11 of the revenue options.

12 (iii) The range of options created under (a)(i) and (ii) of this  
13 subsection must be prioritized by impact on achieving financial  
14 stability, impact on the public and fisheries and hunting  
15 opportunities, and on timeliness and ability to achieve intended  
16 outcomes.

17 (b) In consultation with the office of financial management, the  
18 department must consult with an outside management consultant to  
19 evaluate and implement efficiencies to the agency's operations and  
20 management practices. Specific areas of evaluation must include:

21 (i) Potential inconsistencies and increased costs associated with  
22 the decentralized nature of organizational authority and operations;

23 (ii) The department's budgeting and accounting processes,  
24 including work done at the central, program, and region levels, with  
25 specific focus on efficiencies to be gained by centralized budget  
26 control;

27 (iii) Executive management, program management, and regional  
28 management structures, specifically addressing accountability.

29 (c) In carrying out these planning requirements, the department  
30 must provide quarterly updates to the commission, office of financial  
31 management, and appropriate legislative committees. The department  
32 must provide a final summary of its process and plan by (~~May~~)  
33 September 1, 2018.

34 (d) The department, in cooperation with the office of financial  
35 management shall conduct a zero-based budget review of its operating  
36 budget and activities to be submitted with the department's 2019-2021  
37 biennial budget submittal. Information and analysis submitted by the  
38 department for the zero-based review under this subsection shall  
39 include:



1 (i) A statement of the statutory basis or other basis for the  
2 creation of each program and the history of each program that is  
3 being reviewed;

4 (ii) A description of how each program fits within the strategic  
5 plan and goals of the agency and an analysis of the quantified  
6 objectives of each program within the agency;

7 (iii) Any available performance measures indicating the  
8 effectiveness and efficiency of each program;

9 (iv) A description with supporting cost and staffing data of each  
10 program and the populations served by each program, and the level of  
11 funding and staff required to accomplish the goals of the program if  
12 different than the actual maintenance level;

13 (v) An analysis of the major costs and benefits of operating each  
14 program and the rationale for specific expenditure and staffing  
15 levels;

16 (vi) An analysis estimating each program's administrative and  
17 other overhead costs;

18 (vii) An analysis of the levels of services provided; and

19 (viii) An analysis estimating the amount of funds or benefits  
20 that actually reach the intended recipients.

21 (13) \$528,000 of the general fund—state appropriation for fiscal  
22 year 2018, \$511,000 of the general fund—state appropriation for  
23 fiscal year 2019, and \$103,000 of the state wildlife account—state  
24 appropriation are provided solely for the department to modernize its  
25 network infrastructure in the 2017-2019 biennium in preparation to  
26 migrate the department's business applications from an agency-based  
27 data center to the state data center or a cloud-based environment in  
28 the 2019-2021 biennium and are subject to the conditions,  
29 limitations, and review provided in section 724, chapter 1, Laws of  
30 2017 3rd sp. sess.

31 (14) \$580,000 of the general fund—state appropriation for fiscal  
32 year 2019 is provided solely for the implementation of Engrossed  
33 Substitute Senate Bill No. 6091 (water availability). If the bill is  
34 not enacted by June 30, 2018, the amount provided in this subsection  
35 shall lapse.

36 (15) \$183,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the implementation of Engrossed  
38 Substitute House Bill No. 2771 (wolves/translocation). If the bill is

1 not enacted by June 30, 2018, the amount provided in this subsection  
2 shall lapse.

3 (16) The department may not spend funds, staff time, or other  
4 resources on the south unit Shillapoo and Buckmire slough project  
5 until one of the following has occurred:

6 (a) The department makes payments to all public and private  
7 entities that contributed to the purchase of the unit's 540 acres of  
8 waterfowl habitat, in amounts that are equal to the amounts the  
9 entity contributed towards the purchase; or

10 (b) The department acquires a like 540 acres of habitat with the  
11 same carrying capacity for waterfowl and other fauna identified by  
12 the department, in particular the endangered Columbian white-tailed  
13 deer.

14 (17) \$76,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$472,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely for the department to increase  
17 enforcement of vessel traffic near orca whales, especially commercial  
18 and recreational whale watchers and shipping, and to reduce  
19 underwater noise levels that interfere with feeding and  
20 communication. While the patrol focus is to be on orca whale  
21 protection when the animals are present, nothing prohibits responses  
22 to emergent public safety or in-progress poaching incidents. In the  
23 event that orca whales are not present in marine waters of Puget  
24 Sound, emphasis will be placed on patrols that protect living marine  
25 resources in northern Puget Sound.

26 (18) \$245,000 of the general fund--state appropriation for fiscal  
27 year 2019 is provided solely for the inventory and maintenance of  
28 fish screens in the Puget Sound, Methow, and Wenatchee drainages to  
29 protect juvenile salmonids.

30 **Sec. 308.** 2017 3rd sp.s. c 1 s 308 (uncodified) is amended to  
31 read as follows:

32 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

33	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$48,463,000</del> ))
34			\$101,809,000
35	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$48,264,000</del> ))
36			\$51,529,000
37	General Fund—Federal Appropriation	. . . . .	(( <del>\$27,329,000</del> ))
38			\$36,503,000

1	General Fund—Private/Local Appropriation . . . . .	(( <del>\$2,372,000</del> ))
2		<u>\$3,230,000</u>
3	Forest Development Account—State Appropriation . . . . .	(( <del>\$56,643,000</del> ))
4		<u>\$50,204,000</u>
5	ORV and Nonhighway Vehicle Account—State	
6	Appropriation . . . . .	(( <del>\$8,449,000</del> ))
7		<u>\$7,854,000</u>
8	Surveys and Maps Account—State Appropriation . . . . .	(( <del>\$3,462,000</del> ))
9		<u>\$2,480,000</u>
10	Aquatic Lands Enhancement Account—State	
11	Appropriation . . . . .	(( <del>\$13,262,000</del> ))
12		<u>\$16,162,000</u>
13	Resources Management Cost Account—State	
14	Appropriation . . . . .	(( <del>\$121,559,000</del> ))
15		<u>\$121,650,000</u>
16	Surface Mining Reclamation Account—State	
17	Appropriation . . . . .	(( <del>\$4,130,000</del> ))
18		<u>\$4,123,000</u>
19	Disaster Response Account—State Appropriation. . . . .	(( <del>\$23,076,000</del> ))
20		<u>\$15,051,000</u>
21	Forest and Fish Support Account—State Appropriation. . . . .	\$12,790,000
22	Aquatic Land Dredged Material Disposal Site Account—State	
23	Appropriation. . . . .	\$400,000
24	Natural Resources Conservation Areas Stewardship Account—State	
25	Appropriation . . . . .	(( <del>\$34,000</del> ))
26		<u>\$232,000</u>
27	State Toxics Control Account—State Appropriation. . . . .	(( <del>\$10,705,000</del> ))
28		<u>\$10,704,000</u>
29	Forest Practices Application Account—State	
30	Appropriation . . . . .	(( <del>\$2,158,000</del> ))
31		<u>\$1,900,000</u>
32	Air Pollution Control Account—State Appropriation . . . . .	\$872,000
33	NOVA Program Account—State Appropriation . . . . .	\$734,000
34	<u>Pension Funding Stabilization Account—State</u>	
35	<u>Appropriation. . . . .</u>	<u>\$3,239,000</u>
36	Derelict Vessel Removal Account—State Appropriation. . . . .	\$1,946,000
37	Community Forest Trust Account—State Appropriation. . . . .	\$52,000
38	Agricultural College Trust Management Account—State	
39	Appropriation . . . . .	(( <del>\$3,056,000</del> ))

1 \$3,059,000  
2 TOTAL APPROPRIATION. . . . . ((~~\$389,756,000~~))  
3 \$446,523,000

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

6 (1) \$1,420,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$1,352,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for deposit into the  
9 agricultural college trust management account and are provided solely  
10 to manage approximately 70,700 acres of Washington State University's  
11 agricultural college trust lands.

12 (2) (~~\$16,546,000~~) \$71,544,000 of the general fund—state  
13 appropriation for fiscal year 2018, \$16,546,000 of the general fund—  
14 state appropriation for fiscal year 2019, and (~~\$16,050,000~~)  
15 \$8,025,000 of the disaster response account—state appropriation are  
16 provided solely for emergency fire suppression. The general fund—  
17 state appropriations provided in this subsection may not be used to  
18 fund the department's indirect and administrative expenses. The  
19 department's indirect and administrative costs shall be allocated  
20 among its remaining accounts and appropriations.

21 (3) \$5,000,000 of the forest and fish support account—state  
22 appropriation is provided solely for outcome-based performance  
23 contracts with tribes to participate in the implementation of the  
24 forest practices program. Contracts awarded may only contain indirect  
25 costs set at or below the rate in the contracting tribe's indirect  
26 cost agreement with the federal government. If federal funding for  
27 this purpose is reinstated, the amount provided in this subsection  
28 shall lapse.

29 (4) \$1,640,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$1,640,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for the department to carry out  
32 the forest practices adaptive management program pursuant to RCW  
33 76.09.370 and the May 24, 2012, settlement agreement entered into by  
34 the department and the department of ecology. Scientific research  
35 must be carried out according to the master project schedule and work  
36 plan of cooperative monitoring, evaluation, and research priorities  
37 adopted by the forest practices board. The forest practices board  
38 shall submit a report to the legislature following review, approval,  
39 and solicitation of public comment on the cooperative monitoring,

1 evaluation, and research master project schedule, to include:  
2 Cooperative monitoring, evaluation, and research science and related  
3 adaptive management expenditure details, accomplishments, the use of  
4 cooperative monitoring, evaluation, and research science in decision-  
5 making, and funding needs for the coming biennium. For new or amended  
6 forest practices rules adopted or new or amended board manual  
7 provisions approved under chapter 76.09 RCW, the forest practices  
8 board shall also report on its evaluation of the scientific basis for  
9 the rule or board manual provisions including a technical assessment  
10 of the value-added benefits for aquatic resources and the  
11 corresponding economic impact to the regulated community from the  
12 rule or board manual. The report shall be provided to the appropriate  
13 committees of the legislature by November 1, 2018.

14 (5) \$147,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$147,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely for chapter 280, Laws of 2017  
17 (ESHB 2010) (homelessness/wildfire areas), including local capacity  
18 for wildfire suppression in any county located east of the crest of  
19 the Cascade mountain range that shares a common border with Canada  
20 and has a population of one hundred thousand or fewer. The funding  
21 provided in this subsection must be provided to these counties for  
22 radio communication equipment, or to fire protection service  
23 providers within these counties for residential wildfire risk  
24 reduction activities, including education and outreach, technical  
25 assistance, fuel mitigation, and other residential risk reduction  
26 measures. For the purposes of this subsection, fire protection  
27 service providers include fire departments, fire districts, emergency  
28 management services, and regional fire protection service  
29 authorities. The department must prioritize funding to counties  
30 authorized in this subsection, and fire protection service providers  
31 within those counties that serve a disproportionately higher  
32 percentage of low-income residents as defined in RCW 84.36.042, that  
33 are located in areas of higher wildfire risk, and whose fire  
34 protection service providers have a shortage of reliable equipment  
35 and resources. Of the amount provided in this subsection, \$7,000 per  
36 fiscal year is provided for department administration costs.

37 (6) Sufficient funding is provided in this section and the  
38 capital appropriations act to implement chapter 248, Laws of 2017  
39 (E2SHB 1711) (forest health treatments).

1 (7) \$211,000 of the general fund—state appropriation for fiscal  
2 year 2018 is provided solely for implementation of chapter 319, Laws  
3 of 2017 (ESSB 5198) (fire retardant use). The department shall study  
4 and report on the types and efficacy of fire retardants used in fire  
5 suppression activities, their potential impact on human health and  
6 natural resources, and make recommendations to the legislature by  
7 December 31, 2017.

8 (8) \$505,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$486,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for implementation of chapter  
11 95, Laws of 2017 (2SSB 5546) (forest health treatment assessment).  
12 The department shall establish a forest health assessment and  
13 treatment framework that consists of biennial forest health  
14 assessments, treatments, and progress review and reporting.

15 (9) \$150,000 of the aquatic lands enhancement account—state  
16 appropriation is provided solely for continued facilitation and  
17 support services for the marine resources advisory council.

18 (10) \$250,000 of the aquatic lands enhancement account—state  
19 appropriation is provided solely for implementation of the state  
20 marine management plan and ongoing costs of the Washington coastal  
21 marine advisory council to serve as a forum and provide  
22 recommendations on coastal management issues.

23 (11) \$406,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$350,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for Teanaway community forest  
26 operations management costs, such as management plan oversight and  
27 forest health.

28 (12) \$150,000 of the state toxics control account—state  
29 appropriation is provided solely for the department to meet its  
30 obligations as a potentially liable party under the Washington model  
31 toxics control act at Whitmarsh landfill and the east waterway site.

32 (13) \$25,000 of the general fund—state appropriation for fiscal  
33 year 2018 is provided solely for conducting an aerial survey of the  
34 Washington coast forests to monitor the occurrence and spread of  
35 Swiss needle cast disease.

36 (14) \$25,000 of the general fund—state appropriation for fiscal  
37 year 2018 is provided solely for the department to grant to the  
38 University of Washington, Olympic natural resources center to develop

1 a plan to mitigate the effects of Swiss needle cast disease on  
2 douglas fir tree species.

3 (15) Within existing resources, the department, in collaboration  
4 with the emergency management division of the military department,  
5 must develop agreements with other state agencies to recruit state  
6 employees to voluntarily participate in the wildfire suppression  
7 program. Other agency staff are eligible to receive training, fire  
8 gear, and any other necessary items to be ready for deployment to  
9 fight wildfires when called. The department shall cover agency staff  
10 costs directly or through reimbursement and must submit a request for  
11 an appropriation in the next legislative session to fulfill this  
12 requirement. The department must provide a report detailing the  
13 opportunities, challenges, and recommendations for increasing state  
14 employee voluntary participation in the wildfire suppression program  
15 to the appropriate committees of the legislature by December 1, 2017.

16 (16) \$27,000 of the general fund—state appropriation for fiscal  
17 year 2019, \$23,000 of the forest development account—state  
18 appropriation, and \$50,000 of the resources management cost account—  
19 state appropriation are provided solely for the department to  
20 contract with a consultant to develop a plan, in consultation with  
21 the office of financial management, and cost estimate to modernize  
22 and migrate the department's business applications from an agency-  
23 based data center to the state data center or a cloud-based  
24 environment.

25 (17) \$42,000 of the forest development account—state  
26 appropriation, \$56,000 of the resources management cost account—state  
27 appropriation, and \$2,000 of the agricultural college trust  
28 management account—state appropriation are provided solely for the  
29 implementation of Engrossed Substitute House Bill No. 2285 (marbled  
30 murrelet reports). If the bill is not enacted by June 30, 2018, the  
31 amounts provided in this subsection shall lapse.

32 (18) \$6,000 of the forest development account—state  
33 appropriation, \$36,000 of the resources management cost account—state  
34 appropriation, and \$1,000 of the agricultural college trust  
35 management account—state appropriation are provided solely for the  
36 implementation of Third Substitute House Bill No. 2382 (surplus  
37 public property). If the bill is not enacted by June 30, 2018, the  
38 amounts provided in this subsection shall lapse.

1       (19) \$57,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$136,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the implementation of  
4 Substitute House Bill No. 2561 (wildland fire advisory committee). If  
5 the bill is not enacted by June 30, 2018, the amounts provided in  
6 this subsection shall lapse.

7       (20) \$403,000 of the general fund—state appropriation for fiscal  
8 year 2019 is provided solely for the implementation of House Bill No.  
9 2733 (prescribed burn certificate program). If the bill is not  
10 enacted by June 30, 2018, the amount provided in this subsection  
11 shall lapse.

12       (21) \$873,000 of the general fund—state appropriation for fiscal  
13 year 2019 is provided solely to the department to provide to the  
14 Kittitas county fire district seven as matching funds for a federal  
15 staffing for adequate fire and emergency response (SAFER) grant.

16       **Sec. 309.** 2017 3rd sp.s. c 1 s 309 (uncodified) is amended to  
17 read as follows:

18 **FOR THE DEPARTMENT OF AGRICULTURE**

19	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$17,281,000</del> ))
20			<u>\$17,027,000</u>
21	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$17,525,000</del> ))
22			<u>\$17,383,000</u>
23	General Fund—Federal Appropriation	. . . . .	(( <del>\$31,424,000</del> ))
24			<u>\$32,149,000</u>
25	General Fund—Private/Local Appropriation	. . . . .	\$193,000
26	Aquatic Lands Enhancement Account—State Appropriation		(( <del>\$2,565,000</del> ))
27			<u>\$2,566,000</u>
28	State Toxics Control Account—State Appropriation	. . . . .	(( <del>\$5,534,000</del> ))
29			<u>\$6,070,000</u>
30	Water Quality Permit Account—State Appropriation	. . . . .	\$73,000
31	<u>Pension Funding Stabilization Account—State</u>		
32	<u>Appropriation.</u>	. . . . .	<u>\$1,041,000</u>
33	TOTAL APPROPRIATION.	. . . . .	(( <del>\$74,595,000</del> ))
34			<u>\$76,502,000</u>

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

37       (1) \$6,108,445 of the general fund—state appropriation for fiscal  
38 year 2018 and \$6,102,905 of the general fund—state appropriation for



1 fiscal year 2019 are provided solely for implementing the food  
2 assistance program as defined in RCW 43.23.290.

3 (2) Within amounts appropriated in this section, the department  
4 shall provide to the department of health, where available, the  
5 following data for all nutrition assistance programs that are funded  
6 by the United States department of agriculture and administered by  
7 the department. The department must provide the report for the  
8 preceding federal fiscal year by February 1, 2018, and February 1,  
9 2019. The report must provide:

10 (a) The number of people in Washington who are eligible for the  
11 program;

12 (b) The number of people in Washington who participated in the  
13 program;

14 (c) The average annual participation rate in the program;

15 (d) Participation rates by geographic distribution; and

16 (e) The annual federal funding of the program in Washington.

17 (3) \$132,000 of the general fund—state appropriation for fiscal  
18 year 2019 is provided solely for the department to fund an  
19 aquaculture coordinator. The aquaculture coordinator will work with  
20 shellfish growers and federal, state, and local governments to  
21 improve the efficiency and effectiveness of shellfish farm  
22 permitting. Many of those improvements will come directly from the  
23 shellfish interagency permitting team recommendations.

24 (4) \$85,000 of the general fund—state appropriation for fiscal  
25 year 2019 is provided solely for the implementation of Third  
26 Substitute House Bill No. 1562 (WA food policy forum). If the bill is  
27 not enacted by June 30, 2018, the amount provided in this subsection  
28 shall lapse.

29 (5) \$2,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$18,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for the implementation of  
32 Engrossed Substitute Senate Bill No. 6091 (water availability). If  
33 the bill is not enacted by June 30, 2018, the amounts provided in  
34 this subsection shall lapse.

35 (6) \$142,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$145,000 of the general fund—state appropriation for  
37 fiscal year 2019 are provided solely for the industrial hemp research  
38 pilot program.

1        (7) \$534,000 of the state toxics control account—state  
 2 appropriation is provided solely for a monitoring program to study  
 3 the impacts of the use of imidacloprid as a means to control  
 4 burrowing shrimp and related costs. Department costs include, but are  
 5 not limited to, oversight and participation on a technical advisory  
 6 committee, technical assistance, planning, and reporting activities.  
 7 The department may also use the funding provided in this subsection,  
 8 as needed, for payments to Washington State University, the United  
 9 States department of agriculture, and outside consultants for their  
 10 participation in the monitoring program and technical advisory  
 11 committee. The department must report to the appropriate committees  
 12 of the legislature by June 1, 2019, on the progress of the monitoring  
 13 program.

14        (8) \$2,000 of the general fund—state appropriation for fiscal  
 15 year 2019 is provided solely for the implementation of Second  
 16 Substitute House Bill No. 2671 (behavioral health/agricultural  
 17 industry). If the bill is not enacted by June 30, 2018, the amounts  
 18 provided in this subsection shall lapse.

19        **Sec. 310.** 2017 3rd sp.s. c 1 s 310 (uncodified) is amended to  
 20 read as follows:

21 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

22 Underground Storage Tank Revolving Account—State

23        Appropriation . . . . .	(( \$10,000 ))
24	<u>\$90,000</u>

25 Pollution Liability Insurance Program Trust Account—State

26        Appropriation . . . . .	(( \$1,338,000 ))
27	<u>\$1,339,000</u>

28            TOTAL APPROPRIATION . . . . .	(( \$1,348,000 ))
29	<u>\$1,429,000</u>

30        **Sec. 311.** 2017 3rd sp.s. c 1 s 311 (uncodified) is amended to  
 31 read as follows:

32 **FOR THE PUGET SOUND PARTNERSHIP**

33        General Fund—State Appropriation (FY 2018) . . . . .	(( \$2,922,000 ))
34	<u>\$2,782,000</u>
35        General Fund—State Appropriation (FY 2019) . . . . .	(( \$2,668,000 ))
36	<u>\$2,526,000</u>
37        General Fund—Federal Appropriation . . . . .	(( \$8,102,000 ))

1		<u>\$10,336,000</u>
2	Aquatic Lands Enhancement Account—State	
3	Appropriation. . . . .	(( <del>\$1,420,000</del> ))
4		<u>\$1,419,000</u>
5	State Toxics Control Account—State Appropriation . . . . .	\$721,000
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation. . . . .</u>	<u>\$277,000</u>
8	TOTAL APPROPRIATION. . . . .	(( <del>\$15,833,000</del> ))
9		<u>\$18,061,000</u>

10       The appropriations in this section are subject to the following  
11 conditions and limitations: By October 15, 2018, the Puget Sound  
12 partnership shall provide the governor a single, prioritized list of  
13 state agency 2019-2021 capital and operating budget requests related  
14 to Puget Sound restoration.

(End of part)

**PART IV**  
**TRANSPORTATION**

**Sec. 401.** 2017 3rd sp.s. c 1 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund—State Appropriation (FY 2018)	(( <del>\$1,460,000</del> ))
	<u>\$1,687,000</u>
General Fund—State Appropriation (FY 2019)	(( <del>\$1,530,000</del> ))
	<u>\$1,442,000</u>
Architects' License Account—State Appropriation	(( <del>\$995,000</del> ))
	<u>\$1,205,000</u>
Professional Engineers' Account—State Appropriation	(( <del>\$3,922,000</del> ))
	<u>\$3,932,000</u>
Real Estate Commission Account—State Appropriation	(( <del>\$11,045,000</del> ))
	<u>\$11,575,000</u>
Uniform Commercial Code Account—State Appropriation	(( <del>\$3,448,000</del> ))
	<u>\$3,472,000</u>
Real Estate Education Program Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	(( <del>\$1,870,000</del> ))
	<u>\$1,875,000</u>
Business and Professions Account—State Appropriation	(( <del>\$19,302,000</del> ))
	<u>\$22,019,000</u>
Real Estate Research Account—State Appropriation	\$415,000
<u>Landscape Architects' License Account—State</u>	<u>\$4,000</u>
Geologists' Account—State Appropriation	\$53,000
Derelict Vessel Removal Account—State Appropriation	\$33,000
CPL Renewal Notification Account—State Appropriation	\$183,000
Firearms Range Account—State Appropriation	\$75,000
<u>Pension Funding Stabilization Account—State Appropriation</u>	<u>\$95,000</u>
TOTAL APPROPRIATION	(( <del>\$44,607,000</del> ))
	<u>\$48,341,000</u>

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

1 (1) \$105,000 of the business and professions account  
2 appropriation is provided solely to implement chapter 46, Laws of  
3 2017 (SHB 1420) (theatrical wrestling).

4 (2) \$183,000 of the concealed pistol license renewal notification  
5 account appropriation and \$75,000 of the firearms range account  
6 appropriation are provided solely to implement chapter 74, Laws of  
7 2017 (SHB 1100) (concealed pistol license) and chapter 282, Laws of  
8 2017 (SB 5268) (concealed pistol license notices).

9 (3) \$198,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$11,000 of the general fund—state appropriation for  
11 fiscal year 2019 are provided solely for costs related to sending  
12 notices to persons to encourage the renewal of vessel registrations.

13 (4) \$32,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$32,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for the department of licensing  
16 to issue identicards to youths released from juvenile rehabilitation  
17 facilities.

18 (5) The appropriations in this section include sufficient funding  
19 for the implementation of Third Substitute House Bill No. 1169  
20 (student loan assistance).

21 **Sec. 402.** 2017 3rd sp.s. c 1 s 402 (uncodified) is amended to  
22 read as follows:

23 **FOR THE STATE PATROL**

24	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$44,994,000</del> ))
25			<u>\$44,008,000</u>
26	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$45,986,000</del> ))
27			<u>\$46,607,000</u>
28	General Fund—Federal Appropriation	. . . . .	\$16,260,000
29	General Fund—Private/Local Appropriation	. . . . .	\$3,085,000
30	Death Investigations Account—State Appropriation	. . .	(( <del>\$7,087,000</del> ))
31			<u>\$7,185,000</u>
32	County Criminal Justice Assistance Account—State		
33	Appropriation	. . . . .	\$3,755,000
34	Municipal Criminal Justice Assistance Account—State		
35	Appropriation	. . . . .	\$1,521,000
36	Fire Service Trust Account—State Appropriation	. . . . .	\$131,000
37	Vehicle License Fraud Account—State Appropriation	. . . . .	\$110,000
38	Disaster Response Account—State Appropriation	. . . . .	(( <del>\$8,000,000</del> ))

1		<u>\$15,050,000</u>
2	Fire Service Training Account—State Appropriation . . . . .	\$11,126,000
3	Aquatic Invasive Species Management Account—State	
4	Appropriation . . . . .	\$54,000
5	<u>Pension Funding Stabilization Account—State</u>	
6	<u>Appropriation. . . . .</u>	<u>\$3,295,000</u>
7	State Toxics Control Account—State Appropriation . . . . .	\$549,000
8	Fingerprint Identification Account—State	
9	Appropriation . . . . .	\$15,768,000
10	<u>Dedicated Marijuana Account—State Appropriation</u>	
11	<u>(FY 2019). . . . .</u>	<u>\$2,803,000</u>
12	TOTAL APPROPRIATION. . . . .	(( <del>\$158,426,000</del> ))
13		<u>\$171,307,000</u>

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

16       (1) \$270,000 of the fire service training account—state  
17 appropriation is provided solely for two FTEs in the office of the  
18 state director of fire protection to exclusively review K-12  
19 construction documents for fire and life safety in accordance with  
20 the state building code. It is the intent of this appropriation to  
21 provide these services only to those districts that are located in  
22 counties without qualified review capabilities.

23       (2) ((~~\$8,000,000~~)) \$15,050,000 of the disaster response account—  
24 state appropriation is provided solely for Washington state fire  
25 service resource mobilization costs incurred in response to an  
26 emergency or disaster authorized under RCW 43.43.960 through  
27 43.43.964. The state patrol shall submit a report quarterly to the  
28 office of financial management and the legislative fiscal committees  
29 detailing information on current and planned expenditures from this  
30 account. This work shall be done in coordination with the military  
31 department.

32       (3) \$700,000 of the fire service training account—state  
33 appropriation is provided solely for the firefighter apprenticeship  
34 training program.

35       (4) \$41,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$41,000 of the general fund—state appropriation for  
37 fiscal year 2019 are provided solely for implementation of chapter  
38 272, Laws of 2017 (E2SHB 1163) (domestic violence).

1 (5) \$125,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$116,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for implementation of chapter  
4 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

5 (6) \$104,000 of the general fund—state appropriation for fiscal  
6 year 2018 and \$90,000 of the general fund—state appropriation for  
7 fiscal year 2019 are provided solely for implementation of chapter  
8 308, Laws of 2017 (SHB 1863) (fire incident reporting system).

9 (7) \$3,421,000 of the fingerprint identification account—state  
10 appropriation is provided solely for the completion of the state  
11 patrol's plan to upgrade the criminal history system, and is subject  
12 to the conditions, limitations, and review provided in section 724 of  
13 this act.

14 (8) \$1,039,000 of the fingerprint identification account—state  
15 appropriation is provided solely for the implementation of a sexual  
16 assault kit tracking database project and is subject to the  
17 conditions, limitations, and review provided in section 724 of this  
18 act.

19 (9) \$350,000 of the general fund—state appropriation for fiscal  
20 year 2019 is provided solely for the costs related to the 1995 king  
21 air maintenance.

22 (10) \$2,803,000 of the dedicated marijuana account—state  
23 appropriation for fiscal year 2019 is provided solely for the  
24 Washington state patrol to create a new drug enforcement task force  
25 for the purposes of controlling the potential diversion and illicit  
26 production or distribution of marijuana and marijuana-related  
27 products in Washington.

(End of part)

PART V  
EDUCATION

Sec. 501. 2017 3rd sp.s. c 1 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund—State Appropriation (FY 2018)	(\$49,844,000)
	<u>\$46,711,000</u>
General Fund—State Appropriation (FY 2019)	(\$47,888,000)
	<u>\$58,034,000</u>
General Fund—Federal Appropriation	(\$68,460,000)
	<u>\$83,973,000</u>
General Fund—Private/Local Appropriation	(\$8,051,000)
	<u>\$8,101,000</u>
Washington Opportunity Pathways Account—State Appropriation	\$584,000
Dedicated Marijuana Account—State Appropriation (FY 2018)	\$513,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$516,000
Performance Audits of Government Account—State Appropriation	\$211,000
<u>Pension Funding Stabilization Account—State</u>	<u>\$2,126,000</u>
TOTAL APPROPRIATION	(\$176,067,000)
	<u>\$200,769,000</u>

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

(1) (~~\$10,437,000~~) \$9,633,000 of the general fund—state appropriation for fiscal year 2018 and (~~\$11,112,000~~) \$13,667,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(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.

(b) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school,



1 using a uniform definition of unexcused absence as established by the  
2 superintendent.

3 (c) By September of each year, the office of the superintendent  
4 of public instruction shall produce an annual status report on  
5 implementation of the budget provisos in sections 501 and 513 of this  
6 act. The status report of each proviso shall include, but not be  
7 limited to, the following information: Purpose and objective, number  
8 of state staff funded by the proviso, number of contractors, status  
9 of proviso implementation, number of beneficiaries by year, list of  
10 beneficiaries, a comparison of budgeted funding and actual  
11 expenditures, other sources and amounts of funding, and proviso  
12 outcomes and achievements.

13 (d) The superintendent of public instruction, in consultation  
14 with the secretary of state, shall update the program prepared and  
15 distributed under RCW 28A.230.150 for the observation of temperance  
16 and good citizenship day to include providing an opportunity for  
17 eligible students to register to vote at school.

18 (e) Districts shall annually report to the office of the  
19 superintendent of public instruction on: (i) The annual number of  
20 graduating high school seniors within the district earning the  
21 Washington state seal of biliteracy provided in RCW 28A.300.575; and  
22 (ii) the number of high school students earning competency-based high  
23 school credits for world languages by demonstrating proficiency in a  
24 language other than English. The office of the superintendent of  
25 public instruction shall provide a summary report to the office of  
26 the governor and the appropriate committees of the legislature by  
27 December 1st of each year.

28 (2) (~~(\$3,857,000)~~) \$1,423,000 of the general fund—state  
29 appropriation for fiscal year 2018 and (~~(\$3,857,000)~~) \$6,291,000 of  
30 the general fund—state appropriation for fiscal year 2019 are  
31 provided solely for activities associated with the implementation of  
32 House Bill No. 2242 (fully funding the program of basic education).

33 (3)(a) \$911,000 of the general fund—state appropriation for  
34 fiscal year 2018 and \$911,000 of the general fund—state appropriation  
35 for fiscal year 2019 are provided solely for the operation and  
36 expenses of the state board of education, including basic education  
37 assistance activities.

38 (b) \$322,000 of the Washington opportunity pathways account—state  
39 appropriation is provided solely for the state board of education to

1 provide assistance to public schools other than common schools  
2 authorized under chapter 28A.710 RCW.

3 (4) \$3,512,000 of the general fund—state appropriation for fiscal  
4 year 2018 and (~~(\$3,512,000)~~) \$3,161,000 of the general fund—state  
5 appropriation for fiscal year 2019 are provided solely to the  
6 professional educator standards board for the following:

7 (a) \$1,115,000 in fiscal year 2018 and \$1,115,000 in fiscal year  
8 2019 are for the operation and expenses of the Washington  
9 professional educator standards board;

10 (b) \$2,372,000 of the general fund—state appropriation for fiscal  
11 year 2018 (~~(and \$2,372,000 of the general fund—state appropriation~~  
12 ~~for fiscal year 2019 are)~~) is for grants to improve preservice  
13 teacher training and for funding of alternate routes to certification  
14 programs administered by the professional educator standards board.  
15 Alternate routes programs include the pipeline for paraeducators  
16 program, the retooling to teach conditional loan programs, and the  
17 recruiting Washington teachers program. Priority shall be given to  
18 programs that support bilingual teachers and English language  
19 learners. Within this subsection (4)(b), up to \$500,000 per fiscal  
20 year is available for grants to public or private colleges of  
21 education in Washington state to develop models and share best  
22 practices for increasing the classroom teaching experience of  
23 preservice training programs and \$250,000 is provided solely for the  
24 pipeline for paraeducators conditional scholarship program for  
25 scholarships for paraeducators to complete their associate of arts  
26 degrees in subject matter shortage areas;

27 (c) \$960,000 of the general fund—state appropriation for fiscal  
28 year 2019 is for grants to improve preservice teacher training and  
29 for funding of alternate routes programs, including the recruiting  
30 Washington teachers program.

31 (d) \$1,061,000 of the general fund—state appropriation for fiscal  
32 year 2019 is provided solely to implement Engrossed Fourth Substitute  
33 House Bill No. 1827 (educator workforce supply). If the bill is not  
34 enacted by June 30, 2018, the amount provided in this subsection  
35 shall lapse.

36 (e) \$25,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$25,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for the professional educator  
39 standards board to develop educator interpreter standards and

1 identify interpreter assessments that are available to school  
2 districts. Interpreter assessments should meet the following  
3 criteria: (A) Include both written assessment and performance  
4 assessment; (B) be offered by a national organization of professional  
5 sign language interpreters and transliterators; and (C) be designed  
6 to assess performance in more than one sign system or sign language.  
7 The board shall establish a performance standard, defining what  
8 constitutes a minimum assessment result, for each educational  
9 interpreter assessment identified. The board shall publicize the  
10 standards and assessments for school district use;

11 ~~((d))~~ (f) Within the amounts appropriated in this section,  
12 sufficient funding is provided for implementation of chapter 172,  
13 Laws of 2017 (SHB 1741) (educator prep. data/PESB).

14 (5) \$266,000 of the general fund—state appropriation for fiscal  
15 year 2018 and ~~(( \$266,000 ))~~ \$502,000 of the general fund—state  
16 appropriation for fiscal year 2019 are provided solely for the  
17 implementation of chapter 240, Laws of 2010, including staffing the  
18 office of equity and civil rights.

19 (6)(a) \$61,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$61,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for the ongoing work of the  
22 education opportunity gap oversight and accountability committee.

23 (b) Within amounts appropriated in this subsection (6), the  
24 committee shall review the rules and procedures adopted by the  
25 superintendent of public instruction and the state board of education  
26 related to the minimum number of students to be used for public  
27 reporting and federal accountability purposes. By October 30, 2018,  
28 the committee shall report to the office of the superintendent of  
29 public instruction, the state board of education, and the  
30 appropriations committees of the legislature with its recommendations  
31 for the state to meet the following goals: Increase the visibility of  
32 the opportunity gap in schools with small subgroups of students; hold  
33 schools and school districts accountable to individual student-level  
34 support; and comply with federal student privacy laws.

35 (7) \$61,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$61,000 of the general fund—state appropriation for  
37 fiscal year 2019 are provided solely for the implementation of  
38 chapter 380, Laws of 2009 (enacting the interstate compact on  
39 educational opportunity for military children).

1 (8) \$262,000 of the Washington opportunity pathways account—state  
2 appropriation is provided solely for activities related to public  
3 schools other than common schools authorized under chapter 28A.710  
4 RCW.

5 (9) \$1,802,000 of the general fund—state appropriation for fiscal  
6 year 2018 and \$1,802,000 of the general fund—state appropriation for  
7 fiscal year 2019 are provided solely for implementing a comprehensive  
8 data system to include financial, student, and educator data,  
9 including development and maintenance of the comprehensive education  
10 data and research system (CEDARS).

11 (10) \$50,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$50,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for project citizen, a program  
14 sponsored by the national conference of state legislatures and the  
15 center for civic education to promote participation in government by  
16 middle school students.

17 (11) \$1,500,000 of the general fund—state appropriation for  
18 fiscal year 2018 is provided solely for collaborative schools for  
19 innovation and success authorized under chapter 53, Laws of 2012. The  
20 office of the superintendent of public instruction shall award  
21 \$500,000 for each collaborative school for innovation and success  
22 selected for participation in the pilot program during 2012.

23 (12) \$123,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$123,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for implementation of chapter  
26 163, Laws of 2012 (foster care outcomes). The office of the  
27 superintendent of public instruction shall annually report each  
28 December on the implementation of the state's plan of cross-system  
29 collaboration to promote educational stability and improve education  
30 outcomes of foster youth.

31 (13) \$250,000 of the general fund—state appropriation for fiscal  
32 year 2018 is provided solely for implementation of chapter 178, Laws  
33 of 2012 (open K-12 education resources).

34 (14) \$50,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$50,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for school bullying and  
37 harassment prevention activities.

38 (15) \$14,000 of the general fund—state appropriation for fiscal  
39 year 2018 and \$14,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for implementation of chapter  
2 242, Laws of 2013 (state-tribal education compacts).

3 (16) \$62,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$62,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for competitive grants to school  
6 districts to increase the capacity of high schools to offer AP  
7 computer science courses. In making grant allocations, the office of  
8 the superintendent of public instruction must give priority to  
9 schools and districts in rural areas, with substantial enrollment of  
10 low-income students, and that do not offer AP computer science.  
11 School districts may apply to receive either or both of the following  
12 grants:

13 (a) A grant to establish partnerships to support computer science  
14 professionals from private industry serving on a voluntary basis as  
15 coinstructors along with a certificated teacher, including via  
16 synchronous video, for AP computer science courses; or

17 (b) A grant to purchase or upgrade technology and curriculum  
18 needed for AP computer science, as well as provide opportunities for  
19 professional development for classroom teachers to have the requisite  
20 knowledge and skills to teach AP computer science.

21 (17) \$10,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$10,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for the superintendent of public  
24 instruction to convene a committee for the selection and recognition  
25 of Washington innovative schools. The committee shall select and  
26 recognize Washington innovative schools based on the selection  
27 criteria established by the office of the superintendent of public  
28 instruction, in accordance with chapter 202, Laws of 2011 (innovation  
29 schools—recognition) and chapter 260, Laws of 2011 (innovation  
30 schools and zones).

31 (18) \$100,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$100,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided solely for the Mobius science center to  
34 expand mobile outreach of science, technology, engineering, and  
35 mathematics (STEM) education to students in rural, tribal, and low-  
36 income communities.

37 (19) \$131,000 of the general fund—state appropriation for fiscal  
38 year 2018, \$131,000 of the general fund—state appropriation for  
39 fiscal year 2019, and \$211,000 of the performance audits of

1 government account—state appropriation are provided solely for the  
2 office of the superintendent of public instruction to perform on-  
3 going program reviews of alternative learning experience programs,  
4 dropout reengagement programs, and other high risk programs. Findings  
5 from the program reviews will be used to support and prioritize the  
6 office of the superintendent of public instruction outreach and  
7 education efforts that assist school districts in implementing the  
8 programs in accordance with statute and legislative intent, as well  
9 as to support financial and performance audit work conducted by the  
10 office of the state auditor.

11 (20) \$150,000 of the general fund—state appropriation for fiscal  
12 year 2018 and (~~(\$150,000)~~) \$215,000 of the general fund—state  
13 appropriation for fiscal year 2019 are provided solely for youth  
14 suicide prevention activities.

15 (21) \$31,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$55,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for the office of the  
18 superintendent of public instruction for statewide implementation of  
19 career and technical education course equivalency frameworks  
20 authorized under RCW 28A.700.070 for math and science. This may  
21 include development of additional equivalency course frameworks,  
22 course performance assessments, and professional development for  
23 districts implementing the new frameworks.

24 (22) \$2,541,000 of the general fund—state appropriation for  
25 fiscal year 2018 and \$2,541,000 of the general fund—state  
26 appropriation for fiscal year 2019 are provided solely for a corps of  
27 nurses located at educational service districts, as determined by the  
28 superintendent of public instruction, to be dispatched to the most  
29 needy schools to provide direct care to students, health education,  
30 and training for school staff.

31 (23) \$300,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$300,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided solely for a nonviolence and ethical  
34 leadership training and professional development program provided by  
35 the institute for community leadership.

36 (24) \$1,221,000 of the general fund—state appropriation for  
37 fiscal year 2018 and \$1,221,000 of the general fund—state  
38 appropriation for fiscal year 2019 are provided solely for K-20  
39 telecommunications network technical support in the K-12 sector to

1 prevent system failures and avoid interruptions in school utilization  
2 of the data processing and video-conferencing capabilities of the  
3 network. These funds may be used to purchase engineering and advanced  
4 technical support for the network.

5 (25) \$3,940,000 of the general fund—state appropriation for  
6 fiscal year 2018 and \$3,940,000 of the general fund—state  
7 appropriation for fiscal year 2019 are provided solely for the  
8 Washington state achievers scholarship and Washington higher  
9 education readiness program. The funds shall be used to: Support  
10 community involvement officers that recruit, train, and match  
11 community volunteer mentors with students selected as achievers  
12 scholars; and to identify and reduce barriers to college for low-  
13 income and underserved middle and high school students.

14 (26) \$1,354,000 of the general fund—state appropriation for  
15 fiscal year 2018 and (~~(\$1,354,000)~~) \$1,454,000 of the general fund—  
16 state appropriation for fiscal year 2019 are provided solely for  
17 contracting with a college scholarship organization with expertise in  
18 conducting outreach to students concerning eligibility for the  
19 Washington college bound scholarship consistent with chapter 405,  
20 Laws of 2007.

21 (27) \$410,000 of the general fund—state appropriation for fiscal  
22 year 2018, \$280,000 of the general fund—state appropriation for  
23 fiscal year 2019, and \$1,029,000 of the dedicated marijuana account—  
24 state appropriation are provided solely for dropout prevention,  
25 intervention, and reengagement programs, including the jobs for  
26 America's graduates (JAG) program, dropout prevention programs that  
27 provide student mentoring, and the building bridges statewide  
28 program. Students in the foster care system or who are homeless shall  
29 be given priority by districts offering the jobs for America's  
30 graduates program. The office of the superintendent of public  
31 instruction shall convene staff representatives from high schools to  
32 meet and share best practices for dropout prevention. Of these  
33 amounts, \$513,000 of the dedicated marijuana account—state  
34 appropriation for fiscal year 2018, and \$516,000 of the dedicated  
35 marijuana account—state appropriation for fiscal year 2019 are  
36 provided solely for the building bridges statewide program.

37 (28) \$2,984,000 of the general fund—state appropriation for  
38 fiscal year 2018 and \$2,590,000 of the general fund—state  
39 appropriation for fiscal year 2019 are provided solely for the

1 Washington kindergarten inventory of developing skills. State funding  
2 shall support statewide administration and district implementation of  
3 the inventory under RCW 28A.655.080.

4 (29) \$293,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$293,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely for the office of the  
7 superintendent of public instruction to support district  
8 implementation of comprehensive guidance and planning programs in  
9 support of high-quality high school and beyond plans consistent with  
10 RCW 28A.230.090.

11 (30) \$4,894,000 of the general fund—state appropriation for  
12 fiscal year 2018 and \$4,894,000 of the general fund—state  
13 appropriation for fiscal year 2019 are provided solely for grants for  
14 implementation of dual credit programs and subsidized advance  
15 placement exam fees and international baccalaureate class fees and  
16 exam fees for low-income students. For expenditures related to  
17 subsidized exam fees, the superintendent shall report: The number of  
18 students served; the demographics of the students served; and how the  
19 students perform on the exams.

20 (31) \$100,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$100,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for the superintendent of public  
23 instruction to convene a work group to build upon the work of the  
24 social emotional learning work group established under section  
25 501(34), chapter 4, Laws of 2015 3rd sp. sess. The members of the  
26 work group must include representatives from the same organizations  
27 that were represented on the 2015 work group, as well as five  
28 representatives of diverse communities and a statewide expanded  
29 learning opportunities intermediary. The work group must identify and  
30 articulate developmental indicators for each grade level for each of  
31 the social emotional learning benchmarks, solicit feedback from  
32 stakeholders, and develop a model of best practices or guidance for  
33 schools on implementing the benchmarks and indicators. The work group  
34 shall submit recommendations to the education committees of the  
35 legislature and the office of the governor by June 30, 2019.

36 (32) \$117,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$117,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for implementation of chapter 3  
39 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).



1 (33) \$450,000 of the general fund—state appropriation for fiscal  
2 year 2018 and (~~(\$450,000)~~) \$1,450,000 of the general fund—state  
3 appropriation for fiscal year 2019 are provided solely for  
4 implementation of chapter 236, Laws of 2017 (SHB 1445) (dual  
5 language/early learning & K-12). In selecting recipients of the K-12  
6 dual language grant, the superintendent of public instruction must  
7 prioritize districts that received grants under section 501(36),  
8 chapter 4, Laws of 2015 3rd sp. sess. Of the amounts in this  
9 subsection, up to \$1,000,000 of the general fund—state appropriation  
10 for fiscal year 2019 is for implementation of the K-12 dual language  
11 grant program established in RCW 28A.630.095 and \$450,000 of the  
12 general fund—state appropriation for fiscal year 2019 is provided  
13 solely for implementation of the bilingual educator initiative pilot  
14 project established under RCW 28A.180.120.

15 (34) \$125,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$125,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for the Kip Tokuda memorial  
18 Washington civil liberties public education program. The  
19 superintendent of public instruction shall award grants consistent  
20 with RCW 28A.300.410.

21 (35) \$1,000,000 of the general fund—state appropriation for  
22 fiscal year 2018 and \$1,000,000 of the general fund—state  
23 appropriation for fiscal year 2019 are provided solely for the  
24 computer science and education grant program to support the following  
25 three purposes: Train and credential teachers in computer sciences;  
26 provide and upgrade technology needed to learn computer science; and,  
27 for computer science frontiers grants to introduce students to and  
28 engage them in computer science. The office of the superintendent of  
29 public instruction must use the computer science learning standards  
30 adopted pursuant to chapter 3, Laws of 2015 (computer science) in  
31 implementing the grant, to the extent possible. Additionally, grants  
32 provided for the purpose of introducing students to computer science  
33 are intended to support innovative ways to introduce and engage  
34 students from historically underrepresented groups, including girls,  
35 low-income students, and minority students, to computer science and  
36 to inspire them to enter computer science careers. Grant funds for  
37 the computer science and education grant program may be expended only  
38 to the extent that they are equally matched by private sources for  
39 the program, including gifts, grants, or endowments.

1 (36) \$2,145,000 of the general fund—state appropriation for  
2 fiscal year 2018 and \$2,145,000 of the general fund—state  
3 appropriation for fiscal year 2019 are provided solely for a contract  
4 with a nongovernmental entity or entities for demonstration sites to  
5 improve the educational outcomes of students who are dependent  
6 pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016  
7 (Fourth Substitute House Bill No. 1999, foster youth edu. outcomes).

8 (a) Of the amount provided in this subsection, \$446,000 of the  
9 general fund—state appropriation for fiscal year 2018 and \$446,000 of  
10 the general fund—state appropriation for fiscal year 2019 are  
11 provided solely for the demonstration site established pursuant to  
12 the 2013-2015 omnibus appropriations act, section 202(10), chapter 4,  
13 Laws of 2013, 2nd sp. sess.

14 (b) Of the amount provided in this subsection, \$1,015,000 of the  
15 general fund—state appropriation for fiscal year 2018 and \$1,015,000  
16 of the general fund—state appropriation for fiscal year 2019 are  
17 provided solely for the demonstration site established pursuant to  
18 the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter  
19 4, Laws of 2015, 3rd sp. sess., as amended.

20 (37) \$1,000,000 of the general fund—state appropriation for  
21 fiscal year 2018 and \$1,000,000 of the general fund—state  
22 appropriation for fiscal year 2019 are provided solely for  
23 implementation of chapter 157, Laws of 2016 (Third Substitute House  
24 Bill No. 1682, homeless students).

25 (38) \$753,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$703,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for implementation of chapter  
28 72, Laws of 2016 (Fourth Substitute House Bill No. 1541, educational  
29 opportunity gap).

30 (39) \$57,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$15,000 of the general fund—state appropriation for  
32 fiscal year 2019 are provided solely for implementation of chapter  
33 240, Laws of 2016 (Engrossed Senate Bill No. 6620, school safety).

34 (40) \$186,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$178,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for implementation of chapter  
37 291, Laws of 2017 (2SHB 1170) (truancy reduction efforts).

38 (41) \$984,000 of the general fund—state appropriation for fiscal  
39 year 2018 and \$912,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for implementation of chapter  
2 237, Laws of 2017 (ESHB 1115) (paraeducators).

3 (42) \$204,000 of the general fund—state appropriation for fiscal  
4 year 2018, \$204,000 of the general fund—state appropriation for  
5 fiscal year 2019, and \$408,000 of the general fund—federal  
6 appropriation are provided solely for implementation of chapter 202,  
7 Laws of 2017 (E2SHB 1713) (children's mental health).

8 (43) \$300,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$300,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for grants to middle and high  
11 schools to support international baccalaureate programs in high  
12 poverty schools. Of these amounts:

13 (a) \$200,000 of the appropriation for fiscal year 2018 and  
14 \$200,000 of the appropriation for fiscal year 2019 are provided  
15 solely for grants to high schools that have an existing international  
16 baccalaureate program and enrollments of seventy percent or more  
17 students eligible for free or reduced-price meals in the prior school  
18 year to implement and sustain an international baccalaureate program;  
19 and

20 (b) \$100,000 of the appropriation for fiscal year 2018 and  
21 \$100,000 of the appropriation for fiscal year 2019 are provided  
22 solely for grants to middle schools with students that will attend a  
23 qualifying high poverty high school that has received a grant under  
24 (a) of this subsection to support implementation of a middle school  
25 international baccalaureate program.

26 (44) \$240,000 of the general fund—state appropriation for fiscal  
27 year 2018 is provided solely for a grant to the Pacific science  
28 center to continue providing science on wheels activities in schools  
29 and other community settings. Funding is provided to assist with  
30 upgrading three planetarium computers and software and to assist with  
31 purchasing and outfitting three vans with new traveling planetarium  
32 exhibits.

33 (45) (~~(\$100,000)~~) \$40,000 of the general fund—state appropriation  
34 for fiscal year 2018 (~~(+)~~) and \$60,000 of the general fund—state  
35 appropriation for fiscal year 2019 are provided solely for the office  
36 of the superintendent of public instruction to contract for  
37 consulting services for a study of the current state pupil  
38 transportation funding formula. The study must evaluate the extent to  
39 which the formula corresponds to the actual costs of providing pupil

1 transportation to and from school for the state's statutory program  
2 of basic education, including local school district characteristics  
3 such as unique geographic constraints, and transportation for  
4 students who are identified as homeless under the McKinney-Vento act.  
5 Based on the results of this evaluation, the superintendent must make  
6 recommendations for any necessary revisions to the state's pupil  
7 transportation formula, taking into account the statutory program of  
8 basic education, promotion of the efficient use of state and local  
9 resources, and continued local district control over the management  
10 of pupil transportation systems. The superintendent must make  
11 recommendations to clarify the sources of funding that districts can  
12 use to transport homeless students to and from school.

13 (46) \$440,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$270,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for the office of the  
16 superintendent of public instruction for the procurement and  
17 implementation of a reporting and data aggregation system that will  
18 connect state- and district-level information to secure and protect  
19 district, school and student information in order to close student  
20 performance gaps by assisting school districts in data-driven  
21 implementation of strategies and supports that are responsive of  
22 student needs.

23 (47) \$150,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$450,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided for the superintendent of public  
26 instruction to develop and implement a statewide accountability  
27 system to address absenteeism and to improve student graduation  
28 rates. The system must use data to engage schools and districts in  
29 identifying successful strategies and systems that are based on  
30 federal and state accountability measures. Funding may also support  
31 the effort to provide assistance about successful strategies and  
32 systems to districts and schools that are underperforming in the  
33 targeted student subgroups.

34 (48) \$178,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$179,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for implementation of chapter  
37 180, Laws of 2017 (2SSB 5258) (Washington Aim program).

38 (49) \$25,000 of the general fund—state appropriation for fiscal  
39 year 2019 is provided solely for the office of the superintendent of

1 public instruction to form a work group to build on an initial  
2 internal report on institutional education funding recommendations.  
3 The group shall vet the report with on-the-ground providers and offer  
4 recommendations to the legislature on how to establish a new funding  
5 structure, funding levels, and support services such as special  
6 education, mental health, and career and technical education that  
7 more adequately meet the needs of the institutional education  
8 programs and the students they serve. Recommendations must be  
9 reported by the office to the legislature no later than December 1,  
10 2018.

11 (50) \$97,000 of the general fund—state appropriation for fiscal  
12 year 2019 is provided solely for implementation of Substitute House  
13 Bill No. 1539 (sexual abuse of students). If the bill is not enacted  
14 by June 30, 2018, the amount provided in this subsection shall lapse.

15 (51) \$60,000 of the general fund—state appropriation for fiscal  
16 year 2019 is provided solely for implementation of Engrossed  
17 Substitute House Bill No. 2610 (school meal payment). If the bill is  
18 not enacted by June 30, 2018, the amount provided in this subsection  
19 shall lapse.

20 (52) \$288,000 of the general fund—state appropriation for fiscal  
21 year 2019 is provided solely for implementation of Second Substitute  
22 House Bill No. 1377 (student mental health). If the bill is not  
23 enacted by June 30, 2018, the amount provided in this subsection  
24 shall lapse.

25 (53) \$40,000 of the general fund—state appropriation for fiscal  
26 year 2019 is provided solely for implementation of Engrossed Second  
27 Substitute House Bill No. 2779 (children's mental health). If the  
28 bill is not enacted by June 30, 2018, the amount provided in this  
29 subsection shall lapse.

30 (54) \$50,000 of the general fund—state appropriation for fiscal  
31 year 2019 is provided solely for implementation of Engrossed Fourth  
32 Substitute House Bill No. 1827 (educator workforce supply). If the  
33 bill is not enacted by June 30, 2018, the amount provided in this  
34 subsection shall lapse.

35 (55) \$121,000 of the general fund—state appropriation for fiscal  
36 year 2019 is provided solely for implementation of Second Substitute  
37 House Bill No. 2390 (opioid medications/schools). If the bill is not  
38 enacted by June 30, 2018, the amount provided in this subsection  
39 shall lapse.

1       (56) \$676,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for implementation of Substitute House  
3 Bill No. 2748 (learning assistance program). If the bill is not  
4 enacted by June 30, 2018, the amount provided in this subsection  
5 shall lapse.

6       (57) \$230,000 of the general fund—state appropriation for fiscal  
7 year 2019 is provided solely for implementation of Second Substitute  
8 House Bill No. 1896 (civics education). If the bill is not enacted by  
9 June 30, 2018, the amount provided in this subsection shall lapse.

10       (58) Within amounts appropriated in this section, the office of  
11 the superintendent of public instruction and the state board of  
12 education shall adopt a rule that the minimum number of students to  
13 be used for public reporting and federal accountability purposes is  
14 ten.

15       (59)(a) \$125,000 of the general fund—state appropriation for  
16 fiscal year 2019 is provided solely for the superintendent of public  
17 instruction to assist the office of the governor in developing a  
18 strategic plan for work-integrated learning focused on youth  
19 apprenticeship.

20       (b) In consultation with the governor's office, the  
21 superintendent shall collaborate with the state board for community  
22 and technical colleges, workforce training board, department of labor  
23 and industries, and employment security department to:

24       (i) Review existing work-integrated learning programs and youth  
25 apprenticeship programs;

26       (ii) Analyze barriers to statewide adoption of registered  
27 apprenticeship programs and pre-apprenticeship programs; and

28       (iii) Recommend policies to implement strategies that increase  
29 statewide youth engagement in registered apprenticeships.

30       (c) Individuals from the public and private sectors with  
31 expertise in career and technical education and career-integrated  
32 training, including representatives of labor unions, professional  
33 technical organizations, and business and industry must be consulted  
34 in the development of recommendations.

35       (d) Findings and recommendations must be consolidated into one  
36 report delivered to the governor and the education and economic  
37 development committees of the legislature by October 1, 2018.

38       (60) \$150,000 of the general fund—state appropriation for fiscal  
39 year 2019 is provided solely for the office of the superintendent of

1 public instruction to ensure career and technical education courses  
2 are aligned with high-demand, high-wage jobs. The superintendent  
3 shall verify that the current list of career and technical education  
4 courses meets the criteria established in RCW 28A.700.020(2). The  
5 superintendent shall remove from the list any career and technical  
6 education course that no longer meets such criteria.

7 (61) \$150,000 of the general fund—state appropriation for fiscal  
8 year 2019 and \$50,000 of the general fund—private/local appropriation  
9 for fiscal year 2019 are provided solely for support of national  
10 history day. Activities funded must include outreach, implementation,  
11 and support for student participation.

12 (62) \$335,000 of the general fund—state appropriation for fiscal  
13 year 2019 is provided solely for implementation of Engrossed Second  
14 Substitute House Bill No. 1600 (career and college readiness). If the  
15 bill is not enacted by June 30, 2018, the amount provided in this  
16 subsection shall lapse.

17 (63) \$100,000 of the general fund—state appropriation for fiscal  
18 year 2019 is provided solely to contract with a nonprofit  
19 organization that supports Washington teachers in implementing  
20 lessons of the Holocaust for the creation of a comprehensive online  
21 encyclopedia of local Holocaust education resources. The online  
22 encyclopedia must include teaching trunk materials, Anne Frank  
23 materials, genocide resources, and video testimonies. Amounts  
24 provided in this subsection may be used for: The hiring of program  
25 staff and contractors; program planning; oversight and evaluation;  
26 and the research, coding, marketing, and creation of online resources  
27 and program materials.

28 (64) \$200,000 of the general fund—state appropriation for fiscal  
29 year 2019 is provided for the office of the superintendent of public  
30 instruction to meet statutory obligations related to the provision of  
31 medically and scientifically accurate, age-appropriate, and inclusive  
32 sexual health education as authorized by chapter 206, Laws of 1988  
33 (AIDS omnibus act) and chapter 265, Laws of 2007 (healthy youth act).

34 (65) \$165,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$915,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for the office of the  
37 superintendent of public instruction to provide grants to the  
38 Washington state school directors association and individual school  
39 districts to assist school directors and school districts to comply

1 with their budgeting and collective bargaining responsibilities under  
2 the provisions of chapter 13, Laws of 2017 3rd sp. sess. (EHB 2242).

3 (a) From amounts provided in this subsection, the Washington  
4 state school directors association must create school board training  
5 modules that inform school directors of their budgeting  
6 responsibilities, and their roles and responsibilities preceding and  
7 during collective bargaining under chapters 41.56 and 41.59 RCW.

8 (b) The Washington state school directors association may  
9 contract for labor relations consultants, legal advisors, and fiscal  
10 analysts, to assist specific school boards and school districts to  
11 comply with chapters 41.56 and 41.59 RCW by providing legal  
12 assistance, bargaining support, and real time proposal analysis. From  
13 amounts provided in this subsection, the office of the superintendent  
14 of public instruction must provide grants to individual school  
15 districts on a sliding scale based on the size of the school district  
16 in order for those districts to access labor relations consultants,  
17 legal advisors, and fiscal analysts under contract with the  
18 Washington state school directors association, or to procure such  
19 services under separate contract. The Washington state school  
20 directors association and the office of the superintendent of public  
21 instruction must administer the funding for such assistance in order  
22 to provide the services promptly, with minimum administrative burden,  
23 and at no cost for districts with student enrollments at or under two  
24 thousand.

25 (66) \$200,000 of the general fund—state appropriation for fiscal  
26 year 2019 is provided solely for grants to implement a program that  
27 provides hands-on education in financial literacy, work readiness,  
28 and entrepreneurship.

29 (67) \$95,000 of the general fund—state appropriation for fiscal  
30 year 2019 is provided for the office of the superintendent of public  
31 instruction to create and administer a grant program to decrease  
32 student participation gaps in extracurricular activities between  
33 free- and reduced-price lunch students and full-price lunch students.  
34 In making grant allocations, the office of the superintendent of  
35 public instruction must give priority to schools and districts with  
36 the largest participation gaps between low-income students and  
37 higher-income students, as identified by federal free- or reduced-  
38 price lunch program eligibility. The office must distribute grants  
39 for the 2018-19 school year to school districts by August 31, 2018.



1 (a) Of the amount appropriated in this subsection, \$60,000 of the  
2 general fund—state appropriation must be distributed to schools and  
3 districts to reduce associated student body fees for low-income  
4 students.

5 (b) The office of the superintendent of public instruction must  
6 collect the following school-level data from each high school and  
7 middle school:

8 (i) Athletic participation fees for full-price, free-, and  
9 reduced-price lunch program students;

10 (ii) Associated student body card fees for full-price, free-, and  
11 reduced-price lunch program students;

12 (iii) After school athletic participation rate for full-price,  
13 free-, and reduced-price lunch program students, excluding students  
14 participating in for-credit activities;

15 (iv) The number of associated student body card purchases for  
16 full-price, free-, and reduced-price lunch program students;

17 (v) School club participation for full-price, free-, and reduced-  
18 price lunch program students; and

19 (vi) Career and technical student organization participation for  
20 full-price, free-, and reduced-price lunch program students.

21 (c) No later than June 30, 2018, the office of the superintendent  
22 of public instruction must publish a list of schools and districts  
23 that are not complying with section 3, chapter 211, Laws of 2014.  
24 Schools and districts that the office identifies as noncompliant are  
25 ineligible to receive grant allocations under this subsection.

26 (68) The office of the superintendent of public instruction, in  
27 collaboration with the department of social and health services  
28 developmental disabilities administration and division of vocational  
29 rehabilitation, shall explore the development of an implementation  
30 plan to build statewide capacity among school districts to improve  
31 transition planning for students in special education who meet  
32 criteria for services from the developmental disabilities  
33 administration, and shall provide all school districts with an  
34 opportunity to participate. The plan shall be submitted in compliance  
35 with RCW 43.01.036 by November 1, 2018, and the final report must be  
36 submitted by November 1, 2020, to the governor and appropriate  
37 legislative committees.

38 (69) \$40,000 of the general fund—state appropriation for fiscal  
39 year 2019 is provided solely for the legislative youth advisory

1 council. The council of statewide members advises legislators on  
2 issues of importance to youth.

3 (70) \$150,000 of the general fund—state appropriation for fiscal  
4 year 2019 is provided solely to contract with a nonprofit, civil  
5 rights and human relations organization with expertise in tracking  
6 and responding to hate incidents in schools, and with experience  
7 implementing programs designed to empower students to improve upon  
8 and sustain school climates that combat bias and bullying. The  
9 contract must expand the organization's current anti-bias programs to  
10 public schools across Washington, with at least half of the public  
11 schools located east of the crest of the Cascade mountains. Amounts  
12 provided in this subsection may be used to support preprogram  
13 planning, trainings, guidance, surveys, materials, and the hiring of  
14 a part-time contractor to support data tracking.

15 **Sec. 502.** 2017 3rd sp.s. c 1 s 502 (uncodified) is amended to  
16 read as follows:

17 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL**  
18 **APPORTIONMENT**

19	General Fund—State Appropriation (FY 2018)	. . .	(( <del>\$7,183,886,000</del> ))
20			<u>\$7,239,334,000</u>
21	General Fund—State Appropriation (FY 2019)	. . .	(( <del>\$7,412,055,000</del> ))
22			<u>\$7,387,392,000</u>
23	Education Legacy Trust Account—State Appropriation	. . .	\$345,730,000
24	<u>Basic Education Account—State.</u>	. . . . .	<u>\$38,684,000</u>
25	TOTAL APPROPRIATION.	. . . . .	(( <del>\$14,941,671,000</del> ))
26			<u>\$15,011,140,000</u>

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

29 (1)(a) Each general fund fiscal year appropriation includes such  
30 funds as are necessary to complete the school year ending in the  
31 fiscal year and for prior fiscal year adjustments.

32 (b) For the 2017-18 and 2018-19 school years, the superintendent  
33 shall allocate general apportionment funding to school districts as  
34 provided in the funding formulas and salary allocations in sections  
35 502 and 503 of this act, excluding (c) of this subsection, and in  
36 House Bill No. 2242 (fully funding the program of basic education).

37 (c) From July 1, 2017, to August 31, 2017, the superintendent  
38 shall allocate general apportionment funding to school districts

1 programs as provided in sections 502 and 503, chapter 4, Laws of 2015  
2 3rd sp. sess., as amended.

3 (d) The enrollment of any district shall be the annual average  
4 number of full-time equivalent students and part-time students as  
5 provided in RCW 28A.150.350, enrolled on the fourth day of school in  
6 September and on the first school day of each month October through  
7 June, including students who are in attendance pursuant to RCW  
8 28A.335.160 and 28A.225.250 who do not reside within the servicing  
9 school district. Any school district concluding its basic education  
10 program in May must report the enrollment of the last school day held  
11 in May in lieu of a June enrollment.

12 (e)(i) Funding provided in part V of this act is sufficient to  
13 provide each full-time equivalent student with the minimum hours of  
14 instruction required under RCW 28A.150.220.

15 (ii) The office of the superintendent of public instruction shall  
16 align the agency rules defining a full-time equivalent student with  
17 the increase in the minimum instructional hours under RCW  
18 28A.150.220, as amended by the legislature in 2014.

19 (f) The superintendent shall adopt rules requiring school  
20 districts to report full-time equivalent student enrollment as  
21 provided in RCW 28A.655.210.

22 (g) For the 2017-18 and 2018-19 school years, school districts  
23 must report to the office of the superintendent of public instruction  
24 the monthly actual average district-wide class size across each grade  
25 level of kindergarten, first grade, second grade, and third grade  
26 classes. The superintendent of public instruction shall report this  
27 information to the education and fiscal committees of the house of  
28 representatives and the senate by September 30th of each year.

29 (h) Funding is provided in this section for a hold-harmless  
30 payment beginning with the 2018-19 school year. A school district  
31 qualifies for a hold-harmless payment if the sum of the school  
32 district's state basic education allocations plus its enrichment levy  
33 and local effort assistance under chapter 13, Laws of 2017 3rd sp.  
34 sess. is less than the sum of what the district would have received  
35 for that year from the state basic education allocations, local  
36 maintenance and operation levy, and local effort assistance under the  
37 law as it existed on January 1, 2017. For the prior law calculation,  
38 it is assumed that the local levy is the lesser of the voter approved  
39 levy as of January 1, 2017, and the maximum allowed under the law as  
40 it existed on January 1, 2017.

1 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

2 Allocations for certificated instructional staff salaries for the  
3 2017-18 and 2018-19 school years are determined using formula-  
4 generated staff units calculated pursuant to this subsection.

5 (a) Certificated instructional staff units, as defined in RCW  
6 28A.150.410, shall be allocated to reflect the minimum class size  
7 allocations, requirements, and school prototypes assumptions as  
8 provided in RCW 28A.150.260, except that the allocation for guidance  
9 counselors in a middle school shall be 1.716 and the allocation for  
10 parent involvement coordinators in an elementary school shall be 0.5  
11 for the 2018-19 school year, and these enhancements are within the  
12 program of basic education. The superintendent shall make allocations  
13 to school districts based on the district's annual average full-time  
14 equivalent student enrollment in each grade.

15 (b) Additional certificated instructional staff units provided in  
16 this subsection (2) that exceed the minimum requirements in RCW  
17 28A.150.260 are enhancements outside the program of basic education,  
18 except as otherwise provided in this section.

19 (c)(i) The superintendent shall base allocations for each level  
20 of prototypical school on the following regular education average  
21 class size of full-time equivalent students per teacher, except as  
22 provided in (c)(ii) of this subsection:

23 General education class size:

24 Grade	RCW 28A.150.260	2017-18	2018-19
		School Year	School Year
26 Grade K		17.00	17.00
27 Grade 1		17.00	17.00
28 Grade 2		17.00	17.00
29 Grade 3		17.00	17.00
30 Grade 4		27.00	27.00
31 Grades 5-6		27.00	27.00
32 Grades 7-8		28.53	28.53
33 Grades 9-12		28.74	28.74

34 The superintendent shall base allocations for: Laboratory science  
35 average class size as provided in RCW 28A.150.260; career and

1 technical education (CTE) class size of 23.0; and skill center  
2 program class size of 20.0.

3 (ii) For each level of prototypical school at which more than  
4 fifty percent of the students were eligible for free and reduced-  
5 price meals in the prior school year, the superintendent shall  
6 allocate funding based on the following average class size of full-  
7 time equivalent students per teacher:

8 General education class size in high poverty schools:

9	Grade	RCW 28A.150.260	2017-18	2018-19
10			School Year	School Year
11	Grade K		17.00	17.00
12	Grade 1		17.00	17.00
13	Grade 2		17.00	17.00
14	Grade 3		17.00	17.00
15	Grade 4		27.00	27.00
16	Grades 5-6		27.00	27.00
17	Grades 7-8		28.53	28.53
18	Grades 9-12		28.74	28.74

19 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher  
20 planning period, expressed as a percentage of a teacher work day, is  
21 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

22 (iv) Advanced placement and international baccalaureate courses  
23 are funded at the same class size assumptions as general education  
24 schools in the same grade; and

25 (d)(i) Funding for teacher librarians, school nurses, social  
26 workers, school psychologists, and guidance counselors is allocated  
27 based on the school prototypes as provided in RCW 28A.150.260 and (a)  
28 of this subsection and is considered certificated instructional  
29 staff, except as provided in (d)(ii) of this subsection.

30 (ii) Students in approved career and technical education and  
31 skill center programs generate certificated instructional staff units  
32 to provide for the services of teacher librarians, school nurses,  
33 social workers, school psychologists, and guidance counselors at the  
34 following combined rate per 1000 student full-time equivalent  
35 enrollment:

1		2017-18	2018-19
2		School Year	School Year
3	Career and Technical Education	3.07	3.07
4	Skill Center	3.41	3.41

5 (3) ADMINISTRATIVE STAFF ALLOCATIONS

6 (a) Allocations for school building-level certificated  
7 administrative staff salaries for the 2017-18 and 2018-19 school  
8 years for general education students are determined using the formula  
9 generated staff units calculated pursuant to this subsection. The  
10 superintendent shall make allocations to school districts based on  
11 the district's annual average full-time equivalent enrollment in each  
12 grade. The following prototypical school values shall determine the  
13 allocation for principals, assistance principals, and other  
14 certificated building level administrators:

15 Prototypical School Building:

16	Elementary School	1.253
17	Middle School	1.353
18	High School	1.880

19 (b) Students in approved career and technical education and skill  
20 center programs generate certificated school building-level  
21 administrator staff units at per student rates that are a multiple of  
22 the general education rate in (a) of this subsection by the following  
23 factors: Career and Technical Education students. . . . . 1.025  
24 Skill Center students. . . . . 1.198

25 (4) CLASSIFIED STAFF ALLOCATIONS

26 Allocations for classified staff units providing school building-  
27 level and district-wide support services for the 2017-18 and 2018-19  
28 school years are determined using the formula-generated staff units  
29 provided in RCW 28A.150.260 and pursuant to this subsection, and  
30 adjusted based on each district's annual average full-time equivalent  
31 student enrollment in each grade.

32 (5) CENTRAL OFFICE ALLOCATIONS

33 In addition to classified and administrative staff units  
34 allocated in subsections (3) and (4) of this section, classified and  
35 administrative staff units are provided for the 2017-18 and 2018-19

1 school years for the central office administrative costs of operating  
2 a school district, at the following rates:

3 (a) The total central office staff units provided in this  
4 subsection (5) are calculated by first multiplying the total number  
5 of eligible certificated instructional, certificated administrative,  
6 and classified staff units providing school-based or district-wide  
7 support services, as identified in RCW 28A.150.260(6)(b) and the  
8 increased allocations provided pursuant to subsections (2) and (4) of  
9 this section, by 5.3 percent.

10 (b) Of the central office staff units calculated in (a) of this  
11 subsection, 74.53 percent are allocated as classified staff units, as  
12 generated in subsection (4) of this section, and 25.47 percent shall  
13 be allocated as administrative staff units, as generated in  
14 subsection (3) of this section.

15 (c) Staff units generated as enhancements outside the program of  
16 basic education to the minimum requirements of RCW 28A.150.260, and  
17 staff units generated by skill center and career-technical students,  
18 are excluded from the total central office staff units calculation in  
19 (a) of this subsection.

20 (d) For students in approved career-technical and skill center  
21 programs, central office classified units are allocated at the same  
22 staff unit per student rate as those generated for general education  
23 students of the same grade in this subsection (5), and central office  
24 administrative staff units are allocated at staff unit per student  
25 rates that exceed the general education rate established for students  
26 in the same grade in this subsection (5) by 12.29 percent in the  
27 2017-18 school year and 12.29 percent in the 2018-19 school year for  
28 career and technical education students, and 17.61 percent in the  
29 2017-18 school year and 17.61 percent in the 2018-19 school year for  
30 skill center students.

31 (6) FRINGE BENEFIT ALLOCATIONS

32 Fringe benefit allocations shall be calculated at a rate of 23.49  
33 percent in the 2017-18 school year and 23.49 percent in the 2018-19  
34 school year for certificated salary allocations provided under  
35 subsections (2), (3), and (5) of this section, and a rate of 24.60  
36 percent in the 2017-18 school year and 24.60 percent in the 2018-19  
37 school year for classified salary allocations provided under  
38 subsections (4) and (5) of this section.

39 (7) INSURANCE BENEFIT ALLOCATIONS

1 Insurance benefit allocations shall be calculated at the  
 2 maintenance rate specified in section 504 of this act, based on the  
 3 number of benefit units determined as follows:

4 (a) The number of certificated staff units determined in  
 5 subsections (2), (3), and (5) of this section; and

6 (b) The number of classified staff units determined in  
 7 subsections (4) and (5) of this section multiplied by 1.152. This  
 8 factor is intended to adjust allocations so that, for the purpose of  
 9 distributing insurance benefits, full-time equivalent classified  
 10 employees may be calculated on the basis of 1,440 hours of work per  
 11 year, with no individual employee counted as more than one full-time  
 12 equivalent.

13 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

14 Funding is allocated per annual average full-time equivalent  
 15 student for the materials, supplies, and operating costs (MSOC)  
 16 incurred by school districts, consistent with the requirements of RCW  
 17 28A.150.260.

18 (a)(i) MSOC funding for general education students are allocated  
 19 at the following per student rates:

20 MSOC RATES/STUDENT FTE

MSOC Component	2017-18	2018-19
	School Year	School Year
Technology	\$130.76	(( <del>\$132.85</del> )) <u>\$133.24</u>
Utilities and Insurance	\$355.30	(( <del>\$360.98</del> )) <u>\$362.05</u>
Curriculum and Textbooks	\$140.39	(( <del>\$142.64</del> )) <u>\$143.06</u>
Other Supplies and Library Materials	\$298.05	(( <del>\$302.82</del> )) <u>\$303.71</u>
Instructional Professional Development for Certificated and Classified Staff	\$21.71	(( <del>\$22.06</del> )) <u>\$22.12</u>
Facilities Maintenance	\$176.01	(( <del>\$178.83</del> )) <u>\$179.36</u>
Security and Central Office	\$121.94	(( <del>\$123.89</del> )) <u>\$124.26</u>
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,244.16	(( <del>\$1,264.07</del> )) <u>\$1,267.80</u>

35 (ii) For the 2017-18 school year and 2018-19 school year, as part  
 36 of the budget development, hearing, and review process required by



1 chapter 28A.505 RCW, each school district must disclose: (A) The  
 2 amount of state funding to be received by the district under (a) and  
 3 (d) of this subsection (8); (B) the amount the district proposes to  
 4 spend for materials, supplies, and operating costs; (C) the  
 5 difference between these two amounts; and (D) if (A) of this  
 6 subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any  
 7 proposed use of this difference and how this use will improve student  
 8 achievement.

9 (b) Students in approved skill center programs generate per  
 10 student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year  
 11 and (~~(\$1,495.56)~~) \$1,499.98 for the 2018-19 school year.

12 (c) Students in approved exploratory and preparatory career and  
 13 technical education programs generate per student FTE MSOC  
 14 allocations of \$1,472.01 for the 2017-18 school year and  
 15 (~~(\$1,495.56)~~) \$1,499.98 for the 2018-19 school year.

16 (d) Students in grades 9-12 generate per student FTE MSOC  
 17 allocations in addition to the allocations provided in (a) through  
 18 (c) of this subsection at the following rate:

19 MSOC Component	2017-18	2018-19
	School Year	School Year
21 Technology	\$37.60	( <del>(\$38.20)</del> ) <u>\$38.31</u>
22 Curriculum and Textbooks	\$41.02	( <del>(\$41.67)</del> ) <u>\$41.80</u>
23 Other Supplies and Library Materials	\$85.46	( <del>(\$86.82)</del> ) <u>\$87.08</u>
24 Instructional Professional Development for Certified 25 and Classified Staff	\$6.83	( <del>(\$6.95)</del> ) <u>\$6.97</u>
26 TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$170.91	( <del>(\$173.64)</del> ) <u>\$174.16</u>

27 (9) SUBSTITUTE TEACHER ALLOCATIONS  
 28 For the 2017-18 and 2018-19 school years, funding for substitute  
 29 costs for classroom teachers is based on four (4) funded substitute  
 30 days per classroom teacher unit generated under subsection (2) of  
 31 this section, at a daily substitute rate of \$151.86.

32 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING  
 33 (a) Amounts provided in this section from July 1, 2017, to August  
 34 31, 2017, are adjusted to reflect provisions of chapter 4, Laws of  
 35 2015 3rd sp. sess., as amended (allocation of funding for students  
 36 enrolled in alternative learning experiences).

1 (b) The superintendent of public instruction shall require all  
2 districts receiving general apportionment funding for alternative  
3 learning experience (ALE) programs as defined in WAC 392-121-182 to  
4 provide separate financial accounting of expenditures for the ALE  
5 programs offered in district or with a provider, including but not  
6 limited to private companies and multidistrict cooperatives, as well  
7 as accurate, monthly headcount and FTE enrollment claimed for basic  
8 education, including separate counts of resident and nonresident  
9 students.

10 (11) DROPOUT REENGAGEMENT PROGRAM

11 The superintendent shall adopt rules to require students claimed  
12 for general apportionment funding based on enrollment in dropout  
13 reengagement programs authorized under RCW 28A.175.100 through  
14 28A.175.115 to meet requirements for at least weekly minimum  
15 instructional contact, academic counseling, career counseling, or  
16 case management contact. Districts must also provide separate  
17 financial accounting of expenditures for the programs offered by the  
18 district or under contract with a provider, as well as accurate  
19 monthly headcount and full-time equivalent enrollment claimed for  
20 basic education, including separate enrollment counts of resident and  
21 nonresident students.

22 (12) ALL DAY KINDERGARTEN PROGRAMS

23 Funding in this section is sufficient to fund all day  
24 kindergarten programs in all schools in the 2017-18 school year and  
25 2018-19 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

26 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND  
27 NECESSARY PLANTS

28 For small school districts and remote and necessary school plants  
29 within any district which have been judged to be remote and necessary  
30 by the superintendent of public instruction, additional staff units  
31 are provided to ensure a minimum level of staffing support.  
32 Additional administrative and certificated instructional staff units  
33 provided to districts in this subsection shall be reduced by the  
34 general education staff units, excluding career and technical  
35 education and skills center enhancement units, otherwise provided in  
36 subsections (2) through (5) of this section on a per district basis.

37 (a) For districts enrolling not more than twenty-five average  
38 annual full-time equivalent students in grades K-8, and for small  
39 school plants within any school district which have been judged to be

1 remote and necessary by the superintendent of public instruction and  
2 enroll not more than twenty-five average annual full-time equivalent  
3 students in grades K-8:

4 (i) For those enrolling no students in grades 7 and 8, 1.76  
5 certificated instructional staff units and 0.24 certificated  
6 administrative staff units for enrollment of not more than five  
7 students, plus one-twentieth of a certificated instructional staff  
8 unit for each additional student enrolled; and

9 (ii) For those enrolling students in grades 7 or 8, 1.68  
10 certificated instructional staff units and 0.32 certificated  
11 administrative staff units for enrollment of not more than five  
12 students, plus one-tenth of a certificated instructional staff unit  
13 for each additional student enrolled;

14 (b) For specified enrollments in districts enrolling more than  
15 twenty-five but not more than one hundred average annual full-time  
16 equivalent students in grades K-8, and for small school plants within  
17 any school district which enroll more than twenty-five average annual  
18 full-time equivalent students in grades K-8 and have been judged to  
19 be remote and necessary by the superintendent of public instruction:

20 (i) For enrollment of up to sixty annual average full-time  
21 equivalent students in grades K-6, 2.76 certificated instructional  
22 staff units and 0.24 certificated administrative staff units; and

23 (ii) For enrollment of up to twenty annual average full-time  
24 equivalent students in grades 7 and 8, 0.92 certificated  
25 instructional staff units and 0.08 certificated administrative staff  
26 units;

27 (c) For districts operating no more than two high schools with  
28 enrollments of less than three hundred average annual full-time  
29 equivalent students, for enrollment in grades 9-12 in each such  
30 school, other than alternative schools, except as noted in this  
31 subsection:

32 (i) For remote and necessary schools enrolling students in any  
33 grades 9-12 but no more than twenty-five average annual full-time  
34 equivalent students in grades K-12, four and one-half certificated  
35 instructional staff units and one-quarter of a certificated  
36 administrative staff unit;

37 (ii) For all other small high schools under this subsection, nine  
38 certificated instructional staff units and one-half of a certificated  
39 administrative staff unit for the first sixty average annual full-  
40 time equivalent students, and additional staff units based on a ratio

1 of 0.8732 certificated instructional staff units and 0.1268  
2 certificated administrative staff units per each additional forty-  
3 three and one-half average annual full-time equivalent students;

4 (iii) Districts receiving staff units under this subsection shall  
5 add students enrolled in a district alternative high school and any  
6 grades nine through twelve alternative learning experience programs  
7 with the small high school enrollment for calculations under this  
8 subsection;

9 (d) For each nonhigh school district having an enrollment of more  
10 than seventy annual average full-time equivalent students and less  
11 than one hundred eighty students, operating a grades K-8 program or a  
12 grades 1-8 program, an additional one-half of a certificated  
13 instructional staff unit;

14 (e) For each nonhigh school district having an enrollment of more  
15 than fifty annual average full-time equivalent students and less than  
16 one hundred eighty students, operating a grades K-6 program or a  
17 grades 1-6 program, an additional one-half of a certificated  
18 instructional staff unit;

19 (f)(i) For enrollments generating certificated staff unit  
20 allocations under (a) through (e) of this subsection, one classified  
21 staff unit for each 2.94 certificated staff units allocated under  
22 such subsections;

23 (ii) For each nonhigh school district with an enrollment of more  
24 than fifty annual average full-time equivalent students and less than  
25 one hundred eighty students, an additional one-half of a classified  
26 staff unit; and

27 (g) School districts receiving additional staff units to support  
28 small student enrollments and remote and necessary plants under this  
29 subsection (12) shall generate additional MSOC allocations consistent  
30 with the nonemployee related costs (NERC) allocation formula in place  
31 for the 2010-11 school year as provided section 502, chapter 37, Laws  
32 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually  
33 for inflation.

34 (14) Any school district board of directors may petition the  
35 superintendent of public instruction by submission of a resolution  
36 adopted in a public meeting to reduce or delay any portion of its  
37 basic education allocation for any school year. The superintendent of  
38 public instruction shall approve such reduction or delay if it does  
39 not impair the district's financial condition. Any delay shall not be  
40 for more than two school years. Any reduction or delay shall have no

1 impact on levy authority pursuant to RCW 84.52.0531 and local effort  
2 assistance pursuant to chapter 28A.500 RCW.

3 (15) The superintendent may distribute funding for the following  
4 programs outside the basic education formula during fiscal years 2018  
5 and 2019 as follows:

6 (a) \$638,000 of the general fund—state appropriation for fiscal  
7 year 2018 and (~~(\$648,000)~~) \$650,000 of the general fund—state  
8 appropriation for fiscal year 2019 are provided solely for fire  
9 protection for school districts located in a fire protection district  
10 as now or hereafter established pursuant to chapter 52.04 RCW.

11 (b) \$436,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$436,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for programs providing skills  
14 training for secondary students who are enrolled in extended day  
15 school-to-work programs, as approved by the superintendent of public  
16 instruction. The funds shall be allocated at a rate not to exceed  
17 \$500 per full-time equivalent student enrolled in those programs.

18 (16) \$225,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$229,000 of the general fund—state appropriation for  
20 fiscal year 2019 are provided solely for school district emergencies  
21 as certified by the superintendent of public instruction. Funding  
22 provided must be conditioned upon the written commitment and plan of  
23 the school district board of directors to repay the grant with any  
24 insurance payments or other judgments that may be awarded, if  
25 applicable. At the close of the fiscal year the superintendent of  
26 public instruction shall report to the office of financial management  
27 and the appropriate fiscal committees of the legislature on the  
28 allocations provided to districts and the nature of the emergency.

29 (17) Funding in this section is sufficient to fund a maximum of  
30 1.6 FTE enrollment for skills center students pursuant to chapter  
31 463, Laws of 2007.

32 (18) Students participating in running start programs may be  
33 funded up to a combined maximum enrollment of 1.2 FTE including  
34 school district and institution of higher education enrollment  
35 consistent with the running start course requirements provided in  
36 chapter 202, Laws of 2015 (dual credit education opportunities). In  
37 calculating the combined 1.2 FTE, the office of the superintendent of  
38 public instruction may average the participating student's September  
39 through June enrollment to account for differences in the start and

1 end dates for courses provided by the high school and higher  
2 education institution. Additionally, the office of the superintendent  
3 of public instruction, in consultation with the state board for  
4 community and technical colleges, the student achievement council,  
5 and the education data center, shall annually track and report to the  
6 fiscal committees of the legislature on the combined FTE experience  
7 of students participating in the running start program, including  
8 course load analyses at both the high school and community and  
9 technical college system.

10 (19) If two or more school districts consolidate and each  
11 district was receiving additional basic education formula staff units  
12 pursuant to subsection (12) of this section, the following apply:

13 (a) For three school years following consolidation, the number of  
14 basic education formula staff units shall not be less than the number  
15 of basic education formula staff units received by the districts in  
16 the school year prior to the consolidation; and

17 (b) For the fourth through eighth school years following  
18 consolidation, the difference between the basic education formula  
19 staff units received by the districts for the school year prior to  
20 consolidation and the basic education formula staff units after  
21 consolidation pursuant to subsection ~~((12))~~ (13) of this section  
22 shall be reduced in increments of twenty percent per year.

23 (20)(a) Indirect cost charges by a school district to approved  
24 career and technical education middle and secondary programs shall  
25 not exceed ~~((5 percent))~~ the lesser of five percent or the cap  
26 established in federal law of the combined basic education and career  
27 and technical education program enhancement allocations of state  
28 funds. Middle and secondary career and technical education programs  
29 are considered separate programs for funding and financial reporting  
30 purposes under this section.

31 (b) Career and technical education program full-time equivalent  
32 enrollment shall be reported on the same monthly basis as the  
33 enrollment for students eligible for basic support, and payments  
34 shall be adjusted for reported career and technical education program  
35 enrollments on the same monthly basis as those adjustments for  
36 enrollment for students eligible for basic support.

37 (21) Funding in this section is sufficient to provide full  
38 general apportionment payments to school districts eligible for  
39 federal forest revenues as provided in RCW 28A.520.020. For the

1 2017-2019 biennium, general apportionment payments are not reduced  
2 for school districts receiving federal forest revenues.

3 (22) \$38,684,000 of the basic education account appropriation is  
4 provided solely for allocations to school districts for additional  
5 middle school guidance counselors and elementary school parent  
6 involvement coordinators as provided in RCW 28A.150.260(5) as amended  
7 by Engrossed Second Substitute Senate Bill No. 6362 (basic education)  
8 as amended by [H-. . ./18].

9 **Sec. 503.** 2017 3rd sp.s. c 1 s 503 (uncodified) is amended to  
10 read as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE**  
12 **COMPENSATION**

13 (1) The following calculations determine the salaries used in the  
14 state allocations for certificated instructional, certificated  
15 administrative, and classified staff units as provided in House Bill  
16 No. 2242 (fully funding the program of basic education), RCW  
17 28A.150.260, and under section 502 of this act:

18 (a) For the 2017-18 school year, salary allocations for  
19 certificated instructional staff units are determined for each  
20 district by multiplying the district's certificated instructional  
21 total base salary shown on LEAP Document 2 by the district's average  
22 staff mix factor for certificated instructional staff in that school  
23 year, computed using LEAP document 1.

24 (b) For the 2017-18 school year, salary allocations for  
25 certificated administrative staff units and classified staff units  
26 for each district are determined based on the district's certificated  
27 administrative and classified salary allocation amounts shown on LEAP  
28 Document 2.

29 (c) For the 2018-19 school year salary allocations for  
30 certificated instructional staff, certificated administrative staff,  
31 and classified staff units are determined for each school district by  
32 multiplying the statewide minimum salary allocation for each staff  
33 type by the school district's regionalization factor shown in LEAP  
34 Document 3.

35 Statewide Minimum Salary Allocation

36 For School Year 2018-19

37 Certificated Instructional Staff ((~~\$59,333.55~~)  
38 \$59,429.55)





1	2	37,481	38,491	39,537	40,688	44,000	46,127	44,762	48,073	50,201
2	3	37,964	38,983	40,040	41,229	44,534	46,712	45,227	48,529	50,709
3	4	38,437	39,501	40,565	41,794	45,119	47,313	45,714	49,038	51,234
4	5	38,926	39,995	41,069	42,367	45,679	47,918	46,209	49,522	51,760
5	6	39,428	40,474	41,585	42,948	46,244	48,494	46,716	50,013	52,262
6	7	40,312	41,373	42,498	43,935	47,280	49,593	47,666	51,010	53,324
7	8	41,604	42,724	43,876	45,431	48,822	51,219	49,161	52,552	54,949
8	9		44,122	45,332	46,943	50,413	52,892	50,672	54,143	56,623
9	10			46,805	48,533	52,049	54,611	52,263	55,780	58,340
10	11				50,169	53,761	56,375	53,899	57,492	60,104
11	12				51,753	55,520	58,211	55,600	59,250	61,942
12	13					57,322	60,093	57,360	61,052	63,823
13	14					59,132	62,046	59,172	62,981	65,776
14	15					60,671	63,660	60,710	64,618	67,486
15	16 or					61,884	64,932	61,924	65,910	68,836
16	more									

17 (b) As used in this subsection, the column headings "BA+(N)"  
18 refer to the number of credits earned since receiving the  
19 baccalaureate degree.

20 (c) For credits earned after the baccalaureate degree but before  
21 the masters degree, any credits in excess of forty-five credits may  
22 be counted after the masters degree. Thus, as used in this  
23 subsection, the column headings "MA+(N)" refer to the total of:

- 24 (i) Credits earned since receiving the masters degree; and
- 25 (ii) Any credits in excess of forty-five credits that were earned  
26 after the baccalaureate degree but before the masters degree.

27 (5) For the purposes of this section:

- 28 (a) "BA" means a baccalaureate degree.
- 29 (b) "MA" means a masters degree.
- 30 (c) "PHD" means a doctorate degree.
- 31 (d) "Years of service" shall be calculated under the same rules  
32 adopted by the superintendent of public instruction.

33 (e) "Credits" means college quarter hour credits and equivalent  
34 in-service credits computed in accordance with RCW 28A.415.020 and  
35 28A.415.023.

1 (6) No more than ninety college quarter-hour credits received by  
2 any employee after the baccalaureate degree may be used to determine  
3 compensation allocations under the state salary allocation schedule  
4 and LEAP documents referenced in this part V, or any replacement  
5 schedules and documents, unless:

6 (a) The employee has a masters degree; or

7 (b) The credits were used in generating state salary allocations  
8 before January 1, 1992.

9 (7) The salary allocations established in this section are for  
10 allocation purposes only except as provided in this subsection, and  
11 do not entitle an individual staff position to a particular paid  
12 salary except as provided in RCW 28A.400.200, as amended by House  
13 Bill No. 2242 (fully funding the program of basic education).

14 (8) For school year 2018-19, the salary allocations for each  
15 district shall be the greater of:

16 (a) The derived school year 2018-19 salary allocations in  
17 subsection (1) of this section; or

18 (b) The derived salary allocations for school year 2017-18  
19 increased by 2.3 percent.

20 **Sec. 504.** 2017 3rd sp.s. c 1 s 504 (uncodified) is amended to  
21 read as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE**  
23 **COMPENSATION ADJUSTMENTS**

24	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$216,086,000</del> ))
25		<u>\$206,149,000</u>
26	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,360,536,000</del> ))
27		<u>\$1,358,461,000</u>
28	<u>Basic Education Account—State. . . . .</u>	<u>\$30,016,000</u>
29	TOTAL APPROPRIATION. . . . .	(( <del>\$1,576,622,000</del> ))
30		<u>\$1,594,626,000</u>

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

33 (1) The salary increases provided in this section are inclusive  
34 of and above the annual cost-of-living adjustments pursuant to RCW  
35 28A.400.205.

36 (2) In addition to salary allocations specified in this  
37 subsection (1) funding in this subsection includes one day of  
38 professional learning for each of the funded full-time equivalent

1 certificated instructional staff units in school year 2018-19.  
2 Nothing in this section entitles an individual certificated  
3 instructional staff to any particular number of professional learning  
4 days.

5 (3)(a) The appropriations in this section include associated  
6 incremental fringe benefit allocations at 22.85 percent for the  
7 2017-18 school year and 22.85 percent for the 2018-19 school year for  
8 certificated instructional and certificated administrative staff and  
9 21.10 percent for the 2017-18 school year and 21.10 percent for the  
10 2018-19 school year for classified staff.

11 (b) The appropriations in this section include the increased or  
12 decreased portion of salaries and incremental fringe benefits for all  
13 relevant state-funded school programs in part V of this act. Changes  
14 for general apportionment (basic education) are based on the salary  
15 allocations and methodology in sections 502 and 503 of this act.  
16 Changes for special education result from changes in each district's  
17 basic education allocation per student. Changes for educational  
18 service districts and institutional education programs are determined  
19 by the superintendent of public instruction using the methodology for  
20 general apportionment salaries and benefits in sections 502 and 503  
21 of this act.

22 (c) The appropriations in this section include no salary  
23 adjustments for substitute teachers.

24 (4) The maintenance rate for insurance benefit allocations is  
25 \$780.00 per month for the 2017-18 and 2018-19 school years. The  
26 appropriations in this section reflect the incremental change in cost  
27 of allocating rates of \$820.00 per month for the 2017-18 school year  
28 and (~~(\$840.00)~~) \$843.97 per month for the 2018-19 school year. When  
29 bargaining for health benefits funding for the school employees'  
30 benefits board during the 2017-2019 fiscal biennium, any proposal  
31 agreed upon must assume the imposition of a twenty-five dollar per  
32 month surcharge payment from members who use tobacco products and a  
33 surcharge payment of not less than fifty dollars per month from  
34 members who cover a spouse or domestic partner where the spouse or  
35 domestic partner has chosen not to enroll in another employer-based  
36 group health insurance that has benefits and premiums with an  
37 actuarial value of not less than ninety-five percent of the actuarial  
38 value of the public employees' benefits board plan with the largest  
39 enrollment. The surcharge payments shall be collected in addition to  
40 the member premium payment.

1 (5) The rates specified in this section are subject to revision  
2 each year by the legislature.

3 (6) \$30,016,000 of the basic education account appropriation is  
4 provided solely for allocation to school districts to increase  
5 compensation related to changing the special education excess cost  
6 multiplier as provided in RCW 28A.150.390(2)(b), middle school  
7 guidance counselors and elementary school parent involvement  
8 coordinators as provided in RCW 28A.150.260(5), and regionalization  
9 and experience factors as provided in RCW 28A.150.412(2)(b), each as  
10 amended by Engrossed Second Substitute Senate Bill No. 6362 (basic  
11 education) as amended by [H-. . ./18].

12 **Sec. 505.** 2017 3rd sp.s. c 1 s 505 (uncodified) is amended to  
13 read as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION**

15 General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$502,599,000</del> ))
	<u>\$518,512,000</u>
17 General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$497,940,000</del> ))
	<u>\$519,533,000</u>
19 TOTAL APPROPRIATION. . . . .	(( <del>\$1,000,539,000</del> ))
	<u>\$1,038,045,000</u>

20

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

23 (1) Each general fund fiscal year appropriation includes such  
24 funds as are necessary to complete the school year ending in the  
25 fiscal year and for prior fiscal year adjustments.

26 (2)(a) For the 2017-18 and 2018-19 school years, the  
27 superintendent shall allocate funding to school district programs for  
28 the transportation of eligible students as provided in RCW  
29 28A.160.192. Funding in this section constitutes full implementation  
30 of RCW 28A.160.192, which enhancement is within the program of basic  
31 education. Students are considered eligible only if meeting the  
32 definitions provided in RCW 28A.160.160.

33 (b) From July 1, 2017, to August 31, 2017, the superintendent  
34 shall allocate funding to school districts programs for the  
35 transportation of students as provided in section 505, chapter 4,  
36 Laws of 2015 3rd sp. sess., as amended.

37 (3) Within amounts appropriated in this section, up to  
38 \$10,000,000 of the general fund—state appropriation for fiscal year

1 2018 and up to \$10,000,000 of the general fund—state appropriation  
2 for fiscal year 2019 are for a transportation alternate funding grant  
3 program based on the alternate funding process established in RCW  
4 28A.160.191. The superintendent of public instruction must include a  
5 review of school district efficiency rating, key performance  
6 indicators and local school district characteristics such as unique  
7 geographic constraints in the grant award process.

8 (4) A maximum of \$913,000 of this fiscal year 2018 appropriation  
9 and a maximum of (~~(\$937,000)~~) \$939,000 of the fiscal year 2019  
10 appropriation may be expended for regional transportation  
11 coordinators and related activities. The transportation coordinators  
12 shall ensure that data submitted by school districts for state  
13 transportation funding shall, to the greatest extent practical,  
14 reflect the actual transportation activity of each district.

15 (5) The office of the superintendent of public instruction shall  
16 provide reimbursement funding to a school district for school bus  
17 purchases only after the superintendent of public instruction  
18 determines that the school bus was purchased from the list  
19 established pursuant to RCW 28A.160.195(2) or a comparable  
20 competitive bid process based on the lowest price quote based on  
21 similar bus categories to those used to establish the list pursuant  
22 to RCW 28A.160.195.

23 (6) The superintendent of public instruction shall base  
24 depreciation payments for school district buses on the presales tax  
25 five-year average of lowest bids in the appropriate category of bus.  
26 In the final year on the depreciation schedule, the depreciation  
27 payment shall be based on the lowest bid in the appropriate bus  
28 category for that school year.

29 (7) Funding levels in this section reflect waivers granted by the  
30 state board of education for four-day school weeks as allowed under  
31 RCW 28A.305.141.

32 (8) The office of the superintendent of public instruction shall  
33 annually disburse payments for bus depreciation in August.

34 **Sec. 506.** 2017 3rd sp.s. c 1 s 506 (uncodified) is amended to  
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE**  
37 **PROGRAMS**

38 General Fund—State Appropriation (FY 2018) . . . . . \$7,111,000

1	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$7,111,000</del> ))
2			<u>\$7,173,000</u>
3	General Fund—Federal Appropriation	. . . . .	\$537,178,000
4	TOTAL APPROPRIATION.	. . . . .	(( <del>\$551,400,000</del> ))
5			<u>\$551,462,000</u>

6 The appropriations in this section are subject to the following  
7 conditions and limitations: \$7,111,000 of the general fund—state  
8 appropriation for fiscal year 2018 and \$7,111,000 of the general fund  
9 —state appropriation for fiscal year 2019 are provided solely for  
10 state matching money for federal child nutrition programs, and may  
11 support the meals for kids program through the following allowable  
12 uses:

13 (1) Elimination of breakfast copays for eligible public school  
14 students and lunch copays for eligible public school students in  
15 grades prekindergarten through third grade who are eligible for  
16 reduced-price lunch;

17 (2) Assistance to school districts and authorized public and  
18 private nonprofit organizations for supporting summer food service  
19 programs, and initiating new summer food service programs in low-  
20 income areas;

21 (3) Reimbursements to school districts for school breakfasts  
22 served to students eligible for free and reduced-price lunch,  
23 pursuant to chapter 287, Laws of 2005; and

24 (4) Assistance to school districts in initiating and expanding  
25 school breakfast programs.

26 The office of the superintendent of public instruction shall  
27 report annually to the fiscal committees of the legislature on annual  
28 expenditures in subsections (1), (2), and (3) of this section.

29 The superintendent of public instruction shall provide the  
30 department of health with the following data, where available, for  
31 all nutrition assistance programs that are funded by the United  
32 States department of agriculture and administered by the office of  
33 the superintendent of public instruction. The superintendent must  
34 provide the report for the preceding federal fiscal year by February  
35 1, 2018, and February 1, 2019. The report must provide:

36 (a) The number of people in Washington who are eligible for the  
37 program;

38 (b) The number of people in Washington who participated in the  
39 program;

- (c) The average annual participation rate in the program;
- (d) Participation rates by geographic distribution; and
- (e) The annual federal funding of the program in Washington.

**Sec. 507.** 2017 3rd sp.s. c 1 s 507 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS**

General Fund—State Appropriation (FY 2018)	. . . . .	<del>(( \$956,055,000 ))</del>
		<u>\$965,613,000</u>
General Fund—State Appropriation (FY 2019)	. . . . .	<del>(( \$989,284,000 ))</del>
		<u>\$1,001,161,000</u>
General Fund—Federal Appropriation	. . . . .	<del>(( \$470,673,000 ))</del>
		<u>\$485,054,000</u>
Education Legacy Trust Account—State Appropriation	. . . . .	\$54,694,000
<u>Basic Education Account.</u>	. . . . .	<u>\$36,500,000</u>
<u>Pension Funding Stabilization Account—State.</u>	. . . . .	<u>\$20,000</u>
TOTAL APPROPRIATION.	. . . . .	<del>(( \$2,470,706,000 ))</del>
		<u>\$2,543,042,000</u>

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

(1)(a) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(b) Funding provided within this section is sufficient for districts to provide school principals and lead special education teachers annual professional development on the best-practices for special education instruction and strategies for implementation. Districts shall annually provide a summary of professional development activities to the office of the superintendent of public instruction.

(2)(a) The superintendent of public instruction shall ensure that:

1 (i) Special education students are basic education students  
2 first;

3 (ii) As a class, special education students are entitled to the  
4 full basic education allocation; and

5 (iii) Special education students are basic education students for  
6 the entire school day.

7 (b) The superintendent of public instruction shall continue to  
8 implement the full cost method of excess cost accounting, as designed  
9 by the committee and recommended by the superintendent, pursuant to  
10 section 501(1)(k), chapter 372, Laws of 2006.

11 (3) Each fiscal year appropriation includes such funds as are  
12 necessary to complete the school year ending in the fiscal year and  
13 for prior fiscal year adjustments.

14 (4)(a) For the 2017-18 and 2018-19 school years, the  
15 superintendent shall allocate funding to school district programs for  
16 special education students as provided in RCW 28A.150.390 as amended  
17 by Engrossed Second Substitute Senate Bill No. 6362 (basic education)  
18 as amended by [H-. . ./18], except that the calculation of the base  
19 allocation also includes allocations provided under section 502 (2)  
20 and (4) of this act, which enhancement is within the program of basic  
21 education.

22 (b) From July 1, 2017, to August 31, 2017, the superintendent  
23 shall allocate funding to school district programs for special  
24 education students as provided in section 507, chapter 4, Laws of  
25 2015 3rd sp. sess., as amended.

26 (5) The following applies throughout this section: The  
27 definitions for enrollment and enrollment percent are as specified in  
28 RCW 28A.150.390(3). Each district's general fund—state funded special  
29 education enrollment shall be the lesser of the district's actual  
30 enrollment percent or 13.5 percent.

31 (6) At the request of any interdistrict cooperative of at least  
32 15 districts in which all excess cost services for special education  
33 students of the districts are provided by the cooperative, the  
34 maximum enrollment percent shall be calculated in accordance with RCW  
35 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
36 rather than individual district units. For purposes of this  
37 subsection, the average basic education allocation per full-time  
38 equivalent student shall be calculated in the aggregate rather than  
39 individual district units.



1 (7) \$31,087,000 of the general fund—state appropriation for  
2 fiscal year 2018, (~~(\$31,087,000)~~) \$35,952,000 of the general fund—  
3 state appropriation for fiscal year 2019, and (~~(\$31,024,000)~~)  
4 \$29,574,000 of the general fund—federal appropriation are provided  
5 solely for safety net awards for districts with demonstrated needs  
6 for special education funding beyond the amounts provided in  
7 subsection (4) of this section. If the federal safety net awards  
8 based on the federal eligibility threshold exceed the federal  
9 appropriation in this subsection (7) in any fiscal year, the  
10 superintendent shall expend all available federal discretionary funds  
11 necessary to meet this need. At the conclusion of each school year,  
12 the superintendent shall recover safety net funds that were  
13 distributed prospectively but for which districts were not  
14 subsequently eligible.

15 (a) For the 2017-18 and 2018-19 school years, safety net funds  
16 shall be awarded by the state safety net oversight committee as  
17 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

18 (b) The office of the superintendent of public instruction shall  
19 make award determinations for state safety net funding in August of  
20 each school year, except that the superintendent of public  
21 instruction shall make award determinations for state safety net  
22 funding in July of each school year for the Washington state school  
23 for the blind and for the center for childhood deafness and hearing  
24 loss. Determinations on school district eligibility for state safety  
25 net awards shall be based on analysis of actual expenditure data from  
26 the current school year.

27 (8) A maximum of \$931,000 may be expended from the general fund—  
28 state appropriations to fund 5.43 full-time equivalent teachers and  
29 2.1 full-time equivalent aides at children's orthopedic hospital and  
30 medical center. This amount is in lieu of money provided through the  
31 home and hospital allocation and the special education program.

32 (9) The superintendent shall maintain the percentage of federal  
33 flow-through to school districts at 85 percent. In addition to other  
34 purposes, school districts may use increased federal funds for high-  
35 cost students, for purchasing regional special education services  
36 from educational service districts, and for staff development  
37 activities particularly relating to inclusion issues.

38 (10) A school district may carry over from one year to the next  
39 year up to 10 percent of the general fund—state funds allocated under

1 this program; however, carryover funds shall be expended in the  
2 special education program.

3 (11) \$256,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$256,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for two additional full-time  
6 equivalent staff to support the work of the safety net committee and  
7 to provide training and support to districts applying for safety net  
8 awards.

9 (12) \$50,000 of the general fund—state appropriation for fiscal  
10 year 2018, \$50,000 of the general fund—state appropriation for fiscal  
11 year 2019, and \$100,000 of the general fund—federal appropriation are  
12 provided solely for a special education family liaison position  
13 within the office of the superintendent of public instruction.

14 (13) \$36,500,000 of the basic education account appropriation is  
15 provided solely for allocation to school districts to increase the  
16 special education excess cost multiplier as provided in RCW  
17 28A.150.390(2)(b), and middle school guidance counselors and  
18 elementary school parent involvement coordinators as provided in RCW  
19 28A.150.260(5), both as amended by Engrossed Second Substitute Senate  
20 Bill No. 6362 (basic education) as amended by [H-. . ./18].

21 **Sec. 508.** 2017 3rd sp.s. c 1 s 508 (uncodified) is amended to  
22 read as follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE**  
24 **DISTRICTS**

25	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$8,534,000</del> ))
26			<u>\$8,549,000</u>
27	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$8,558,000</del> ))
28			<u>\$9,460,000</u>
29	TOTAL APPROPRIATION.	. . . . .	(( <del>\$17,092,000</del> ))
30			<u>\$18,009,000</u>

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

33 (1) The educational service districts shall continue to furnish  
34 financial services required by the superintendent of public  
35 instruction and RCW 28A.310.190 (3) and (4).

36 (2) Funding within this section is provided for regional  
37 professional development related to mathematics and science  
38 curriculum and instructional strategies aligned with common core

1 state standards and next generation science standards. Funding shall  
2 be distributed among the educational service districts in the same  
3 proportion as distributions in the 2007-2009 biennium. Each  
4 educational service district shall use this funding solely for salary  
5 and benefits for a certificated instructional staff with expertise in  
6 the appropriate subject matter and in professional development  
7 delivery, and for travel, materials, and other expenditures related  
8 to providing regional professional development support.

9 (3) The educational service districts, at the request of the  
10 state board of education pursuant to RCW 28A.310.010 and 28A.305.130,  
11 may receive and screen applications for school accreditation, conduct  
12 school accreditation site visits pursuant to state board of education  
13 rules, and submit to the state board of education post-site visit  
14 recommendations for school accreditation. The educational service  
15 districts may assess a cooperative service fee to recover actual plus  
16 reasonable indirect costs for the purposes of this subsection.

17 **Sec. 509.** 2017 3rd sp.s. c 1 s 509 (uncodified) is amended to  
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT**  
20 **ASSISTANCE**

21	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$449,808,000</del> ))
22			<u>\$451,423,000</u>
23	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$454,876,000</del> ))
24			<u>\$425,973,000</u>
25	TOTAL APPROPRIATION.	. . . . .	(( <del>\$904,684,000</del> ))
26			<u>\$877,396,000</u>

27 The appropriations in this section are subject to the following  
28 conditions and limitations: For purposes of RCW 84.52.0531, the  
29 increase per full-time equivalent student is 5.85 percent from the  
30 2016-17 school year to the 2017-18 school year.

31 **Sec. 510.** 2017 3rd sp.s. c 1 s 510 (uncodified) is amended to  
32 read as follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL**  
34 **EDUCATION PROGRAMS**

35	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$13,565,000</del> ))
36			<u>\$13,895,000</u>
37	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$13,689,000</del> ))

1		<u>\$14,087,000</u>
2	TOTAL APPROPRIATION. . . . .	(( <u>\$27,254,000</u> ))
3		<u>\$27,982,000</u>

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

6 (1) Each general fund—state fiscal year appropriation includes  
7 such funds as are necessary to complete the school year ending in the  
8 fiscal year and for prior fiscal year adjustments.

9 (2) State funding provided under this section is based on  
10 salaries and other expenditures for a 220-day school year. The  
11 superintendent of public instruction shall monitor school district  
12 expenditure plans for institutional education programs to ensure that  
13 districts plan for a full-time summer program.

14 (3) State funding for each institutional education program shall  
15 be based on the institution's annual average full-time equivalent  
16 student enrollment. Staffing ratios for each category of institution  
17 shall remain the same as those funded in the 1995-97 biennium.

18 (4) The funded staffing ratios for education programs for  
19 juveniles age 18 or less in department of corrections facilities  
20 shall be the same as those provided in the 1997-99 biennium.

21 (5) \$701,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$701,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely to maintain at least one  
24 certificated instructional staff and related support services at an  
25 institution whenever the K-12 enrollment is not sufficient to support  
26 one full-time equivalent certificated instructional staff to furnish  
27 the educational program. The following types of institutions are  
28 included: Residential programs under the department of social and  
29 health services for developmentally disabled juveniles, programs for  
30 juveniles under the department of corrections, programs for juveniles  
31 under the juvenile rehabilitation administration, and programs for  
32 juveniles operated by city and county jails.

33 (6) Ten percent of the funds allocated for each institution may  
34 be carried over from one year to the next.

35 **Sec. 511.** 2017 3rd sp.s. c 1 s 511 (uncodified) is amended to  
36 read as follows:

37 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY**  
38 **CAPABLE STUDENTS**

1	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$21,265,000</del> ))
2			<u>\$21,447,000</u>
3	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$24,306,000</del> ))
4			<u>\$24,204,000</u>
5	TOTAL APPROPRIATION.	. . . . .	(( <del>\$45,571,000</del> ))
6			<u>\$45,651,000</u>

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

9 (1) Each general fund fiscal year appropriation includes such  
10 funds as are necessary to complete the school year ending in the  
11 fiscal year and for prior fiscal year adjustments.

12 (2) For the 2017-18 and 2018-19 school years, the superintendent  
13 shall allocate funding to school district programs for highly capable  
14 students as provided in RCW 28A.150.260(10)(c) except that  
15 allocations must be based on 5.0 percent of each school district's  
16 full-time equivalent enrollment. In calculating the allocations, the  
17 superintendent shall assume the following: (i) Additional instruction  
18 of 2.1590 hours per week per funded highly capable program student;  
19 (ii) fifteen highly capable program students per teacher; (iii) 36  
20 instructional weeks per year; (iv) 900 instructional hours per  
21 teacher; and (v) the compensation rates as provided in sections 503  
22 and 504 of this act.

23 (b) From July 1, 2017, to August 31, 2017, the superintendent  
24 shall allocate funding to school districts programs for highly  
25 capable students as provided in section 511, chapter 4, Laws of 2015  
26 3rd sp. sess., as amended.

27 (3) \$85,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$85,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for the centrum program at Fort  
30 Worden state park.

31 **Sec. 512.** 2017 3rd sp.s. c 1 s 512 (uncodified) is amended to  
32 read as follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS—EVERY**  
34 **STUDENT SUCCEEDS ACT**

35	General Fund—Federal Appropriation	. . . . .	(( <del>\$4,802,000</del> ))
36			<u>\$5,802,000</u>

1       **Sec. 513.** 2017 3rd sp.s. c 1 s 513 (uncodified) is amended to  
2 read as follows:

3       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM**  
4       **PROGRAMS**

5	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$134,741,000</del> ))
6		<u>\$125,067,000</u>
7	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$155,464,000</del> ))
8		<u>\$147,957,000</u>
9	General Fund—Federal Appropriation . . . . .	(( <del>\$93,320,000</del> ))
10		<u>\$94,820,000</u>
11	General Fund—Private/Local Appropriation . . . . .	\$1,451,000
12	Education Legacy Trust Account—State Appropriation . . . . .	\$1,619,000
13	<u>Pension Funding Stabilization Account—State.</u> . . . . .	<u>\$765,000</u>
14	TOTAL APPROPRIATION. . . . .	(( <del>\$386,595,000</del> ))
15		<u>\$371,679,000</u>

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

18       (1) ((~~\$30,421,000~~)) \$21,104,000 of the general fund—state  
19 appropriation for fiscal year 2018, ((~~\$26,975,000~~)) \$21,104,000 of  
20 the general fund—state appropriation for fiscal year 2019, \$1,350,000  
21 of the education legacy trust account—state appropriation, and  
22 \$15,868,000 of the general fund—federal appropriation are provided  
23 solely for development and implementation of the Washington state  
24 assessment system.

25       (2) \$356,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$356,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for the Washington state  
28 leadership and assistance for science education reform (LASER)  
29 regional partnership activities ((~~coordinated at the Pacific science~~  
30 ~~center~~)), including instructional material purchases, teacher and  
31 principal professional development, and school and community  
32 engagement events.

33       (3) \$3,935,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$3,935,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for implementation of a new  
36 performance-based evaluation for certificated educators and other  
37 activities as provided in chapter 235, Laws of 2010 (education  
38 reform) and chapter 35, Laws of 2012 (certificated employee  
39 evaluations).

1           (4) (~~(\$62,672,000)~~) \$62,674,000 of the general fund—state  
2 appropriation for fiscal year 2018 and (~~(\$82,665,000)~~) \$82,670,000 of  
3 the general fund—state appropriation for fiscal year 2019 are  
4 provided solely for the following bonuses for teachers who hold  
5 valid, unexpired certification from the national board for  
6 professional teaching standards and who are teaching in a Washington  
7 public school, subject to the following conditions and limitations:

8           (a) For national board certified teachers, a bonus of \$5,296 per  
9 teacher in the 2017-18 school year and a bonus of \$5,381 per teacher  
10 in the 2018-19 school year;

11           (b) An additional \$5,000 annual bonus shall be paid to national  
12 board certified teachers who teach in either: (A) High schools where  
13 at least 50 percent of student headcount enrollment is eligible for  
14 federal free or reduced-price lunch, (B) middle schools where at  
15 least 60 percent of student headcount enrollment is eligible for  
16 federal free or reduced-price lunch, or (C) elementary schools where  
17 at least 70 percent of student headcount enrollment is eligible for  
18 federal free or reduced-price lunch;

19           (c) The superintendent of public instruction shall adopt rules to  
20 ensure that national board certified teachers meet the qualifications  
21 for bonuses under (b) of this subsection for less than one full  
22 school year receive bonuses in a prorated manner. All bonuses in this  
23 subsection will be paid in July of each school year. Bonuses in this  
24 subsection shall be reduced by a factor of 40 percent for first year  
25 NBPTS certified teachers, to reflect the portion of the instructional  
26 school year they are certified; and

27           (d) During the 2017-18 and 2018-19 school years, and within  
28 available funds, certificated instructional staff who have met the  
29 eligibility requirements and have applied for certification from the  
30 national board for professional teaching standards may receive a  
31 conditional loan of two thousand dollars or the amount set by the  
32 office of the superintendent of public instruction to contribute  
33 toward the current assessment fee, not including the initial up-front  
34 candidacy payment. The fee shall be an advance on the first annual  
35 bonus under RCW 28A.405.415. The conditional loan is provided in  
36 addition to compensation received under a district's salary  
37 allocation and shall not be included in calculations of a district's  
38 average salary and associated salary limitation under RCW  
39 28A.400.200. Recipients who fail to receive certification after three  
40 years are required to repay the conditional loan. The office of the

1 superintendent of public instruction shall adopt rules to define the  
2 terms for initial grant of the assessment fee and repayment,  
3 including applicable fees. To the extent necessary, the  
4 superintendent may use revenues from the repayment of conditional  
5 loan scholarships to ensure payment of all national board bonus  
6 payments required by this section in each school year.

7 (5) \$477,000 of the general fund—state appropriation for fiscal  
8 year 2018 and \$477,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for the leadership internship  
10 program for superintendents, principals, and program administrators.

11 (6) \$950,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$950,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for the Washington reading  
14 corps. The superintendent shall allocate reading corps members to  
15 schools identified for comprehensive or targeted support and school  
16 districts that are implementing comprehensive, proven, research-based  
17 reading programs. Two or more schools may combine their Washington  
18 reading corps programs.

19 (7) \$810,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$810,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for the development of a  
22 leadership academy for school principals and administrators. The  
23 superintendent of public instruction shall contract with an  
24 independent organization to operate a state-of-the-art education  
25 leadership academy that will be accessible throughout the state.  
26 Semiannually the independent organization shall report on amounts  
27 committed by foundations and others to support the development and  
28 implementation of this program. Leadership academy partners shall  
29 include the state level organizations for school administrators and  
30 principals, the superintendent of public instruction, the  
31 professional educator standards board, and others as the independent  
32 organization shall identify.

33 (8) \$3,000,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$3,000,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for a statewide information  
36 technology (IT) academy program. This public-private partnership will  
37 provide educational software, as well as IT certification and  
38 software training opportunities for students and staff in public  
39 schools.



1 (9) \$1,802,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$1,802,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for secondary career and  
4 technical education grants pursuant to chapter 170, Laws of 2008,  
5 including parts of programs receiving grants that serve students in  
6 grades four through six. If equally matched by private donations,  
7 \$825,000 of the 2018 appropriation and \$825,000 of the 2019  
8 appropriation shall be used to support FIRST robotics programs in  
9 grades four through twelve. Of the amounts in this subsection,  
10 \$100,000 of the fiscal year 2018 appropriation and \$100,000 of the  
11 fiscal year 2019 appropriation are provided solely for the purpose of  
12 statewide supervision activities for career and technical education  
13 student leadership organizations.

14 (10) \$125,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$125,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely for (a) staff at the office of  
17 the superintendent of public instruction to coordinate and promote  
18 efforts to develop integrated math, science, technology, and  
19 engineering programs in schools and districts across the state; and  
20 (b) grants of \$2,500 to provide twenty middle and high school  
21 teachers each year with professional development training for  
22 implementing integrated math, science, technology, and engineering  
23 programs in their schools.

24 (11) \$135,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$135,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for science, technology,  
27 engineering and mathematics lighthouse projects, consistent with  
28 chapter 238, Laws of 2010.

29 (12) \$10,500,000 of the general fund—state appropriation for  
30 fiscal year 2018 and \$10,500,000 of the general fund—state  
31 appropriation for fiscal year 2019 are provided solely for a  
32 beginning educator support program. The program shall prioritize  
33 first year teachers in the mentoring program. School districts and/or  
34 regional consortia may apply for grant funding. The program provided  
35 by a district and/or regional consortia shall include: A paid  
36 orientation; assignment of a qualified mentor; development of a  
37 professional growth plan for each beginning teacher aligned with  
38 professional certification; release time for mentors and new teachers  
39 to work together; and teacher observation time with accomplished

1 peers. Funding may be used to provide statewide professional  
2 development opportunities for mentors and beginning educators.

3 (13) \$250,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$250,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for advanced project lead the  
6 way courses at ten high schools. To be eligible for funding in 2018,  
7 a high school must have offered a foundational project lead the way  
8 course during the 2016-17 school year. The 2018 funding must be used  
9 for one-time start-up course costs for an advanced project lead the  
10 way course, to be offered to students beginning in the 2017-18 school  
11 year. To be eligible for funding in 2019, a high school must have  
12 offered a foundational project lead the way course during the 2017-18  
13 school year. The 2018 funding must be used for one-time start-up  
14 course costs for an advanced project lead the way course, to be  
15 offered to students beginning in the 2018-19 school year. The office  
16 of the superintendent of public instruction and the education  
17 research and data center at the office of financial management shall  
18 track student participation and long-term outcome data.

19 (14) \$9,352,000 of the general fund—state appropriation for  
20 fiscal year 2018 and \$14,352,000 of the general fund—state  
21 appropriation for fiscal year 2019 are provided solely for  
22 implementation of chapter 159, Laws of 2013. By January 15, 2018, the  
23 superintendent of public instruction shall submit a plan to the  
24 fiscal committees of the legislature outlining the additional school  
25 accountability supports that will be implemented as a result of the  
26 increased appropriation provided in fiscal year 2019. Of the amount  
27 provided in this subsection, \$5,000,000 of the general fund—state  
28 appropriation for fiscal year 2019 is provided solely for expenditure  
29 contingent upon legislative approval of the superintendent's plan for  
30 additional school accountability supports, and the superintendent may  
31 not spend that amount until approval is received.

32 (15) \$450,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$450,000 of the general fund—state appropriation for  
34 fiscal year 2019 are provided solely for annual start-up, expansion,  
35 or maintenance of existing programs in aerospace and advanced  
36 manufacturing programs. To be eligible for funding, the skills center  
37 and high schools must agree to engage in developing local business  
38 and industry partnerships for oversight and input regarding program  
39 components. Program instructors must also agree to participate in

1 professional development leading to student employment, or  
2 certification in aerospace or advanced manufacturing industries as  
3 determined by the superintendent of public instruction. The office of  
4 the superintendent of public instruction and the education research  
5 and data center shall report annually student participation and long-  
6 term outcome data.

7 (16) \$5,000,000 of the general fund—state appropriation for  
8 fiscal year 2018 and \$4,000,000 of the general fund—state  
9 appropriation for fiscal year 2019 are provided solely for the  
10 provision of training for teachers in the performance-based teacher  
11 principal evaluation program.

12 (17) (~~(\$100,000)~~) \$125,000 of the general fund—state  
13 appropriation for fiscal year 2018 and (~~(\$100,000)~~) \$125,000 of the  
14 general fund—state appropriation for fiscal year 2019 are provided  
15 solely to promote the financial literacy of students. The effort will  
16 be coordinated through the financial literacy public-private  
17 partnership.

18 (18) \$2,194,000 of the general fund—state appropriation for  
19 fiscal year 2018 and (~~(\$2,194,000)~~) \$909,000 of the general fund—  
20 state appropriation for fiscal year 2019 are provided solely to  
21 implement chapter 18, Laws of 2013 2nd sp. sess. (Engrossed  
22 Substitute Senate Bill No. 5946) (strengthening student educational  
23 outcomes).

24 (19) \$36,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$36,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for chapter 212, Laws of 2014  
27 (Substitute Senate Bill No. 6074) (homeless student educational  
28 outcomes).

29 (20) \$80,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$40,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for chapter 219, Laws of 2014  
32 (Second Substitute Senate Bill No. 6163) (expanded learning).

33 (21) \$10,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$10,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for chapter 102, Laws of 2014  
36 (Senate Bill No. 6424) (biliteracy seal).

37 (22) \$500,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$500,000 of the general fund—state appropriation for  
39 fiscal year 2019 are provided solely for the office of the

1 superintendent of public instruction to contract with a nonprofit  
2 organization to integrate the state learning standards in English  
3 language arts, mathematics, and science with FieldSTEM outdoor field  
4 studies and project-based and work-based learning opportunities  
5 aligned with the environmental, natural resource, and agricultural  
6 sectors.

7 (23) Within the amounts provided in this section, the  
8 superintendent of public instruction shall obtain an existing student  
9 assessment inventory tool that is free and openly licensed and  
10 distribute the tool to every school district. Each school district  
11 shall use the student assessment inventory tool to identify all  
12 state-level and district-level assessments that are required of  
13 students. The state-required assessments should include: Reading  
14 proficiency assessments used for compliance with RCW 28A.320.202; the  
15 required statewide assessments under chapter 28A.655 RCW in grades  
16 three through eight and at the high school level in English language  
17 arts, mathematics, and science, as well as the practice and training  
18 tests used to prepare for them; and the high school end-of-course  
19 exams in mathematics under RCW 28A.655.066. District-required  
20 assessments should include: The second grade reading assessment used  
21 to comply with RCW 28A.300.320; interim smarter balanced assessments,  
22 if required; the measures of academic progress assessment, if  
23 required; and other required interim, benchmark, or summative  
24 standardized assessments, including assessments used in social  
25 studies, the arts, health, and physical education in accordance with  
26 RCW 28A.230.095, and for educational technology in accordance with  
27 RCW 28A.655.075. The assessments identified should not include  
28 assessments used to determine eligibility for any categorical program  
29 including the transitional bilingual instruction program, learning  
30 assistance program, highly capable program, special education  
31 program, or any formative or diagnostic assessments used solely to  
32 inform teacher instructional practices, other than those already  
33 identified. By October 15th of each year, each district shall report  
34 to the superintendent the amount of student time in the previous  
35 school year that is spent taking each assessment identified. By  
36 December 15th of each year, the superintendent shall summarize the  
37 information reported by the school districts and report to the  
38 education committees of the house of representatives and the senate.

39 (24) \$125,000 of the general fund—state appropriation for fiscal  
40 year 2018 and \$125,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for contracts with nonprofit  
2 organizations that provide direct services to children exclusively  
3 through one-to-one volunteer mentoring. The mentor, student, and  
4 parent must each receive monthly coaching from professional staff in  
5 the first year and coaching every two months in subsequent years.

6 **Sec. 514.** 2017 3rd sp.s. c 1 s 514 (uncodified) is amended to  
7 read as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL**  
9 **BILINGUAL PROGRAMS**

10	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$147,948,000</del> ))
11		<u>\$151,022,000</u>
12	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$157,744,000</del> ))
13		<u>\$158,471,000</u>
14	General Fund—Federal Appropriation . . . . .	(( <del>\$92,244,000</del> ))
15		<u>\$97,244,000</u>
16	<u>Pension Funding Stabilization Account—State. . . . .</u>	<u>\$4,000</u>
17	TOTAL APPROPRIATION. . . . .	(( <del>\$397,936,000</del> ))
18		<u>\$406,741,000</u>

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

21 (1) Each general fund fiscal year appropriation includes such  
22 funds as are necessary to complete the school year ending in the  
23 fiscal year and for prior fiscal year adjustments.

24 (2)(a) For the 2017-18 and 2018-19 school years, the  
25 superintendent shall allocate funding to school districts for  
26 transitional bilingual programs under RCW 28A.180.010 through  
27 28A.180.080, including programs for exited students, as provided in  
28 RCW 28A.150.260(10)(b) and the provisions of this section. In  
29 calculating the allocations, the superintendent shall assume the  
30 following averages: (i) Additional instruction of 4.7780 hours per  
31 week per transitional bilingual program student in grades  
32 kindergarten through six and 6.7780 hours per week per transitional  
33 bilingual program student in grades seven through twelve in school  
34 years 2017-18 and 2018-19; (ii) additional instruction of 3.0000  
35 hours per week in school years 2017-18 and 2018-19 for the head count  
36 number of students who have exited the transitional bilingual  
37 instruction program within the previous two years based on their  
38 performance on the English proficiency assessment; (iii) fifteen

1 transitional bilingual program students per teacher; (iv) 36  
2 instructional weeks per year; (v) 900 instructional hours per  
3 teacher; and (vi) the compensation rates as provided in sections 503  
4 and 504 of this act. Pursuant to RCW 28A.180.040(1)(g), the  
5 instructional hours specified in (a)(ii) of this subsection (2) are  
6 within the program of basic education.

7 (b) From July 1, 2017, to August 31, 2017, the superintendent  
8 shall allocate funding to school districts for transitional bilingual  
9 instruction programs as provided in section 514, chapter 4, Laws of  
10 2015, 3rd sp. sess., as amended.

11 (3) The superintendent may withhold allocations to school  
12 districts in subsection (2) of this section solely for the central  
13 provision of assessments as provided in RCW 28A.180.090 (1) and (2)  
14 up to the following amounts: (~~2.55~~) 2.50 percent for school year  
15 2017-18 and 2.57 percent for school year 2018-19.

16 (4) The general fund—federal appropriation in this section is for  
17 migrant education under Title I Part C and English language  
18 acquisition, and language enhancement grants under Title III of the  
19 elementary and secondary education act.

20 (5) \$35,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$35,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely to track current and former  
23 transitional bilingual program students.

24 **Sec. 515.** 2017 3rd sp.s. c 1 s 515 (uncodified) is amended to  
25 read as follows:

26 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING**  
27 **ASSISTANCE PROGRAM**

28	General Fund—State Appropriation (FY 2018)	. . . . .	( <del>(\$326,233,000)</del> )
29			<u>\$323,386,000</u>
30	General Fund—State Appropriation (FY 2019)	. . . . .	( <del>(\$355,633,000)</del> )
31			<u>\$347,889,000</u>
32	General Fund—Federal Appropriation	. . . . .	( <del>(\$505,487,000)</del> )
33			<u>\$519,487,000</u>
34	TOTAL APPROPRIATION.	. . . . .	( <del>(\$1,187,353,000)</del> )
35			<u>\$1,190,762,000</u>

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

1 (1) The general fund—state appropriations in this section are  
2 subject to the following conditions and limitations:

3 (a) The appropriations include such funds as are necessary to  
4 complete the school year ending in the fiscal year and for prior  
5 fiscal year adjustments.

6 (b)(i) For the 2017-18 and 2018-19 school years, the  
7 superintendent shall allocate funding to school districts for  
8 learning assistance programs as provided in RCW 28A.150.260(10)(a),  
9 except that the allocation for the additional instructional hours  
10 shall be enhanced as provided in this section, which enhancements are  
11 within the program of the basic education. In calculating the  
12 allocations, the superintendent shall assume the following averages:

13 (A) Additional instruction of 2.3975 hours per week per funded  
14 learning assistance program student for the 2017-18 and 2018-19  
15 school years; (B) additional instruction of 1.1 hours per week per  
16 funded learning assistance program student for the 2017-18 and  
17 2018-19 school years in qualifying high-poverty school building; (C)  
18 fifteen learning assistance program students per teacher; (D) 36  
19 instructional weeks per year; (E) 900 instructional hours per  
20 teacher; and (F) the compensation rates as provided in sections 503  
21 and 504 of this act.

22 (ii) From July 1, 2017, to August 31, 2017, the superintendent  
23 shall allocate funding to school districts for learning assistance  
24 programs as provided in section 515, chapter 4, Laws of 2015, 3rd sp.  
25 sess., as amended.

26 (c) A school district's funded students for the learning  
27 assistance program shall be the sum of the district's full-time  
28 equivalent enrollment in grades K-12 for the prior school year  
29 multiplied by the district's percentage of October headcount  
30 enrollment in grades K-12 eligible for free or reduced-price lunch in  
31 the prior school year. The prior school year's October headcount  
32 enrollment for free and reduced-price lunch shall be as reported in  
33 the comprehensive education data and research system.

34 (2) Allocations made pursuant to subsection (1) of this section  
35 shall be adjusted to reflect ineligible applications identified  
36 through the annual income verification process required by the  
37 national school lunch program, as recommended in the report of the  
38 state auditor on the learning assistance program dated February,  
39 2010.

1 (3) The general fund—federal appropriation in this section is  
2 provided for Title I Part A allocations of the every student succeeds  
3 act of 2016.

4 (4) A school district may carry over from one year to the next up  
5 to 10 percent of the general fund—state funds allocated under this  
6 program; however, carryover funds shall be expended for the learning  
7 assistance program.

8 (5) Within existing resources, during the 2017-18 and 2018-19  
9 school years, school districts are authorized to use funds allocated  
10 for the learning assistance program to also provide assistance to  
11 high school students who have not passed the state assessment in  
12 science.

13 **Sec. 516.** 2017 3rd sp.s. c 1 s 516 (uncodified) is amended to  
14 read as follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—PER PUPIL ALLOCATIONS**

	Statewide Average Allocations	
	Per Annual Average Full-Time Equivalent Student	
Basic Education Program	2017-18	2018-19
	School Year	School Year
General Apportionment	(((\$7,038)) <u>\$7.063</u> )	(((\$8,037)) <u>\$8.131</u> )
Pupil Transportation	(((\$422)) <u>\$429</u> )	(((\$485)) <u>\$481</u> )
Special Education Programs	(((\$6,920)) <u>\$6.897</u> )	(((\$7,875)) <u>\$8.256</u> )
Institutional Education Programs	(((\$13,476)) <u>\$14.401</u> )	(((\$15,369)) <u>\$16.506</u> )
Programs for Highly Capable Students	(((\$455)) <u>\$457</u> )	(((\$525)) <u>\$527</u> )
Transitional Bilingual Programs	(((\$1,024)) <u>\$1.028</u> )	(((\$1,163)) <u>\$1.166</u> )
Learning Assistance Program	(((\$735)) <u>\$738</u> )	(((\$849)) <u>\$852</u> )

27 **Sec. 517.** 2017 3rd sp.s. c 1 s 518 (uncodified) is amended to  
28 read as follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

30 (1) Amounts distributed to districts by the superintendent  
31 through part V of this act are for allocations purposes only, unless  
32 specified by part V of this act, and do not entitle a particular  
33 district, district employee, or student to a specific service, beyond  
34 what has been expressly provided in statute. Part V of this act  
35 restates the requirements of various sections of Title 28A RCW. If



1 any conflict exists, the provisions of Title 28A RCW control unless  
2 this act explicitly states that it is providing an enhancement. Any  
3 amounts provided in part V of this act in excess of the amounts  
4 required by Title 28A RCW provided in statute, are not within the  
5 program of basic education unless clearly stated by this act.

6 (2) To the maximum extent practicable, when adopting new or  
7 revised rules or policies relating to the administration of  
8 allocations in part V of this act that result in fiscal impact, the  
9 office of the superintendent of public instruction shall attempt to  
10 seek legislative approval through the budget request process.

11 (3) Appropriations made in this act to the office of the  
12 superintendent of public instruction shall initially be allotted as  
13 required by this act. Subsequent allotment modifications shall not  
14 include transfers of moneys between sections of this act except as  
15 expressly provided in subsection (4) of this section.

16 (4) The appropriations to the office of the superintendent of  
17 public instruction in this act shall be expended for the programs and  
18 amounts specified in this act. However, after May 1, 2018, unless  
19 specifically prohibited by this act and after approval by the  
20 director of financial management, the superintendent of public  
21 instruction may transfer state general fund appropriations for fiscal  
22 year 2018 among the following programs to meet the apportionment  
23 schedule for a specified formula in another of these programs:  
24 General apportionment, employee compensation adjustments, pupil  
25 transportation, special education programs, institutional education  
26 programs, transitional bilingual programs, highly capable, and  
27 learning assistance programs.

28 (5) The director of financial management shall notify the  
29 appropriate legislative fiscal committees in writing prior to  
30 approving any allotment modifications or transfers under this  
31 section.

32 (6) As required by RCW 28A.710.110, the office of the  
33 superintendent of public instruction shall transmit the charter  
34 school authorizer oversight fee for the charter school commission to  
35 the charter school oversight account.

36 **Sec. 518.** 2017 3rd sp.s. c 1 s 519 (uncodified) is amended to  
37 read as follows:

38 **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR**  
39 **CHARTER SCHOOLS**

1 Washington Opportunity Pathways Account—State  
 2 Appropriation. . . . . ((~~\$62,713,000~~))  
 3 \$53,531,000

4 The appropriation in this section is subject to the following  
 5 conditions and limitations: The superintendent shall distribute  
 6 funding appropriated in this section to charter schools under chapter  
 7 28A.710 RCW. Within amounts provided in this section the  
 8 superintendent may distribute funding for safety net awards for  
 9 charter schools with demonstrated needs for special education funding  
 10 beyond the amounts provided under chapter 28A.710 RCW.

11 **Sec. 519.** 2017 3rd sp.s. c 1 s 520 (uncodified) is amended to  
 12 read as follows:

13 **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE**  
 14 **WASHINGTON STATE CHARTER SCHOOL COMMISSION**  
 15 Washington Opportunity Pathways Account—State  
 16 Appropriation . . . . . ((~~\$477,000~~))  
 17 \$476,000  
 18 Charter Schools Oversight Account—State  
 19 Appropriation . . . . . ((~~\$1,958,000~~))  
 20 \$1,482,000  
 21 TOTAL APPROPRIATION. . . . . ((~~\$2,435,000~~))  
 22 \$1,958,000

23 The appropriations in this section are subject to the following  
 24 conditions and limitations: The entire Washington opportunity  
 25 pathways account—state appropriation in this section is provided to  
 26 the superintendent of public instruction solely for the operations of  
 27 the Washington state charter school commission under chapter 28A.710  
 28 RCW.

(End of part)

PART VI  
HIGHER EDUCATION

Sec. 601. 2017 3rd sp.s. c 1 s 605 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund—State Appropriation (FY 2018)	(( <del>\$662,672,000</del> ))
	<u>\$628,995,000</u>
General Fund—State Appropriation (FY 2019)	(( <del>\$668,368,000</del> ))
	<u>\$645,969,000</u>
Community/Technical College Capital Projects	
Account—State Appropriation.	(( <del>\$23,841,000</del> ))
	<u>\$21,618,000</u>
Education Legacy Trust Account—State Appropriation	(( <del>\$138,314,000</del> ))
	<u>\$138,315,000</u>
<u>Pension Funding Stabilization Account—State</u>	
<u>Appropriation.</u>	<u>\$67,897,000</u>
TOTAL APPROPRIATION.	(( <del>\$1,493,195,000</del> ))
	<u>\$1,502,794,000</u>

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

(1) \$33,261,000 of the general fund—state appropriation for fiscal year 2018 and \$33,261,000 of the general fund—state appropriation for fiscal year 2019 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 7,170 full-time equivalent students in fiscal year 2018 and at least 7,170 full-time equivalent students in fiscal year 2019.

(2) \$5,450,000 of the education legacy trust account—state appropriation is provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) \$425,000 of the general fund—state appropriation for fiscal year 2018 and \$425,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for Seattle central college's  
2 expansion of allied health programs.

3 (4) \$5,250,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$5,250,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for the student achievement  
6 initiative.

7 (5) \$1,610,000 of the general fund—state appropriation for fiscal  
8 year 2018, and \$1,610,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for the expansion of the  
10 mathematics, engineering, and science achievement program. The state  
11 board shall report back to the appropriate committees of the  
12 legislature on the number of campuses and students served by December  
13 31, 2018.

14 (6) \$1,500,000 of the general fund—state appropriation for fiscal  
15 year 2018 and (~~(\$1,500,000)~~) \$8,463,000 of the general fund—state  
16 appropriation for fiscal year 2019 are provided solely for  
17 implementation of guided pathways or similar programs designed to  
18 improve student success, including, but not limited to, academic  
19 program redesign, student advising, and other student supports.

20 (7) \$1,500,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$1,500,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for operating a fabrication  
23 composite wing incumbent worker training program to be housed at the  
24 Washington aerospace training and research center.

25 (8) \$100,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$100,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for the aerospace center of  
28 excellence currently hosted by Everett community college to:

29 (a) Increase statewide communications and outreach between  
30 industry sectors, industry organizations, businesses, K-12 schools,  
31 colleges, and universities;

32 (b) Enhance information technology to increase business and  
33 student accessibility and use of the center's web site; and

34 (c) Act as the information entry point for prospective students  
35 and job seekers regarding education, training, and employment in the  
36 industry.

37 (9) (~~(\$18,588,000)~~) \$18,697,000 of the general fund—state  
38 appropriation for fiscal year 2018 and (~~(\$18,960,000)~~) \$19,164,000 of  
39 the general fund—state appropriation for fiscal year 2019 are

1 provided solely for the implementation of the college affordability  
2 program as set forth in RCW 28B.15.066.

3 (10) Community and technical colleges are not required to send  
4 mass mailings of course catalogs to residents of their districts.  
5 Community and technical colleges shall consider lower cost  
6 alternatives, such as mailing postcards or brochures that direct  
7 individuals to online information and other ways of acquiring print  
8 catalogs.

9 (11) The state board for community and technical colleges shall  
10 not use funds appropriated in this section to support intercollegiate  
11 athletics programs.

12 (12) \$157,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$157,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for the Wenatchee Valley college  
15 wildfire prevention program.

16 (13) \$100,000 of the general fund—state appropriation for fiscal  
17 year 2018 is provided solely for implementation of chapter 154, Laws  
18 of 2017 (SSB 5022) (education loan information).

19 (14) \$185,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$185,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for implementation of chapter  
22 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

23 (15) \$41,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$42,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for implementation of chapter  
26 98, Laws of 2017 (E2SHB 1375) (ctc course material costs).

27 (16) \$158,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$5,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for implementation of chapter  
30 237, Laws of 2017 (ESHB 1115) (paraeducators).

31 (17) \$150,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$150,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided solely for program delivery through  
34 Green River College to the Covington area and southeast King county  
35 in response to the education needs assessment conducted by the  
36 student achievement council in the 2015-2017 fiscal biennium.

37 (18) \$60,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$60,000 of the general fund—state appropriation for  
39 fiscal year 2019 are provided solely for a youth development program

1 operated by Everett community college in conjunction with a county  
2 chapter of a national civil rights organization.

3 (19) \$750,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$750,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for increased enrollments in the  
6 integrated basic education and skills training program. Funding will  
7 support approximately 120 additional full-time equivalent enrollments  
8 annually.

9 (20)(a) The state board must provide quality assurance reports on  
10 the ctcLink project at the frequency directed by the office of chief  
11 information officer for review and for posting on its information  
12 technology project dashboard.

13 (b) The state board must develop a technology budget using a  
14 method similar to the state capital budget, identifying project  
15 costs, funding sources, and anticipated deliverables through each  
16 stage of the investment and across fiscal periods and biennia from  
17 project initiation to implementation. The budget must be updated at  
18 the frequency directed by the office of chief information officer for  
19 review and for posting on its information technology project  
20 dashboard.

21 (c) The office of the chief information officer may suspend the  
22 ctcLink project at any time if the office of the chief information  
23 officer determines that the project is not meeting or is not expected  
24 to meet anticipated performance measures, implementation timelines,  
25 or budget estimates. Once suspension or termination occurs, the state  
26 board shall not make additional expenditures on the ctcLink project  
27 without approval of the chief information officer. The ctcLink  
28 project funded through the community and technical college innovation  
29 account created in RCW 28B.50.515 is subject to the conditions,  
30 limitations, and review provided in section 724 of this act.

31 (21) \$150,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$150,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided solely for the aerospace center of  
34 excellence hosted by Everett Community College to develop an unmanned  
35 aircraft system program in Sunnyside.

36 (22) \$216,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the opportunity center for  
38 employment and education at north Seattle college.

1 (23) \$381,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for implementation of Engrossed Second  
3 Substitute House Bill No. 2009 (gold star families/higher ed). If the  
4 bill is not enacted by June 30, 2018, the amount provided in this  
5 subsection shall lapse.

6 (24) \$2,000,000 of the general fund—state appropriation for  
7 fiscal year 2019 is provided solely for implementation of House Bill  
8 No. 2669 (civil service/part-time employees). If the bill is not  
9 enacted by June 30, 2018, the amount provided in this subsection  
10 shall lapse.

11 (25) \$500,000 of the general fund—state appropriation for fiscal  
12 year 2019 is provided solely for Highline college to implement the  
13 Federal Way higher education initiative in partnership with the city  
14 of Federal Way and the University of Washington Tacoma campus.

15 (26)(a) \$150,000 of the general fund—state appropriation for  
16 fiscal year 2019 is provided solely for the board to contract with an  
17 independent professional consulting service to:

18 (i) Collect academic, classified, and professional employee total  
19 compensation data, source of funding, and the duties or categories  
20 for which that compensation is paid;

21 (ii) Identify comparable market rate salaries;

22 (iii) Incorporate, as appropriate, data from the office of  
23 financial management from the compensation studies conducted pursuant  
24 to the 2017-2019 memorandum of understanding between the state of  
25 Washington community college coalition and the Washington federation  
26 of state employees re: regional compensation issues; and

27 (iv) Provide analysis regarding whether a local labor market  
28 adjustment formula should be implemented, and if so which market  
29 adjustment factors and methods should be used.

30 (b) The board must collect, and college districts must provide,  
31 the compensation, recruitment, and retention data necessary to  
32 accomplish the work required in this subsection.

33 (c) The consultant shall provide an interim report to the board  
34 by August 15, 2018. The consultant shall provide the final data and  
35 analysis to the board by October 1, 2018.

36 (27) \$87,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$350,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for Peninsula college to expand  
39 the annual cohorts of the specified programs as follows:

- 1        (a) Medical assisting, from 20 to 40 students;
- 2        (b) Nursing assistant, from 40 to 60 students; and
- 3        (c) Registered nursing, from 24 to 32 students.
- 4        (28) \$125,000 of the general fund—state appropriation for fiscal
- 5 year 2019 is provided solely for work associated with the work-
- 6 integrated learning strategic plan in section 501(59) of this act.
- 7        (29) \$338,000 of the general fund—state appropriation for fiscal
- 8 year 2019 is provided solely for the Washington state labor education
- 9 and research center at South Seattle College.

10        **Sec. 602.** 2017 3rd sp.s. c 1 s 606 (uncodified) is amended to  
 11 read as follows:

12 **FOR THE UNIVERSITY OF WASHINGTON**

13	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$336,712,000</del> ))
14		<u>\$311,875,000</u>
15	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$353,811,000</del> ))
16		<u>\$327,352,000</u>
17	Aquatic Lands Enhancement Account—State Appropriation . . .	\$1,350,000
18	UW Building Account—State Appropriation. . . . .	\$1,052,000
19	Education Legacy Trust Account—State Appropriation . . . . .	(( <del>\$30,050,000</del> ))
20		<u>\$33,050,000</u>
21	Economic Development Strategic Reserve Account—State	
22	Appropriation . . . . .	\$3,035,000
23	<u>Pension Funding Stabilization Account—State</u>	
24	<u>Appropriation. . . . .</u>	<u>\$51,068,000</u>
25	Biotoxin Account—State Appropriation . . . . .	\$597,000
26	Dedicated Marijuana Account—State Appropriation	
27	(FY 2018). . . . .	\$247,000
28	Dedicated Marijuana Account—State Appropriation	
29	(FY 2019). . . . .	\$247,000
30	Accident Account—State Appropriation . . . . .	\$7,436,000
31	Medical Aid Account—State Appropriation . . . . .	\$7,042,000
32	<u>Geoduck Aquaculture Research Account—State</u>	
33	<u>Appropriation. . . . .</u>	<u>\$200,000</u>
34	TOTAL APPROPRIATION. . . . .	(( <del>\$741,579,000</del> ))
35		<u>\$744,551,000</u>

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



1 (1) \$52,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$52,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the center for international  
4 trade in forest products in the college of forest resources.

5 (2) (~~(\$38,581,000)~~) \$38,807,000 of the general fund—state  
6 appropriation for fiscal year 2018 and (~~(\$39,353,000)~~) \$39,777,000 of  
7 the general fund—state appropriation for fiscal year 2019 are  
8 provided solely for the implementation of the college affordability  
9 program as set forth in RCW 28B.15.066.

10 (3) \$200,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$200,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely for labor archives of  
13 Washington. The university shall work in collaboration with the state  
14 board for community and technical colleges.

15 (4) \$8,000,000 of the education legacy trust account—state  
16 appropriation is provided solely for the family medicine residency  
17 network at the university to expand the number of residency slots  
18 available in Washington.

19 (5) The university must continue work with the education research  
20 and data center to demonstrate progress in computer science and  
21 engineering enrollments. By September 1st of each year, the  
22 university shall provide a report including but not limited to the  
23 cost per student, student completion rates, and the number of low-  
24 income students enrolled in each program, any process changes or  
25 best-practices implemented by the university, and how many students  
26 are enrolled in computer science and engineering programs above the  
27 prior academic year.

28 (6) \$1,350,000 of the aquatic lands enhancement account—state is  
29 provided solely for ocean acidification monitoring, forecasting, and  
30 research and for operation of the Washington ocean acidification  
31 center. By September 1, 2017, the center must provide a biennial work  
32 plan and begin quarterly progress reports to the Washington marine  
33 resources advisory council created under RCW 43.06.338.

34 (7) (~~(\$8,000,000)~~) \$11,000,000 of the education legacy trust  
35 account—state appropriation is provided solely for the expansion of  
36 degrees in the department of computer science and engineering at the  
37 Seattle campus.

38 (8) \$1,000,000 of the general fund—state appropriation for fiscal  
39 year 2018 and \$1,000,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the university to increase  
2 resident undergraduate enrollments in science, technology,  
3 engineering, and math majors. The university is expected to increase  
4 full-time equivalent enrollment by approximately 60 additional  
5 students.

6 (9) \$3,000,000 of the economic development strategic reserve  
7 account appropriation is provided solely to support the joint center  
8 for aerospace innovation technology.

9 (10) The University of Washington shall not use funds  
10 appropriated in this section to support intercollegiate athletics  
11 programs.

12 (11) \$250,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$250,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for the Latino health center.

15 (12) \$200,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$200,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for the climate impacts group in  
18 the college of the environment.

19 (13) \$8,400,000 of the general fund—state appropriation for  
20 fiscal year 2018 and \$7,400,000 of the general fund—state  
21 appropriation for fiscal year 2019 are provided solely for the  
22 continued operations and expansion of the Washington, Wyoming,  
23 Alaska, Montana, Idaho medical school program.

24 (14) \$3,200,000 of the general fund—state appropriation for  
25 fiscal year 2019 is provided solely for the university to host the  
26 Special Olympics USA Games in July 2018.

27 (15) \$5,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$80,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for implementation of chapter  
30 262, Laws of 2017 (E2SHB 1612) (lethal means, reduce access).

31 (16) \$400,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$400,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided solely for a contract with the center  
34 for sensorimotor neural engineering to advance research on spinal  
35 cord injuries.

36 (17) \$2,250,000 of the general fund—state appropriation for  
37 fiscal year 2018 and \$2,250,000 of the general fund—state  
38 appropriation for fiscal year 2019 are provided solely for the  
39 institute for stem cell and regenerative medicine. Funds appropriated

1 in this subsection must be dedicated to research utilizing  
2 pluripotent stem cells and related research methods.

3 (18) \$500,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$500,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided to the University of Washington to  
6 support youth and young adults experiencing homelessness in the  
7 university district of Seattle. Funding is provided for the  
8 university to work with community service providers and university  
9 colleges and departments to plan for and implement a comprehensive  
10 one-stop center with navigation services for homeless youth; the  
11 university may contract with the department of commerce to expand  
12 services that serve homeless youth in the university district.

13 (19) \$125,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$125,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for the University of Washington  
16 school of public health to study the air quality implications of air  
17 traffic at the international airport in the state that has the  
18 highest total annual number of arrivals and departures. The study  
19 must include an assessment of the concentrations of ultrafine  
20 particulate matter in areas surrounding and directly impacted by air  
21 traffic generated by the airport, including areas within ten miles of  
22 the airport in the directions of aircraft flight paths and within ten  
23 miles of the airport where public agencies operate an existing air  
24 monitoring station. The study must attempt to distinguish between  
25 aircraft and other sources of ultrafine particulate matter, and must  
26 compare concentrations of ultrafine particulate matter in areas  
27 impacted by high volumes of air traffic with concentrations of  
28 ultrafine particulate matter in areas that are not impacted by high  
29 volumes of air traffic. The university must coordinate with local  
30 governments in areas addressed by the study to share results and  
31 inclusively solicit feedback from community members. By December 1,  
32 2019, the university must report study findings, including any gaps  
33 and uncertainties in health information associated with ultrafine  
34 particulate matter, and recommend to the legislature whether  
35 sufficient information is available to proceed with a second phase of  
36 the study.

37 (20) The appropriations in this section include sufficient  
38 funding for the implementation of chapter 154, Laws of 2017 (SSB  
39 5022) (education loan information).

1 (21) The appropriations in this section include sufficient  
2 funding for the implementation of chapter 177, Laws of 2017 (SSB  
3 5100) (financial literacy seminars).

4 (22) Within the funds appropriated in this section, the  
5 University of Washington shall:

6 (a) Review the scholarly literature on the short-term and long-  
7 term effects of marijuana use to assess if other states or private  
8 entities are conducting marijuana research in areas that may be  
9 useful to the state.

10 (b) Provide as part of its budget request for the 2019-2021  
11 biennium:

12 (i) A list of intended state, federal, and privately funded  
13 marijuana research, including cost, duration, and scope; and

14 (ii) Plans for partnerships with other universities, state  
15 agencies, or private entities, including entities outside the state,  
16 for purposes related to researching short-term and long-term effects  
17 of marijuana use.

18 (23) General fund—state appropriations in this section are  
19 reduced to reflect a reduction in state-supported tuition waivers for  
20 graduate students. When reducing tuition waivers, the university will  
21 not change its practices and procedures for providing eligible  
22 veterans with tuition waivers.

23 (24) \$45,000 of the general fund—state appropriation for fiscal  
24 year 2018 is provided solely for the university to conduct research  
25 and analysis of military officers who are attending or have completed  
26 the command and general staff college, intermediate level education,  
27 or advanced operations course as part of their military education.  
28 The purpose of the research and analysis is to examine possible  
29 graduate level degree programs to be offered in partnership with the  
30 university and the U.S. army's command and general staff college. The  
31 research and analysis shall include stakeholder meetings with the  
32 U.S. army's command and general staff college. The university shall  
33 submit a report to the appropriate legislative higher education  
34 committees and the joint committee on veterans and military affairs  
35 by December 31, 2018. The report shall include the results of the  
36 research and analysis and plans for possible next steps with other  
37 service schools for field grade officers.

38 (25)(a) \$140,000 of the general fund—state appropriation for  
39 fiscal year 2018 is provided solely for the University of Washington

1 school of law to convene a study on the Washington state supreme  
2 court decision *Volk v. DeMeerleer*, 386 P.3d 254 (Wash. 2016), and  
3 whether or not it substantially changed the law on the duty of care  
4 for mental health providers and whether it has had an impact on  
5 access to mental health care services in the state. The study shall  
6 include:

7 (i) Comprehensive review of duty to warn and duty to protect case  
8 law and laws in the United States, including a description of how  
9 Washington state's law compares to other states and to what extent,  
10 if any, the Volk decision changed the law in this state;

11 (ii) Comprehensive review and assessment of the involuntary and  
12 voluntary treatment capacity available in the state, including  
13 information and data available from the select committee on quality  
14 improvement in state hospitals, related contractors, and other  
15 sources;

16 (iii) An analysis of lawsuits brought in the state as a result of  
17 the Volk decision, including the outcome of any such cases and any  
18 harm alleged in each lawsuit;

19 (iv) An analysis of lawsuits brought in the state prior to the  
20 issuance of the Volk decision, and since the issuance of the decision  
21 in *Petersen v. State*, against outpatient mental health providers  
22 alleged to have breached either the duty to warn or the duty to take  
23 reasonable precautions established in *Petersen*, including the outcome  
24 of any such cases and the harm alleged in each lawsuit;

25 (v) An analysis of insurance claims filed as a result of the Volk  
26 decision, including the outcome of any such cases and any harm  
27 alleged in each claim filed;

28 (vi) Whether insurance policy provisions and rates have been  
29 affected due to the Volk decision;

30 (vii) Assessment of the number of mental health service providers  
31 available to provide treatment to voluntary mental health patients in  
32 the state, whether that capacity has changed, and whether any such  
33 change is a result of the Volk decision, and a description of any  
34 changes as a result of the Volk decision;

35 (viii) Assessment of whether mental health service providers may  
36 be changing practice to limit exposure to the potential risks created  
37 by the Volk decision;

38 (ix) Assessment of legal and practice implications state legal  
39 standards regarding duty to warn and duty to protect in the voluntary  
40 and involuntary treatment context; and

1 (x) Comprehensive review of practices where the practice has been  
2 consistently shown to have achieved the results it seeks to achieve  
3 and that those results are superior to those achieved by other means.

4 (b) When performing the study under this subsection, the  
5 University of Washington school of law shall consult with subject-  
6 matter experts including, but not limited to, individuals  
7 representing the following organizations:

8 (i) Attorneys with experience representing defendants in personal  
9 injury cases or wrongful death cases related to the issues raised by  
10 duty to warn cases;

11 (ii) Washington state association for justice, representing  
12 attorneys with experience representing plaintiffs in personal injury  
13 cases or wrongful death cases related to the issues raised by duty to  
14 warn cases;

15 (iii) Department of social and health services;

16 (iv) Washington academy of family physicians;

17 (v) Washington association for mental health treatment  
18 protection;

19 (vi) Office of the insurance commissioner;

20 (vii) Washington council for behavioral health;

21 (viii) Washington state hospital association;

22 (ix) Washington state medical association;

23 (x) Washington state psychiatric association;

24 (xi) Washington state psychological association;

25 (xii) Washington state society for clinical social work;

26 (xiii) Washington association of police chiefs and sheriffs;

27 (xiv) Victim support services;

28 (xv) NW health law advocates;

29 (xvi) National alliance on mental illness;

30 (xvii) American civil liberties union; and

31 (xviii) A sample of families who testified or presented evidence  
32 of their cases to the legislature.

33 (c) The University of Washington school of law shall consult each  
34 listed organization separately. Following collection and analysis of  
35 relevant data, they shall hold at least one meeting of all listed  
36 organizations to discuss the data, analysis, and recommendations. The  
37 University of Washington school of law must submit the final report  
38 to the appropriate committees of the legislature by December 1, 2017.

39 (26) \$85,000 of the general fund—state appropriation for fiscal  
40 year 2019 is provided solely for implementation of Engrossed Second

1 Substitute House Bill No. 2009 (gold star families/higher education).  
2 If the bill is not enacted by June 30, 2018, the amount provided in  
3 this subsection shall lapse.

4 (27) \$38,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$152,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely for updating the Washington  
7 state parcel and forestland databases with standardized information  
8 for all of Washington's parcels.

9 (28) \$77,000 of the general fund—state appropriation for fiscal  
10 year 2019 is provided solely for the University of Washington school  
11 of environmental and forest sciences to pilot a program to advise and  
12 facilitate the activities of the Olympic peninsula forest  
13 collaborative.

14 (29)(a) \$172,000 of the general fund—state appropriation for  
15 fiscal year 2019 is provided solely for a University of Washington  
16 study in the south Cascades to determine current wolf use and  
17 density, and to gather baseline data to understand the effects of  
18 wolf recolonization on predator-prey dynamics of species that  
19 currently have established populations in the area. The study  
20 objectives shall include:

21 (i) Determination of whether wolves have started to recolonize a  
22 5,000 square kilometer study area in the south Cascades of  
23 Washington, and if so, an assessment of their distribution over the  
24 landscape as well as their health and pregnancy rates;

25 (ii) Baseline data collection, if wolves have not yet established  
26 pack territories in this portion of the state, that will allow for  
27 the assessment of how the functional densities and diets of wolves  
28 across the landscape will affect the densities and diets in the  
29 following predators and prey: Coyote, cougar, black bear, bobcat, red  
30 fox, wolverine, elk, white tailed deer, mule deer, moose, caribou,  
31 and snowshoe hare;

32 (iii) Examination of whether the microbiome of each species  
33 changes as wolves start to occupy suitable habitat; and

34 (iv) An assessment of the use of alternative wildlife monitoring  
35 tools to cost-effectively monitor size of the wolf population over  
36 the long-term.

37 (b) A report on the findings of the study shall be shared with  
38 the Washington department of fish and wildlife.

1       (30) \$1,000,000 of the general fund—state appropriation for  
2 fiscal year 2019 is provided solely for the University of  
3 Washington's psychiatry integrated care training program.

4       (31)(a) \$250,000 of the general fund—state appropriation for  
5 fiscal year 2019 is provided solely for the creation and  
6 implementation of the center for education strategy located at the  
7 University of Washington campus in Tacoma. The center must be created  
8 and administered by the University of Washington Tacoma, in  
9 collaboration with an advisory board. The university must convene the  
10 board, which shall be made of members including, but not limited to:

11       (i) Representatives from each public four-year institution;

12       (ii) The director, or director's designee, of the Washington  
13 student achievement council;

14       (iii) The director, or director's designee, of the workforce  
15 training and education coordinating board;

16       (iv) The director, or director's designee, of the state board for  
17 community and technical colleges;

18       (v) The director, or director's designee, of the office of the  
19 superintendent of public instruction;

20       (vi) A representative from the Washington roundtable;

21       (vii) A representative from the Washington state apprenticeship  
22 and training council; and

23       (viii) A representative from the Washington building and  
24 construction trades council.

25       (b) The center, in collaboration with its advisory board, shall  
26 submit a report to the appropriate committees of the legislature by  
27 December 1, 2018. The report shall include, but not be limited to:

28       (i) A broad strategy for shaping the state's overall system of  
29 education to meet the state's needs in a globally competitive world;

30       (ii) Preliminary research on multi-institution, cross discipline  
31 needs; and

32       (iii) A plan for the continued role of the center.

33       (32) \$200,000 of the geoduck aquaculture research account—state  
34 appropriation is provided solely for the Washington sea grant program  
35 at the University of Washington to complete a three-year study to  
36 identify best management practices related to shellfish production.  
37 The University of Washington must submit an annual report detailing  
38 any findings and outline the progress of the study, consistent with



1 RCW 43.01.036, to the office of the governor and the appropriate  
2 legislative committees by December 1st of each year.

3 (33) \$3,190,000 of the general fund—state appropriation for  
4 fiscal year 2018 and \$6,323,000 of the general fund—state  
5 appropriation for fiscal year 2019 are provided on a one-time basis  
6 solely for compensation and central services costs. The funding  
7 provided shall temporarily replace a portion of tuition expenditures  
8 on central services and salaries and benefits for union-represented  
9 and nonrepresented employees. The additional funding provided in this  
10 section will permit the university to fund the incremental cost of  
11 compensation costs for all general fund—state and tuition-supported  
12 employees in equal amounts from general fund—state and tuition for  
13 the remainder of the 2017-2019 fiscal biennium.

14 **Sec. 603.** 2017 3rd sp.s. c 1 s 607 (uncodified) is amended to  
15 read as follows:

16 **FOR WASHINGTON STATE UNIVERSITY**

17	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$215,329,000</del> ))
18			\$200,486,000
19	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$227,266,000</del> ))
20			\$212,596,000
21	WSU Building Account—State Appropriation.	. . . . .	\$792,000
22	Education Legacy Trust Account—State Appropriation	. . . . .	\$33,995,000
23	Dedicated Marijuana Account—State Appropriation		
24	(FY 2018)	. . . . .	\$138,000
25	Dedicated Marijuana Account—State Appropriation		
26	(FY 2019)	. . . . .	\$138,000
27	Pension Funding Stabilization Account—State		
28	Appropriation.	. . . . .	\$30,983,000
29	TOTAL APPROPRIATION.	. . . . .	(( <del>\$477,658,000</del> ))
30			\$479,128,000

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

33 (1) \$90,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$90,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for a rural economic development  
36 and outreach coordinator.

37 (2) The university must continue work with the education research  
38 and data center to demonstrate progress in computer science and

1 engineering enrollments. By September 1st of each year, the  
2 university shall provide a report including but not limited to the  
3 cost per student, student completion rates, and the number of low-  
4 income students enrolled in each program, any process changes or  
5 best-practices implemented by the university, and how many students  
6 are enrolled in computer science and engineering programs above the  
7 prior academic year.

8 (3) \$500,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$500,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for state match requirements  
11 related to the federal aviation administration grant.

12 (4) Washington State University shall not use funds appropriated  
13 in this section to support intercollegiate athletic programs.

14 (5) The appropriations in this section include sufficient funding  
15 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
16 (education loan information).

17 (6) The appropriations in this section include sufficient funding  
18 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
19 (financial literacy seminars).

20 (7) \$3,000,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$7,000,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for the continued development  
23 and operations of a medical school program in Spokane.

24 (8) Within the funds appropriated in this section, Washington  
25 State University is required to provide administrative support to the  
26 sustainable aviation biofuels work group authorized under RCW  
27 28B.30.904.

28 (9) \$135,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$135,000 of the general fund—state appropriation for  
30 fiscal year 2019 are provided solely for a honey bee biology research  
31 position.

32 (10) (~~(\$27,425,000)~~) \$27,586,000 of the general fund—state  
33 appropriation for fiscal year 2018 and (~~(\$27,973,000)~~) \$28,275,000 of  
34 the general fund—state appropriation for fiscal year 2019 are  
35 provided solely for the implementation of the college affordability  
36 program as set forth in RCW 28B.15.066.

37 (11) \$230,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$376,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for chapter 202, Laws of 2017  
2 (2SHB 1713) (children's mental health).

3 (12) \$300,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$300,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for the William D. Ruckelshaus  
6 center to collaborate with groups and organizations, including  
7 associations of local governments, associations of the business, real  
8 estate and building industries, state agencies, environmental  
9 organizations, state universities, public health and planning  
10 organizations, and tribal governments, to create a "Road Map to  
11 Washington's Future." The road map shall identify areas of agreement  
12 on ways to adapt Washington's growth management framework of  
13 statutes, institutions, and policies to meet future challenges in  
14 view of robust forecasted growth and the unique circumstances and  
15 urgent priorities in the diverse regions of the state. The center  
16 shall, in conjunction with state universities and other sponsors,  
17 conduct regional workshops to:

18 (a) Engage Washington residents in identifying a desired  
19 statewide vision for Washington's future;

20 (b) Partner with state universities on targeted research to  
21 inform future alternatives;

22 (c) Facilitate deep and candid interviews with representatives of  
23 the above named groups and organizations; and

24 (d) Convene parties for collaborative conversations and potential  
25 agreement seeking.

26 The center must submit a final report to the appropriate committees  
27 of the legislature by June 30, 2019.

28 (13) \$580,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$580,000 of the general fund—state appropriation for  
30 fiscal year 2019 are provided solely for the development of an  
31 organic agriculture systems degree program located at the university  
32 center in Everett.

33 (14) Within the funds appropriated in this section, Washington  
34 State University shall:

35 (a) Review the scholarly literature on the short-term and long-  
36 term effects of marijuana use to assess if other states or private  
37 entities are conducting marijuana research in areas that may be  
38 useful to the state.

1 (b) Provide as part of its budget request for the 2019-2021  
2 fiscal biennium:

3 (i) A list of intended state, federal, and privately funded  
4 marijuana research, including cost, duration, and scope;

5 (ii) Plans for partnerships with other universities, state  
6 agencies, or private entities, including entities outside the state,  
7 for purposes related to researching short-term and long-term effects  
8 of marijuana use.

9 (15) \$760,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$760,000 of the general fund—state appropriation for  
11 fiscal year 2019 are provided solely for implementation of chapter  
12 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

13 (16) \$630,000 of the general fund—state appropriation for fiscal  
14 2018 and \$630,000 of the general fund—state appropriation for fiscal  
15 year 2019 are provided solely for the creation of an electrical  
16 engineering program located in Bremerton. At full implementation, the  
17 university is expected to increase degree production by 25 new  
18 bachelor's degrees per year. The university must identify these  
19 students separately when providing data to the education research  
20 data center as required in subsection (2) of this section.

21 (17) \$1,370,000 of the general fund—state appropriation for  
22 fiscal year 2018 and \$1,370,000 of the general fund—state  
23 appropriation for fiscal year 2019 are provided solely for the  
24 creation of software engineering and data analytic programs at the  
25 university center in Everett. At full implementation, the university  
26 is expected to enroll 50 students per academic year. The university  
27 must identify these students separately when providing data to the  
28 education research data center as required in subsection (2) of this  
29 section.

30 (18) General fund—state appropriations in this section are  
31 reduced to reflect a reduction in state-supported tuition waivers for  
32 graduate students. When reducing tuition waivers, the university will  
33 not change its practices and procedures for providing eligible  
34 veterans with tuition waivers.

35 (19) \$768,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$504,000 of the general fund—state appropriation for  
37 fiscal year 2019 are provided solely for implementation of chapter  
38 36, Laws of 2017 3rd sp. sess. (renewable energy, tax incentives).

1       (20) \$89,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for implementation of Engrossed Second  
3 Substitute House Bill No. 2009 (gold star families/higher ed). If the  
4 bill is not enacted by June 30, 2018, the amount provided in this  
5 subsection shall lapse.

6       (21) \$58,000 of the general fund—state appropriation for fiscal  
7 year 2019 is provided solely for implementation of Substitute House  
8 Bill No. 2580 (renewable natural gas). If the bill is not enacted by  
9 June 30, 2018, the amount provided in this subsection shall lapse.

10       (22) \$50,000 of the general fund—state appropriation for fiscal  
11 year 2019 is provided solely for the integrated weed control project.

12       **Sec. 604.** 2017 3rd sp.s. c 1 s 608 (uncodified) is amended to  
13 read as follows:

14 **FOR EASTERN WASHINGTON UNIVERSITY**

15	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$50,064,000</del> ))
16		<u>\$50,090,000</u>
17	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$51,985,000</del> ))
18		<u>\$52,115,000</u>
19	Education Legacy Trust Account—State Appropriation . . .	\$16,598,000
20	TOTAL APPROPRIATION. . . . .	(( <del>\$118,647,000</del> ))
21		<u>\$118,803,000</u>

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

24       (1) At least \$200,000 of the general fund—state appropriation for  
25 fiscal year 2018 and at least \$200,000 of the general fund—state  
26 appropriation for fiscal year 2019 must be expended on the Northwest  
27 autism center.

28       (2) The university must continue work with the education research  
29 and data center to demonstrate progress in computer science and  
30 engineering enrollments. By September 1st of each year, the  
31 university shall provide a report including but not limited to the  
32 cost per student, student completion rates, and the number of low-  
33 income students enrolled in each program, any process changes or  
34 best-practices implemented by the university, and how many students  
35 are enrolled in computer science and engineering programs above the  
36 prior academic year.

1 (3) Eastern Washington University shall not use funds  
2 appropriated in this section to support intercollegiate athletics  
3 programs.

4 (4) (~~(\$9,851,000)~~) \$9,909,000 of the general fund—state  
5 appropriation for fiscal year 2018 and (~~(\$10,048,000)~~) \$10,156,000 of  
6 the general fund—state appropriation for fiscal year 2019 are  
7 provided solely for the implementation of the college affordability  
8 program as set forth in RCW 28B.15.066.

9 (5) The appropriations in this section include sufficient funding  
10 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
11 (education loan information).

12 (6) The appropriations in this section include sufficient funding  
13 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
14 (financial literacy seminars).

15 (7) Within amounts appropriated in this section, the university  
16 is encouraged to increase the number of tenure-track positions  
17 created and hired.

18 (8) \$55,000 of the general fund—state appropriation for fiscal  
19 year 2019 is provided solely for implementation of Engrossed Second  
20 Substitute House Bill No. 2009 (gold star families/higher education).  
21 If the bill is not enacted by June 30, 2018, the amount provided in  
22 this subsection shall lapse.

23 **Sec. 605.** 2017 3rd sp.s. c 1 s 609 (uncodified) is amended to  
24 read as follows:

25 **FOR CENTRAL WASHINGTON UNIVERSITY**

26	General Fund—State Appropriation (FY 2018)	. . . . .	( <del>(\$49,969,000)</del> )
27			<u>\$48,136,000</u>
28	General Fund—State Appropriation (FY 2019)	. . . . .	( <del>(\$52,303,000)</del> )
29			<u>\$50,849,000</u>
30	CWU Capital Projects Account—State Appropriation.	. . . . .	\$76,000
31	Education Legacy Trust Account—State Appropriation	. . . . .	\$19,076,000
32	<u>Pension Funding Stabilization Account—State</u>		
33	<u>Appropriation.</u>	. . . . .	<u>\$3,921,000</u>
34	TOTAL APPROPRIATION.	. . . . .	( <del>(\$121,424,000)</del> )
35			<u>\$122,058,000</u>

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

1 (1) The university must continue work with the education research  
2 and data center to demonstrate progress in engineering enrollments.  
3 By September 1st of each year, the university shall provide a report  
4 including but not limited to the cost per student, student completion  
5 rates, and the number of low-income students enrolled in each  
6 program, any process changes or best-practices implemented by the  
7 university, and how many students are enrolled in engineering  
8 programs above the prior academic year.

9 (2) Central Washington University shall not use funds  
10 appropriated in this section to support intercollegiate athletics  
11 programs.

12 (3) (~~(\$11,104,000)~~) \$11,169,000 of the general fund—state  
13 appropriation for fiscal year 2018 and (~~(\$11,326,000)~~) \$11,448,000 of  
14 the general fund—state appropriation for fiscal year 2019 are  
15 provided solely for the implementation of the college affordability  
16 program as set forth in RCW 28B.15.066.

17 (4) The appropriations in this section include sufficient funding  
18 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
19 (education loan information).

20 (5) The appropriations in this section include sufficient funding  
21 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
22 (financial literacy seminars).

23 (6) Within amounts appropriated in this section, the university  
24 is encouraged to increase the number of tenure-track positions  
25 created and hired.

26 (7) \$76,000 of the general fund—state appropriation for fiscal  
27 year 2019 is provided solely for implementation of Engrossed Second  
28 Substitute House Bill No. 2009 (gold star families/higher education).  
29 If the bill is not enacted by June 30, 2018, the amount provided in  
30 this subsection shall lapse.

31 (8) \$50,000 of the general fund—state appropriation for fiscal  
32 year 2019 is provided solely for implementation of Substitute House  
33 Bill No. 1559 (uniformed personnel arbitration). If the bill is not  
34 enacted by June 30, 2018, the amount provided in this subsection  
35 shall lapse.

36 (9) \$200,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the game on! program, which provides  
38 underserved middle and high school students with training in

1 leadership and science, technology, engineering, and math. The  
2 program is expected to serve approximately 500 students per year.

3 **Sec. 606.** 2017 3rd sp.s. c 1 s 610 (uncodified) is amended to  
4 read as follows:

5 **FOR THE EVERGREEN STATE COLLEGE**

6	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$26,543,000</del> ))
7			<u>\$26,582,000</u>
8	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$27,146,000</del> ))
9			<u>\$28,109,000</u>
10	TESC Capital Projects Account—State Appropriation.	. . . . .	\$80,000
11	Education Legacy Trust Account—State Appropriation	. . . . .	\$5,450,000
12	<del>((Liquor Revolving Account—State Appropriation.</del>	<del>. . . . .</del>	<del>\$250,000))</del>
13	<u>Pension Funding Stabilization Account—State</u>		
14	<u>Appropriation.</u>	. . . . .	<u>\$2,000</u>
15	TOTAL APPROPRIATION.	. . . . .	(( <del>\$59,469,000</del> ))
16			<u>\$60,223,000</u>

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

19 (1) ((~~\$3,377,000~~)) \$3,397,000 of the general fund—state  
20 appropriation for fiscal year 2018 and ((~~\$3,445,000~~)) \$3,482,000 of  
21 the general fund—state appropriation for fiscal year 2019 are  
22 provided solely for the implementation of the college affordability  
23 program as set forth in RCW 28B.15.066.

24 (2) Funding provided in this section is sufficient for The  
25 Evergreen State College to continue operations of the Longhouse  
26 Center and the Northwest Indian applied research institute.

27 (3) Notwithstanding other provisions in this section, the board  
28 of directors for the Washington state institute for public policy may  
29 adjust due dates for projects included on the institute's 2017-19  
30 work plan as necessary to efficiently manage workload.

31 (4) The Evergreen State College shall not use funds appropriated  
32 in this section to support intercollegiate athletics programs.

33 (5) \$33,000 of the general fund—state appropriation for fiscal  
34 year 2018 and ((~~\$65,000~~)) \$95,000 of the general fund—state  
35 appropriation for fiscal year 2019 are provided solely for  
36 implementation of chapter 265, Laws of 2017 (SHB 1867) (ext. foster  
37 care transitions).



1 (6) \$62,000 of the general fund—state appropriation for fiscal  
2 year 2018 are provided solely for implementation of chapter 237, Laws  
3 of 2017 (ESHB 1115) (paraeducators).

4 (7) \$17,000 of the general fund—state appropriation for fiscal  
5 year 2018 and (~~(\$34,000)~~) \$41,000 of the general fund—state  
6 appropriation for fiscal year 2019 are provided solely for the  
7 Washington institute for public policy to conduct a study regarding  
8 the implementation of certain aspects of the involuntary treatment  
9 act, pursuant to chapter 29, Laws of 2016, sp. sess. (E3SHB 1713).

10 (8) The appropriations in this section include sufficient funding  
11 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
12 (education loan information).

13 (9) The appropriations in this section include sufficient funding  
14 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
15 (financial literacy seminars).

16 (10) \$72,000 of the general fund—state appropriation for fiscal  
17 year 2018 and \$43,000 of the general fund—state appropriation for  
18 fiscal year 2019 is provided solely for the Washington institute for  
19 public policy to update its previous meta-analysis on the effect of  
20 the national board for professional teaching standards certification  
21 on student outcomes by December 15, 2018. The institute shall also  
22 report on the following:

23 (a) Does the certification improve teacher retention in  
24 Washington state?;

25 (b) Has the additional bonus provided under RCW 28A.405.415 to  
26 certificated instructional staff who have attained national board  
27 certification to work in high poverty schools acted as an incentive  
28 for such teachers to actually work in high poverty schools?; and

29 (c) Have other states provided similar incentives to achieve a  
30 more equitable distribution of staff with national board  
31 certification?

32 (11) \$122,000 of the general fund—state appropriation for fiscal  
33 year 2018 and (~~(\$40,000)~~) \$141,000 of the general fund—state  
34 appropriation for fiscal year 2019 are provided solely for the  
35 implementation of chapter 244, Laws of 2015 (college bound).

36 (12) \$1,000 of the general fund—state appropriation for fiscal  
37 year 2018 and (~~(\$1,000)~~) \$7,000 of the general fund—state  
38 appropriation for fiscal year 2019 are provided solely for the

1 implementation of chapter 7, Laws of 2015, 3rd sp.s. (early start  
2 act).

3 ~~((14))~~ (13) Within amounts appropriated in this section, the  
4 college is encouraged to increase the number of tenure-track  
5 positions created and hired.

6 ~~((15))~~ (14) \$16,000 of the general fund—state appropriation for  
7 fiscal year 2018 and ~~((22,000))~~ \$50,000 of the general fund—state  
8 appropriation for fiscal year 2019 are provided solely for  
9 implementation of Engrossed Substitute Senate Bill No. 5890 (foster  
10 care and adoption). If the bill is not enacted by July 31, 2017, the  
11 amounts provided in this subsection shall lapse.

12 (15) \$35,000 of the general fund—state appropriation for fiscal  
13 year 2019 is provided solely for implementation of House Bill No.  
14 2892 (mental health field response). If the bill is not enacted by  
15 June 30, 2018, the amount provided in this subsection shall lapse.

16 (16) \$50,000 of the general fund—state appropriation for fiscal  
17 year 2019 is provided solely for implementation of Substitute House  
18 Bill No. 1559 (uniformed personnel arbitration). If the bill is not  
19 enacted by June 30, 2018, the amount provided in this subsection  
20 shall lapse.

21 (17) \$100,000 of the general fund—state appropriation for fiscal  
22 year 2019 is provided solely for the Washington state institute for  
23 public policy to conduct a meta-analysis of United States single  
24 payer and other United States universal health care proposals,  
25 studies, and models. The institute shall provide a report to the  
26 appropriate committees of the legislature by December 1, 2018. The  
27 analysis shall:

28 (a) Summarize the parameters used to define universal health care  
29 coverage;

30 (b) Summarize the various models proposed;

31 (c) Identify the role of the state in providing health care  
32 coverage;

33 (d) Compare and contrast the extent to which the state is sole  
34 payer for health care coverage;

35 (e) Identify the extent to which other funds are leveraged to  
36 provide for health care coverage;

37 (f) Identify the various financing mechanisms proposed;

38 (g) Examine any cost savings to consumers, the health care  
39 system, or the state resulting from the adoption of such a model; and

1 (h) Summarize any identified technical challenges.

2 (18) \$56,000 of the general fund—state appropriation for fiscal  
3 year 2019 is provided solely for data storage and security upgrades  
4 at the Washington state institute for public policy.

5 (19) \$76,000 of the general fund—state appropriation for fiscal  
6 year 2019 is provided solely for implementation of Engrossed House  
7 Bill No. 2008 (child welfare budgeting). If the bill is not enacted  
8 by June 30, 2018, the amount provided in this subsection shall lapse.

9 (20) \$27,000 of the general fund—state appropriation for fiscal  
10 year 2019 is provided solely for implementation of Engrossed Second  
11 Substitute House Bill No. 2009 (gold star families/higher education).  
12 If the bill is not enacted by June 30, 2018, the amount provided in  
13 this subsection shall lapse.

14 (21) \$150,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided to the Washington state institute for public  
16 policy solely for additional research related to marijuana. In  
17 addition to those activities performed pursuant to Initiative Measure  
18 No. 502, the institute must:

19 (a) Update the inventory of programs for the prevention and  
20 treatment of youth cannabis use published in December 2016; and

21 (b) Examine current data collection methods measuring use of  
22 cannabis by youth and report to the legislature on potential ways to  
23 improve data collection and comparisons; and

24 (c) To the extent information is available, identify effective  
25 methods used to reduce or eliminate the unlicensed cultivation or  
26 distribution of marijuana or marijuana containing products in  
27 jurisdictions with existing recreational and/or medical marijuana  
28 markets.

29 (22)(a) \$87,000 of the general fund—state appropriation for  
30 fiscal year 2019 is provided solely for the Washington state  
31 institute for public policy to conduct a study of medical debt in  
32 Washington. The study must include:

33 (i) A systematic review of the prevalence and impact of medical  
34 debt on Washingtonians including, but not limited to, if available:

35 (A) The nature and amount of medical debt;

36 (B) The amount of prejudgment interest sought;

37 (C) Attorneys' fees and other collection costs sought by  
38 collection agencies;

1 (D) Number and rate of default judgments in medical debt  
2 collection cases;

3 (E) The amount of postjudgment interest, garnishment fees, and  
4 other costs after judgment; and

5 (F) Hospital debt collection policies; and

6 (ii) A comparison of the laws and practices regarding medical  
7 debt collection in Washington with those in other states.

8 (b) In conducting its analysis, the Washington state institute  
9 for public policy may work with the administrative office of the  
10 courts and individual courts throughout the state in order to access  
11 necessary data.

12 (c) The Washington state institute for public policy shall  
13 conduct research to enable a report of the findings of the study to  
14 be completed and submitted to the appropriate committees of the  
15 legislature by December 1, 2019.

16 (23) \$111,000 of the general fund—state appropriation for fiscal  
17 year 2018 and \$20,000 of the general fund—state appropriation for  
18 fiscal year 2019 are provided solely for implementation of chapter  
19 205, Laws of 2016 (2SHB 2449) (truancy reduction).

20 **Sec. 607.** 2017 3rd sp.s. c 1 s 611 (uncodified) is amended to  
21 read as follows:

22 **FOR WESTERN WASHINGTON UNIVERSITY**

23	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$70,456,000</del> ))
24			<u>\$70,474,000</u>
25	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$72,950,000</del> ))
26			<u>\$73,905,000</u>
27	Education Legacy Trust Account—State Appropriation	. . .	\$13,831,000
28	Western Washington University Capital Projects		
29	Account—State Appropriation (FY 2018)	. . . . .	\$771,000
30	Western Washington University Capital Projects Account—State		
31	Appropriation (FY 2019)	. . . . .	\$712,000
32	TOTAL APPROPRIATION	. . . . .	(( <del>\$158,720,000</del> ))
33			<u>\$159,693,000</u>

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

36 (1) The university must continue work with the education research  
37 and data center to demonstrate progress in computer science and  
38 engineering enrollments. By September 1st of each year, the

1 university shall provide a report including but not limited to the  
2 cost per student, student completion rates, and the number of low-  
3 income students enrolled in each program, any process changes or  
4 best-practices implemented by the university, and how many students  
5 are enrolled in computer science and engineering programs above the  
6 prior academic year.

7 (2) \$630,000 of the general fund—state appropriation for fiscal  
8 year 2018 and \$630,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for the computer and information  
10 systems security program located at Olympic college - Poulsbo. The  
11 university is expected to enroll 30 students each academic year  
12 beginning in fiscal year 2017. The university must identify these  
13 students separately when providing data to the educational data  
14 centers as required in (1) of this section.

15 (3) Western Washington University shall not use funds  
16 appropriated in this section to support intercollegiate athletics  
17 programs.

18 (4) (~~(\$15,326,000)~~) \$15,416,000 of the general fund—state  
19 appropriation for fiscal year 2018 and (~~(\$15,632,000)~~) \$15,801,000 of  
20 the general fund—state appropriation for fiscal year 2019 are  
21 provided solely for the implementation of the college affordability  
22 program as set forth in RCW 28B.15.066.

23 (5) The appropriations in this section include sufficient funding  
24 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
25 (education loan information).

26 (6) The appropriations in this section include sufficient funding  
27 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
28 (financial literacy seminars).

29 (7) \$500,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$500,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for programs or initiatives  
32 designed to improve student academic success and increase degree  
33 completion.

34 (8) Within amounts appropriated in this section, the university  
35 is encouraged to increase the number of tenure-track positions  
36 created and hired.

37 (9) \$39,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for implementation of Engrossed Second  
39 Substitute House Bill No. 2009 (gold star families/higher education).

1 If the bill is not enacted by June 30, 2018, the amount provided in  
2 this subsection shall lapse.

3 (10) \$700,000 of the general fund—state appropriation for fiscal  
4 year 2019 is provided solely for the creation and implementation of  
5 an early childhood education degree program at the western on the  
6 peninsulas campus. The university must collaborate with Olympic  
7 college. At full implementation, the university is expected to grant  
8 approximately 75 bachelor's degrees in early childhood education per  
9 year at the western on the peninsulas campus.

10 (11) \$50,000 of the general fund—state appropriation for fiscal  
11 year 2019 is provided solely for implementation of Substitute House  
12 Bill No. 1559 (uniformed personnel arbitration). If the bill is not  
13 enacted by June 30, 2018, the amount provided in this subsection  
14 shall lapse.

15 (12) \$70,000 of the general fund—state appropriation for fiscal  
16 year 2019 is provided solely for a study of the feasibility of the  
17 university creating a four-year degree-granting campus on the Kitsap  
18 or Olympic peninsula. The university shall submit a report on the  
19 findings of the study to the governor and appropriate committees of  
20 the legislature by December 2018.

21 **Sec. 608.** 2017 3rd sp.s. c 1 s 612 (uncodified) is amended to  
22 read as follows:

23 **FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND**  
24 **ADMINISTRATION**

25	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$5,640,000</del> ))
26			<u>\$5,370,000</u>
27	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$5,791,000</del> ))
28			<u>\$6,304,000</u>
29	General Fund—Federal Appropriation	. . . . .	\$4,892,000
30	<u>Pension Funding Stabilization Account—State</u>		
31	<u>Appropriation.</u>	. . . . .	<u>\$535,000</u>
32	TOTAL APPROPRIATION.	. . . . .	(( <del>\$16,323,000</del> ))
33			<u>\$17,101,000</u>

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

36 (1) \$20,000 of the general fund—state appropriation for fiscal  
37 year 2018 is provided solely for administrative costs to implement  
38 the expansion of the college bound scholarship program for foster

1 youth, pursuant to Engrossed Substitute Senate Bill No. 5890 (foster  
2 care and adoption). If the bill is not enacted by July 31, 2017, the  
3 amount provided in this subsection shall lapse.

4 (2) \$62,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for implementation of Second Substitute  
6 House Bill No. 1512 (expanding college bound scholarship  
7 eligibility). If the bill is not enacted by June 30, 2018, the amount  
8 provided in this subsection shall lapse.

9 (3) \$363,000 of the general fund—state appropriation for fiscal  
10 year 2019 is provided solely for implementation of Engrossed Second  
11 Substitute House Bill No. 2143 (higher education financial aid). If  
12 the bill is not enacted by June 30, 2018, the amount provided in this  
13 subsection shall lapse.

14 (4) \$33,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely for implementation of House Bill No.  
16 2832 (passport to college/foster). If the bill is not enacted by June  
17 30, 2018, the amount provided in this subsection shall lapse.

18 (5) \$200,000 of the general fund—state appropriation for fiscal  
19 year 2019 is provided solely for implementation of Engrossed Fourth  
20 Substitute House Bill No. 1827 (educator workforce supply). If the  
21 bill is not enacted by June 30, 2018, the amount provided in this  
22 subsection shall lapse.

23 (6) \$126,000 of the general fund—state appropriation for fiscal  
24 year 2019 is provided solely for the consumer protection unit.

25 **Sec. 609.** 2017 3rd sp.s. c 1 s 613 (uncodified) is amended to  
26 read as follows:

27 **FOR THE STUDENT ACHIEVEMENT COUNCIL—OFFICE OF STUDENT FINANCIAL**  
28 **ASSISTANCE**

29	General Fund—State Appropriation (FY 2018)	. . . .	(( <del>\$238,397,000</del> ))
30			<u>\$238,388,000</u>
31	General Fund—State Appropriation (FY 2019)	. . . .	(( <del>\$242,726,000</del> ))
32			<u>\$273,016,000</u>
33	General Fund—Federal Appropriation	. . . . .	(( <del>\$11,906,000</del> ))
34			<u>\$11,905,000</u>
35	General Fund—Private/Local Appropriation	. . . . .	\$300,000
36	Education Legacy Trust Account—State Appropriation	.	(( <del>\$99,955,000</del> ))
37			<u>\$104,291,000</u>
38	WA Opportunity Pathways Account—State Appropriation		(( <del>\$117,389,000</del> ))

1		<u>\$122,350,000</u>
2	Aerospace Training Student Loan Account—State	
3	Appropriation . . . . .	\$208,000
4	Health Professionals Loan Repayment and Scholarship	
5	Program Account—State Appropriation . . . . .	\$4,720,000
6	<u>Pension Funding Stabilization Account—State Appropriation. . . . .</u>	<u>\$18,000</u>
7	TOTAL APPROPRIATION. . . . .	(( <del>\$715,601,000</del> ))
8		<u>\$755,196,000</u>

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

11       (1) \$229,157,000 of the general fund—state appropriation for  
12 fiscal year 2018, \$233,928,000 of the general fund—state  
13 appropriation for fiscal year 2019, \$69,376,000 of the education  
14 legacy trust account—state appropriation, and \$88,000,000 of the  
15 Washington opportunity pathways account—state appropriation are  
16 provided solely for student financial aid payments under the state  
17 need grant and state work study programs, including up to four  
18 percent administrative allowance for the state work study program.

19       (2)(a) For the 2017-2019 fiscal biennium, state need grant awards  
20 given to private for-profit institutions shall be the same amount as  
21 the prior year.

22       (b) For the 2017-2019 fiscal biennium, grant awards given to  
23 private four-year not-for-profit institutions shall be set at the  
24 same level as the average grant award for public research  
25 universities. Increases in awards given to private four-year not-for-  
26 profit institutions shall align with annual tuition increases for  
27 public research institutions.

28       (3) Changes made to the state work study program in the 2009-2011  
29 and 2011-2013 fiscal biennia are continued in the 2017-2019 fiscal  
30 biennium including maintaining the increased required employer share  
31 of wages; adjusted employer match rates; discontinuation of  
32 nonresident student eligibility for the program; and revising  
33 distribution methods to institutions by taking into consideration  
34 other factors such as off-campus job development, historical  
35 utilization trends, and student need.

36       (4) Within the funds appropriated in this section, eligibility  
37 for the state need grant includes students with family incomes at or  
38 below 70 percent of the state median family income (MFI), adjusted  
39 for family size, and shall include students enrolled in three to five



1 credit-bearing quarter credits, or the equivalent semester credits.  
2 Awards for students with incomes between 51 and 70 percent of the  
3 state median shall be prorated at the following percentages of the  
4 award amount granted to those with incomes below 51 percent of the  
5 MFI: 70 percent for students with family incomes between 51 and 55  
6 percent MFI; 65 percent for students with family incomes between 56  
7 and 60 percent MFI; 60 percent for students with family incomes  
8 between 61 and 65 percent MFI; and 50 percent for students with  
9 family incomes between 66 and 70 percent MFI.

10 (5) Of the amounts provided in subsection (1) of this section,  
11 \$100,000 of the general fund—state appropriation for fiscal year 2018  
12 and \$100,000 of the general fund—state appropriation for fiscal year  
13 2019 are provided for the council to process an alternative financial  
14 aid application system pursuant to RCW 28B.92.010.

15 (6) Students who are eligible for the college bound scholarship  
16 shall be given priority for the state need grant program. These  
17 eligible college bound students whose family incomes are in the 0-65  
18 percent median family income ranges must be awarded the maximum state  
19 need grant for which they are eligible under state policies and may  
20 not be denied maximum state need grant funding due to institutional  
21 policies or delayed awarding of college bound scholarship students.  
22 The council shall provide directions to institutions to maximize the  
23 number of college bound scholarship students receiving the maximum  
24 state need grant for which they are eligible with a goal of 100  
25 percent coordination. Institutions shall identify all college bound  
26 scholarship students to receive state need grant priority. If an  
27 institution is unable to identify all college bound scholarship  
28 students at the time of initial state aid packaging, the institution  
29 should reserve state need grant funding sufficient to cover the  
30 projected enrollments of college bound scholarship students.

31 (7) \$15,849,000 of the education legacy trust account—state  
32 appropriation and (~~(\$29,389,000)~~) \$34,350,000 of the Washington  
33 opportunity pathways account—state appropriation are provided solely  
34 for the college bound scholarship program and may support  
35 scholarships for summer session. Funding provided in this subsection  
36 reflects treatment of the state-funded portion of the Washington  
37 state opportunity scholarship as a state-funded grant under RCW  
38 28B.118.010.

1 (8) \$2,236,000 of the general fund—state appropriation for fiscal  
2 year 2018 and (~~(\$2,236,000)~~) \$2,535,000 of the general fund—state  
3 appropriation for fiscal year 2019 are provided solely for the  
4 passport to college program. The maximum scholarship award is up to  
5 \$5,000. The council shall contract with a nonprofit organization to  
6 provide support services to increase student completion in their  
7 postsecondary program and shall, under this contract, provide a  
8 minimum of \$500,000 in fiscal years 2018 and 2019 for this purpose.  
9 Of the amounts in this subsection, \$299,000 of the general fund—state  
10 appropriation for fiscal year 2019 is provided solely for  
11 implementation of House Bill No. 2832 (passport to college/foster).  
12 If the bill is not enacted by June 30, 2018, this portion of the  
13 amount provided in this subsection shall lapse.

14 (9) (~~(\$14,730,000)~~) \$19,066,000 of the education legacy trust  
15 account—state appropriation is provided solely to meet state match  
16 requirements associated with the opportunity scholarship program. The  
17 legislature will evaluate subsequent appropriations to the  
18 opportunity scholarship program based on the extent that additional  
19 private contributions are made, program spending patterns, and fund  
20 balance.

21 (10) \$2,325,000 of the general fund—state appropriation for  
22 fiscal year 2018 and \$2,325,000 of the general fund—state  
23 appropriation for fiscal year 2019 are provided solely for  
24 expenditure into the health professionals loan repayment and  
25 scholarship program account. These amounts and \$4,720,000  
26 appropriated from the health professionals loan repayment and  
27 scholarship program account must be used to increase the number of  
28 licensed primary care health professionals to serve in licensed  
29 primary care health professional critical shortage areas. Contracts  
30 between the office and program recipients must guarantee at least  
31 three years of conditional loan repayments. The office of student  
32 financial assistance and the department of health shall prioritize a  
33 portion of any nonfederal balances in the health professional loan  
34 repayment and scholarship fund for conditional loan repayment  
35 contracts with psychiatrists and with advanced registered nurse  
36 practitioners for work at one of the state-operated psychiatric  
37 hospitals. The office and department shall designate the state  
38 hospitals as health professional shortage areas if necessary for this  
39 purpose. The office shall coordinate with the department of social

1 and health services to effectively incorporate three conditional loan  
2 repayments into the department's advanced psychiatric professional  
3 recruitment and retention strategies. The office may use these  
4 targeted amounts for other program participants should there be any  
5 remaining amounts after eligible psychiatrists and advanced  
6 registered nurse practitioners have been served. The office shall  
7 also work to prioritize loan repayments to professionals working at  
8 health care delivery sites that demonstrate a commitment to serving  
9 uninsured clients. It is the intent of the legislature to provide  
10 funding to maintain the current number and amount of awards for the  
11 program in the 2019-2021 biennium on the basis of these contractual  
12 obligations.

13 (11) \$42,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$42,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for the council to design and  
16 implement a program that provides customized information to high-  
17 achieving (as determined by local school districts), low-income, high  
18 school students. "Low-income" means students who are from low-income  
19 families as defined by the education data center in RCW 43.41.400.  
20 For the purposes of designing, developing, and implementing the  
21 program, the council shall partner with a national entity that offers  
22 aptitude tests and shall consult with institutions of higher  
23 education with a physical location in Washington. The council shall  
24 implement the program no later than fall 2016, giving consideration  
25 to spring mailings in order to capture early action decisions offered  
26 by institutions of higher education and nonprofit baccalaureate  
27 degree-granting institutions. The information packet for students  
28 must include at a minimum:

29 (a) Materials that help students to choose colleges;

30 (b) An application guidance booklet;

31 (c) Application fee waivers, if available, for four-year  
32 institutions of higher education and independent nonprofit  
33 baccalaureate degree-granting institutions in the state that enable  
34 students receiving a packet to apply without paying application fees;

35 (d) Information on college affordability and financial aid that  
36 includes information on the net cost of attendance for each four-year  
37 institution of higher education and each nonprofit baccalaureate  
38 degree-granting institution, and information on merit and need-based  
39 aid from federal, state, and institutional sources; and

(e) A personally addressed cover letter signed by the governor and the president of each four-year institution of higher education and nonprofit baccalaureate degree-granting institution in the state.

(12) \$1,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of House Bill No. 1452 (opportunity scholarship program). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(13) \$4,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Fourth Substitute House Bill No. 1827 (educator workforce supply). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

**Sec. 610.** 2017 3rd sp.s. c 1 s 614 (uncodified) is amended to read as follows:

**FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD**

General Fund—State Appropriation (FY 2018)	.. . . .	((( <del>\$1,881,000</del> )))
		<u>\$1,845,000</u>
General Fund—State Appropriation (FY 2019)	.. . . .	((( <del>\$1,795,000</del> )))
		<u>\$1,833,000</u>
General Fund—Federal Appropriation	.. . . .	\$55,279,000
General Fund—Private/Local Appropriation	.. . . .	\$208,000
<u>Pension Funding Stabilization Account—State</u>		
<u>Appropriation.</u>	.. . . .	<u>\$176,000</u>
TOTAL APPROPRIATION.	.. . . .	((( <del>\$59,163,000</del> )))
		<u>\$59,341,000</u>

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

(1) For the 2017-2019 fiscal biennium the board shall not designate recipients of the Washington award for vocational excellence or recognize them at award ceremonies as provided in RCW 28C.04.535.

(2) The health workforce council of the state workforce training and education coordinating board, in partnership with work underway with the office of the governor, shall, within resources available for such purpose, but not to exceed \$250,000, assess workforce shortages across behavioral health disciplines. The board shall create a recommended action plan to address behavioral health

1 workforce shortages and to meet the increased demand for services  
2 now, and with the integration of behavioral health and primary care  
3 in 2020. The analysis and recommended action plan shall align with  
4 the recommendations of the adult behavioral health system task force  
5 and related work of the healthier Washington initiative. The board  
6 shall consider workforce data, gaps, distribution, pipeline,  
7 development, and infrastructure, including innovative high school,  
8 postsecondary, and postgraduate programs to evolve, align, and  
9 respond accordingly to our state's behavioral health and related and  
10 integrated primary care workforce needs. The board will continue its  
11 work and submit final recommendations in calendar year 2017.

12 (3) \$22,000 of the general fund—state appropriation for fiscal  
13 year 2018 is provided solely for implementation of chapter 154, Laws  
14 of 2017 (SSB 5022) (education loan information).

15 (4) \$114,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$57,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for implementation of chapter  
18 182, Laws of 2017 (2SSB 5285) (workforce employment sectors study).

19 (5) \$125,000 of the general fund—state appropriation for fiscal  
20 year 2019 is provided solely for work associated with the work-  
21 integrated learning strategic plan in section 501(59) of this act.

22 **Sec. 611.** 2017 3rd sp.s. c 1 s 615 (uncodified) is amended to  
23 read as follows:

24 **FOR THE DEPARTMENT OF EARLY LEARNING**

25	General Fund—State Appropriation (FY 2018) . . . . .	<del>(( \$119,174,000 ))</del>
26		<u>\$116,775,000</u>
27	General Fund—Federal Appropriation . . . . .	\$171,032,000
28	Education Legacy Trust Account—State Appropriation . . . . .	\$14,091,000
29	Home Visiting Services Account—State Appropriation . . . . .	\$3,133,000
30	Home Visiting Services Account—Federal Appropriation . . . . .	\$12,153,000
31	WA Opportunity Pathways Account—State Appropriation . . . . .	\$40,000,000
32	<u>Pension Funding Stabilization Account—State</u>	
33	<u>Appropriation. . . . .</u>	<u>\$468,000</u>
34	TOTAL APPROPRIATION. . . . .	<del>(( \$359,583,000 ))</del>
35		<u>\$357,652,000</u>

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

1 (1) \$58,185,000 of the general fund—state appropriation for  
2 fiscal year 2018, \$12,125,000 of the education legacy trust account—  
3 state appropriation, and \$40,000,000 of the opportunity pathways  
4 account appropriation are provided solely for the early childhood  
5 education and assistance program. These amounts shall support at  
6 least 12,491 slots in fiscal year 2018.

7 (2) \$200,000 of the general fund—state appropriation for fiscal  
8 year 2018 is provided solely to develop and provide culturally  
9 relevant supports for parents, family, and other caregivers.

10 (3)(a) The department is the lead agency for and recipient of the  
11 federal child care and development fund grant. Amounts within this  
12 grant shall be used to fund child care licensing, quality  
13 initiatives, agency administration, and other costs associated with  
14 child care subsidies. The department shall transfer a portion of this  
15 grant to the department of social and health services to fund the  
16 child care subsidies paid by the department of social and health  
17 services on behalf of the department of early learning.

18 (b)(i) If the department receives additional federal child care  
19 and development funding while the legislature is not in session, the  
20 department shall request a federal allotment adjustment through the  
21 unanticipated receipts process defined in RCW 43.79.270 and shall  
22 prioritize its request based on the following priorities:

23 (A) Increasing child care rates comparable to market rates based  
24 on the most recent market survey;

25 (B) Increasing access to infant and toddler child care;

26 (C) Increasing access to child care in geographic areas where  
27 supply for subsidized child care does not meet the demand; and

28 (D) Providing nurse consultation services to licensed providers.

29 (ii) The secretary of the department shall consult with the  
30 chairs and ranking members of the appropriate policy committees of  
31 the legislature prior to submitting the unanticipated receipt.

32 (4)(a) (~~(\$76,650,000)~~) \$77,253,000 of the general fund—federal  
33 appropriation is provided solely for the working connections child  
34 care program under RCW 43.215.135. In order to not exceed the  
35 appropriated amount, the department shall manage the program so that  
36 the average monthly caseload does not exceed 33,000 households. The  
37 department shall give prioritized access into the program according  
38 to the following order:

- 1 (i) Families applying for or receiving temporary assistance for  
2 needy families (TANF);
- 3 (ii) TANF families curing sanction;
- 4 (iii) Foster children;
- 5 (iv) Families that include a child with special needs;
- 6 (v) Families in which a parent of a child in care is a minor who  
7 is not living with a parent or guardian and who is a full-time  
8 student in a high school that has a school-sponsored on-site child  
9 care center;
- 10 (vi) Families with a child residing with a biological parent or  
11 guardian who have received child protective services, child welfare  
12 services, or a family assessment response from the department of  
13 social and health services in the past six months, and has received a  
14 referral for child care as part of the family's case management; and
- 15 (vii) Families that received subsidies within the last thirty  
16 days and:
- 17 (A) Have reapplied for subsidies; and
- 18 (B) Have household income of two hundred percent federal poverty  
19 level or below; and
- 20 (viii) All other eligible families.
- 21 (b) The department of early learning and the department of social  
22 and health services must take immediate action to reduce fraud and  
23 overpayments in the working connections child care program. By  
24 December 1, 2017, the department must adopt rules to:
- 25 (i) Require verification of the applicant's household composition  
26 in determining eligibility for the working connections child care  
27 program. At a minimum, the department of social and health services  
28 must consult agency records for the temporary assistance for needy  
29 families program, food assistance, medical assistance, and child  
30 support enforcement to verify the applicant's household composition  
31 and other applicable eligibility criteria whenever possible. In cases  
32 where only one parent's name appears on the application and the  
33 department of social and health services cannot verify an open child  
34 support case or verify household composition through internal agency  
35 records, then the applicant must:
- 36 (A) Provide the name and address of the other parent or indicate,  
37 under penalty of perjury, that the other parent's identity or address  
38 are unknown to the applicant; and
- 39 (B) Document the presence or absence of the other parent through  
40 acceptable documentation as defined by the department in rule.

1 The department must exempt an applicant from providing  
2 information about the other parent if the department of social and  
3 health services determines the applicant has good cause not to  
4 cooperate. For the purposes of this subsection, "good cause" must  
5 include, at a minimum, consideration of the safety of domestic  
6 violence victims;

7 (ii) Authorize working connections child care payments to  
8 licensed and certified providers and in-home relative child care  
9 providers serving eligible consumers who participate in one hundred  
10 ten hours or more of approved work or related activities per calendar  
11 month within the following categories: (A) Full day care for a non-  
12 school-age child, (B) half-day care for a school-age child during the  
13 school year, and (C) full day care for a school-age child during  
14 school holidays;

15 (iii) Define the occurrence of fraud, an intentional program  
16 violation, an unintentional program violation and an administrative  
17 error;

18 (iv) Outline the administrative process for determining fraud or  
19 an intentional program violation; and

20 (v) Define the progressive disqualification process for providers  
21 who commit fraud or intentional program violation(s).

22 (c) The department, in collaboration with the department of  
23 social and health services, must submit a preliminary report by  
24 December 1, 2017, and a final report by December 1, 2018, to the  
25 governor and the appropriate fiscal and policy committees of the  
26 legislature on quality control measures for the working connections  
27 child care program. The reports must each include:

28 (i) A detailed narrative of the procurement and implementation of  
29 an improved time and attendance system, including a detailed  
30 accounting of the costs of procurement and implementation;

31 (ii) A comprehensive description of all processes, including  
32 computer algorithms and additional rule development, that the  
33 department and the department of social and health services plan to  
34 establish prior to and after full implementation of the time and  
35 attendance system. At a minimum, processes must be designed to:

36 (A) Ensure the department's auditing efforts are informed by  
37 regular and continuous alerts of the potential for overpayments;

38 (B) Avoid overpayments to the maximum extent possible and  
39 expediently recover overpayments that have occurred;



1 (C) Withhold payment from providers when necessary to incentivize  
2 receipt of the necessary documentation to complete an audit;

3 (D) Establish methods for reducing future payments or  
4 establishing repayment plans in order to recover any overpayments;

5 (E) Sanction providers, including termination of eligibility, who  
6 commit intentional program violations or fail to comply with program  
7 requirements, including compliance with any established repayment  
8 plans;

9 (F) Consider pursuit of prosecution in cases with fraudulent  
10 activity; and

11 (iii) A description of the process by which fraud is identified  
12 and how fraud investigations are prioritized and expedited.

13 (d) Beginning July 1, 2018, and annually thereafter, the  
14 department, in collaboration with the department of social and health  
15 services, must report to the governor and the appropriate fiscal and  
16 policy committees of the legislature on the status of overpayments in  
17 the working connections child care program. The report must include  
18 the following information for the previous fiscal year:

19 (i) A summary of the number of overpayments that occurred;

20 (ii) The reason for each overpayment;

21 (iii) The total cost of overpayments;

22 (iv) A comparison to overpayments that occurred in the past two  
23 preceding fiscal years; and

24 (v) Any planned modifications to internal processes that will  
25 take place in the coming fiscal year to further reduce the occurrence  
26 of overpayments.

27 (5) Within available amounts, the department in consultation with  
28 the office of financial management and the department of social and  
29 health services shall report enrollments and active caseload for the  
30 working connections child care program to the legislative fiscal  
31 committees and the legislative-executive WorkFirst oversight task  
32 force on an agreed upon schedule. The report shall also identify the  
33 number of cases participating in both temporary assistance for needy  
34 families and working connections child care. The department must also  
35 report on the number of children served through contracted slots.

36 (6) \$1,560,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$6,712,000 of the general fund—federal appropriation  
38 are provided solely for the seasonal child care program. If federal  
39 sequestration cuts are realized, cuts to the seasonal child care

1 program must be proportional to other federal reductions made within  
2 the department.

3 (7) \$4,674,000 of the general fund—state appropriation for fiscal  
4 year 2018 is provided solely for the early childhood intervention  
5 prevention services (ECLIPSE) program. The department shall contract  
6 for ECLIPSE services to provide therapeutic child care and other  
7 specialized treatment services to abused, neglected, at-risk, and/or  
8 drug-affected children. Priority for services shall be given to  
9 children referred from the department of social and health services  
10 children's administration.

11 (8) (~~(\$44,663,000)~~) \$42,707,000 of the general fund—state  
12 appropriation for fiscal year 2018 and \$13,954,000 of the general  
13 fund—federal appropriation are provided solely to maintain the  
14 requirements set forth in chapter 7, Laws of 2015 3rd sp. sess. The  
15 department shall place a ten percent administrative overhead cap on  
16 any contract entered into with the University of Washington. In its  
17 annual report to the governor and the legislature, the department  
18 shall report the total amount of funds spent on the quality rating  
19 and improvements system and the total amount of funds spent on degree  
20 incentives, scholarships, and tuition reimbursements. Of the amounts  
21 provided in this subsection, \$386,000 of the general fund—state  
22 appropriation for fiscal year 2018 is provided solely for a six  
23 percent base rate increase for child care center providers.

24 (9) \$1,728,000 of the general fund—state appropriation for fiscal  
25 year 2018 is provided solely for reducing barriers for low-income  
26 providers to participate in the early achievers program.

27 (10) \$300,000 of the general fund—state appropriation for fiscal  
28 year 2018 is provided solely for a contract with a nonprofit entity  
29 experienced in the provision of promoting early literacy for children  
30 through pediatric office visits.

31 (11) \$2,000,000 of the education legacy trust account—state  
32 appropriation is provided solely for early intervention assessment  
33 and services.

34 (12) \$7,979,000 of the general fund—federal appropriation for  
35 fiscal year 2018 is provided solely for the department to procure a  
36 time and attendance system and are subject to the conditions,  
37 limitations, and review provided in section 724 of this act.

38 (13) Information technology projects or investments and proposed  
39 projects or investments impacting time capture, payroll and payment

1 processes and systems, eligibility, case management and authorization  
2 systems within the department of early learning are subject to  
3 technical oversight by the office of the chief information officer.  
4 The department must collaborate with the office of the chief  
5 information officer to develop a strategic business and technology  
6 architecture plan for a child care attendance and billing system that  
7 supports a statewide architecture.

8 (14)(a)(i) The department of early learning is required to  
9 provide to the education research and data center, housed at the  
10 office of financial management, data on all state-funded early  
11 childhood programs. These programs include the early support for  
12 infants and toddlers, early childhood education and assistance  
13 program (ECEAP), and the working connections and seasonal subsidized  
14 childcare programs including license exempt facilities or family,  
15 friend, and neighbor care. The data provided by the department to the  
16 education research data center must include information on children  
17 who participate in these programs, including their name and date of  
18 birth, and dates the child received services at a particular  
19 facility.

20 (ii) ECEAP early learning professionals must enter any new  
21 qualifications into the department's professional development  
22 registry starting in the 2015-16 school year, and every school year  
23 thereafter. By October 2017, and every October thereafter, the  
24 department must provide updated ECEAP early learning professional  
25 data to the education research data center.

26 (iii) The department must request federally funded head start  
27 programs to voluntarily provide data to the department and the  
28 education research data center that is equivalent to what is being  
29 provided for state-funded programs.

30 (iv) The education research and data center must provide an  
31 updated report on early childhood program participation and K-12  
32 outcomes to the house of representatives appropriations committee and  
33 the senate ways and means committee using available data by November  
34 2017 for the school year ending in 2016 and again in March 2018 for  
35 the school year ending in 2017.

36 (b) The department, in consultation with the department of social  
37 and health services, must withhold payment for services to early  
38 childhood programs that do not report on the name, date of birth, and  
39 the dates a child received services at a particular facility.

1 (15) The department shall work with state and local law  
2 enforcement, federally recognized tribal governments, and tribal law  
3 enforcement to develop a process for expediting fingerprinting and  
4 data collection necessary to conduct background checks for tribal  
5 early learning and child care providers.

6 (16) \$2,651,000 of the general fund—state appropriation for  
7 fiscal year 2018 is provided solely for the 2017-2019 collective  
8 bargaining agreement covering family child care providers as set  
9 forth in section 940 of this act. Funding is contingent upon  
10 enactment of Senate Bill No. 5969 (transparency in public employee  
11 collective bargaining). If the bill is not enacted by July 31, 2017,  
12 the amount provided in this subsection shall lapse. Of the amounts  
13 provided in this subsection:

14 (a) \$273,000 is for a base rate increase;

15 (b) \$55,000 is for increasing paid professional development days  
16 from three days to five days;

17 (c) \$1,708,000 is for the family child care providers 501c3  
18 organization for the substitute pool, training and quality  
19 improvement support services, and administration;

20 (d) \$114,000 is for increasing licensing incentive payments; and

21 (e) \$500,000 is for needs based grants.

22 (17) \$175,000 of the general fund—state appropriation for fiscal  
23 year 2018 is provided solely for the department to contract with a  
24 nonprofit entity that provides quality improvement services to  
25 participants in the early achievers program to implement a community-  
26 based training module that supports licensed child care providers who  
27 have been rated in early achievers and who are specifically  
28 interested in serving children in the early childhood education and  
29 assistance program. The module must be functionally translated into  
30 Spanish and Somali. The module must prepare trainees to administer  
31 all aspects of the early childhood education and assistance program  
32 for eligible children in their licensed program and must be offered  
33 to 105 child care providers to serve children eligible for the early  
34 childhood education and assistance program by June 30, 2019.

35 (18) \$750,000 of the general fund—state appropriation for fiscal  
36 year 2018 is provided solely for the implementation of the early  
37 achievers expanded learning opportunity quality initiative pursuant  
38 to RCW 43.215.100(3)(d).

1 (19) \$267,000 of the general fund—state appropriation for fiscal  
2 year 2018 is provided solely for implementation of chapter 236, Laws  
3 of 2017 (SHB 1445) (dual language in early learning & K-12).

4 (20) \$100,000 of the general fund—state appropriation for fiscal  
5 year 2018 is provided solely for implementation of chapter 202, Laws  
6 of 2017 (E2SHB 1713) (children's mental health).

7 (21) \$5,000 of the general fund—state appropriation for fiscal  
8 year 2018 is provided solely for a child care workforce development  
9 technical work group to develop recommendations to support increased  
10 child care workforce wages, reduce turnover, enable child care  
11 providers to recruit more qualified educators, and maintain the  
12 diversity of the current workforce.

13 (a) The department shall convene and provide staff support for  
14 the technical work group. The department shall consult with advocates  
15 and stakeholders of the early learning workforce when selecting  
16 members for the technical work group. Membership of the work group  
17 must consist of representatives from the following organizations and  
18 entities:

- 19 (i) The statewide child care resource and referral network;
- 20 (ii) The department;
- 21 (iii) The department of commerce;
- 22 (iv) The economic opportunity institute;
- 23 (v) A coalition of organizations representing nonprofits,  
24 professional associations, businesses, and industries in early  
25 learning;
- 26 (vi) The state board for community and technical colleges;
- 27 (vii) A union representing child care workers;
- 28 (viii) The small business administration;
- 29 (ix) A member consisting of either an economist or a  
30 representative of the workforce development councils;
- 31 (x) A representative from an early childhood education and  
32 assistance program;
- 33 (xi) A representative from a nonprofit child care center;
- 34 (xii) A representative from a private child care center; and
- 35 (xiii) A representative from an organization that provides  
36 culturally responsive services for early learning programs in  
37 communities with high numbers of families whose primary language is  
38 not English.

1 (b) Members of the work group may be reimbursed for travel  
2 expenses as provided in RCW 43.03.050 and 43.03.060. Funding in this  
3 subsection is provided solely for travel reimbursement of work group  
4 members and other costs to conduct the meetings. Funding provided in  
5 this subsection may not be used to contract for facilitation.

6 (c) The work group shall issue a report with recommendations and  
7 an implementation plan to the governor and appropriate committees of  
8 the legislature by December 1, 2018.

9 (22) \$317,000 of the general fund—state appropriation for fiscal  
10 year 2018 is provided solely for implementation of chapter 162, Laws  
11 of 2017 (SSB 5357) (outdoor early learning programs).

12 (23)(a) During the 2017-2019 fiscal biennium, the department must  
13 revise its agreements and contracts with vendors to include a  
14 provision to require that each vendor agrees to equality among its  
15 workers by ensuring similarly employed individuals are compensated as  
16 equals as follows:

17 (i) Employees are similarly employed if the individuals work for  
18 the same employer, the performance of the job requires comparable  
19 skill, effort, and responsibility, and the jobs are performed under  
20 similar working conditions. Job titles alone are not determinative of  
21 whether employees are similarly employed;

22 (ii) Vendors may allow differentials in compensation for its  
23 workers based in good faith on any of the following:

24 (A) A seniority system; a merit system; a system that measures  
25 earnings by quantity or quality of production; a bona fide job-  
26 related factor or factors; or a bona fide regional difference in  
27 compensation levels.

28 (B) A bona fide job-related factor or factors may include, but  
29 not be limited to, education, training, or experience, that is:  
30 Consistent with business necessity; not based on or derived from a  
31 gender-based differential; and accounts for the entire differential.

32 (C) A bona fide regional difference in compensation level must  
33 be: Consistent with business necessity; not based on or derived from  
34 a gender-based differential; and account for the entire differential.

35 (b) The provision must allow for the termination of the contract  
36 if the department or department of enterprise services determines  
37 that the vendor is not in compliance with this agreement or contract  
38 term.

39 (c) The department must implement this provision with any new  
40 contract and at the time of renewal of any existing contract.



1       **Sec. 614.** 2017 3rd sp.s. c 1 s 618 (uncodified) is amended to  
2 read as follows:

3 **FOR THE WASHINGTON STATE ARTS COMMISSION**

4	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$1,497,000</del> ))
5			<u>\$1,417,000</u>
6	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$1,514,000</del> ))
7			<u>\$1,567,000</u>
8	General Fund—Federal Appropriation	. . . . .	\$2,124,000
9	General Fund—Private/Local Appropriation	. . . . .	(( <del>\$16,000</del> ))
10			<u>\$50,000</u>
11	<u>Pension Funding Stabilization Account—State</u>		
12	<u>Appropriation.</u>	. . . . .	\$122,000
13	TOTAL APPROPRIATION.	. . . . .	(( <del>\$5,151,000</del> ))
14			<u>\$5,280,000</u>

15       The appropriations in this section are subject to the following  
16 conditions and limitations: ((~~\$78,000~~)) \$58,000 of the general fund—  
17 state appropriation for fiscal year 2018 and ((~~\$78,000~~)) \$98,000 of  
18 the general fund—state appropriation for fiscal year 2019 are  
19 provided solely to implement chapter 240, Laws of 2017 (creative  
20 districts).

21       **Sec. 615.** 2017 3rd sp.s. c 1 s 619 (uncodified) is amended to  
22 read as follows:

23 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

24	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$2,505,000</del> ))
25			<u>\$2,447,000</u>
26	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$2,603,000</del> ))
27			<u>\$2,789,000</u>
28	<u>Pension Funding Stabilization Account—State</u>		
29	<u>Appropriation.</u>	. . . . .	\$230,000
30	TOTAL APPROPRIATION.	. . . . .	(( <del>\$5,108,000</del> ))
31			<u>\$5,466,000</u>

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

34       (1) \$96,000 of the general fund—state appropriation for fiscal  
35 year 2019 is provided solely for the implementation of Substitute  
36 House Bill No. 2288 (history day program). If the bill is not enacted  
37 by June 30, 2018, the amount provided in this subsection shall lapse.



1       (2) The Washington state historical society must transfer the  
 2 management and operations of the historic Lord mansion in Olympia to  
 3 The Evergreen State College by July 1, 2018. The department of  
 4 enterprise services must facilitate and approve the transfer. If the  
 5 Lord mansion management and operations are not transferred to The  
 6 Evergreen State College by June 30, 2019, then the department of  
 7 enterprise services must begin administering the management and  
 8 operations of the property on July 1, 2019.

9       **Sec. 616.** 2017 3rd sp.s. c 1 s 620 (uncodified) is amended to  
 10 read as follows:

11 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

12	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$1,991,000</del> ))
13			<u>\$1,925,000</u>
14	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$2,044,000</del> ))
15			<u>\$2,091,000</u>
16	<u>Pension Funding Stabilization Account—State</u>		
17	<u>Appropriation.</u>	. . . . .	\$213,000
18	TOTAL APPROPRIATION.	. . . . .	(( <del>\$4,035,000</del> ))
19			<u>\$4,229,000</u>

(End of part)

PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2017 3rd sp.s. c 1 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 2018), General Fund—State Appropriation (FY 2019), State Building Construction Account—State Appropriation, Columbia River Basin Water Supply—State Appropriation, State Taxable Building 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.

Sec. 702. 2017 3rd sp.s. c 1 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

Table with 2 columns: Description and Amount. Rows include General Fund—State Appropriation (FY 2018), General Fund—State Appropriation (FY 2019), State Building Construction Account—State Appropriation, Columbia River Basin Water Supply—State Appropriation, Columbia River Basin Taxable Bond Water Supply—State Appropriation, and State Taxable Building Construction Account—State Appropriation.

1 TOTAL APPROPRIATION. . . . . (~~(\$5,214,000)~~)  
2 \$5,213,000

3 NEW SECTION. Sec. 703. A new section is added to 2017 3rd sp.s.  
4 c 1 (uncodified) to read as follows:

5 **FOR SUNDRY CLAIMS**

6 The following sums, or so much thereof as may be necessary, are  
7 appropriated from the general fund for fiscal year 2018, unless  
8 otherwise indicated, for relief of various individuals, firms, and  
9 corporations for sundry claims.

10 (1) These appropriations are to be disbursed on vouchers approved  
11 by the director of the department of enterprise services, except as  
12 otherwise provided, for reimbursement of criminal defendants  
13 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as  
14 follows:

- 15 (a) John Weiler, claim number 99970144. . . . . \$7,975
- 16 (b) Samson Asfaw, claim number 99970145. . . . . \$18,873
- 17 (c) Kevon Turner, claim number 99970147. . . . . \$9,750
- 18 (d) Arthur Eshe, claim number 99970148. . . . . \$12,900
- 19 (e) Woody J. Pierson, claim number 99970235. . . . . \$19,789

20 (2) These appropriations are to be disbursed on vouchers approved  
21 by the director of the department of enterprise services, except as  
22 otherwise provided, for payment of compensation for wrongful  
23 convictions pursuant to RCW 4.100.060, as follows:

24 Robert Larson, Tyler Gassman, and Paul Statler, claim numbers  
25 99970072-99970074. . . . . \$79,000

26 **Sec. 704.** 2017 3rd sp.s. c 1 s 708 (uncodified) is amended to  
27 read as follows:

28 **FOR THE STATE TREASURER—COUNTY PUBLIC HEALTH ASSISTANCE**

29 General Fund—State Appropriation (FY 2018) . . . . . \$36,386,000  
30 General Fund—State Appropriation (FY 2019) . . . . . \$36,386,000  
31 TOTAL APPROPRIATION. . . . . \$72,772,000

32 The appropriations in this section are subject to the following  
33 conditions and limitations: The state treasurer shall distribute the  
34 appropriations to the following counties and health districts in the  
35 amounts designated to support public health services, including  
36 public health nursing:

	<b>FY 2018</b>	<b>FY 2019</b>	<b>2017-2019 Biennium</b>
1 <b>Health District</b>			
2			
3 <del>((Adams County Health District))</del> <u>Adams County</u>	\$121,213	\$121,213	\$242,426
4 <u>Integrated Health Care Services</u>			
5 Asotin County Health District	\$159,890	\$159,890	\$319,780
6 Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
7 Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
8 Clallam County Health and Human Services Department	\$291,401	\$291,401	\$582,802
9 <del>((Clark County Health District))</del> <u>Clark County Public</u>	\$1,767,341	\$1,767,341	\$3,534,682
10 <u>Health</u>			
11 <del>((Skamania County Health Department))</del> <u>Skamania</u>	\$111,327	\$111,327	\$222,654
12 <u>County Community Health</u>			
13 <del>((Columbia County Health District))</del> <u>Columbia County</u>	\$119,991	\$119,991	\$239,982
14 <u>Public Health</u>			
15 <del>((Cowlitz County Health Department))</del> <u>Cowlitz County</u>	\$477,981	\$477,981	\$955,962
16 <u>Health and Human Services</u>			
17 Garfield County Health District	\$93,154	\$93,154	\$186,308
18 Grant County Health District	\$297,761	\$297,761	\$595,522
19 <del>((Grays Harbor Health Department))</del> <u>Grays Harbor</u>	\$335,666	\$335,666	\$671,332
20 <u>Public Health and Social Services</u>			
21 <del>((Island County Health Department))</del> <u>Island County</u>	\$255,224	\$255,224	\$510,448
22 <u>Public Health</u>			
23 <del>((Jefferson County Health and Human Services))</del>	\$184,080	\$184,080	\$368,160
24 <u>Jefferson County Public Health</u>			
25 <del>((Seattle King County Department of Public Health))</del>	\$12,685,521	\$12,685,521	\$25,371,042
26 <u>Public Health - Seattle &amp; King County</u>			
27 <del>((Bremerton Kitsap County Health District))</del> <u>Kitsap</u>	\$997,476	\$997,476	\$1,994,952
28 <u>Public Health District</u>			
29 <del>((Kittitas County Health Department))</del> <u>Kittitas County</u>	\$198,979	\$198,979	\$397,958
30 <u>Public Health</u>			
31 <del>((Klickitat County Health Department))</del> <u>Klickitat</u>	\$153,784	\$153,784	\$307,568
32 <u>County Public Health</u>			
33 <del>((Lewis County Health Department))</del> <u>Lewis County</u>	\$263,134	\$263,134	\$526,268
34 <u>Public Health and Social Services</u>			
35 Lincoln County Health Department	\$113,917	\$113,917	\$227,834

1	<del>((Mason County Department of Health Services))</del>	\$227,448	\$227,448	\$454,896
2	<u>Mason County Public Health and Human Services</u>			
3	<del>((Okanogan County Health District))</del> <u>Okanogan County</u>	\$169,882	\$169,882	\$339,764
4	<u>Public Health</u>			
5	<del>((Pacific County Health Department))</del> <u>Pacific County</u>	\$169,075	\$169,075	\$338,150
6	<u>Health and Human Services</u>			
7	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
8	San Juan County Health and Community Services	\$126,569	\$126,569	\$253,138
9	<del>((Skagit County Health Department))</del> <u>Skagit County</u>	\$449,745	\$449,745	\$899,490
10	<u>Public Health</u>			
11	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
12	<del>((Spokane County Health District))</del> <u>Spokane Regional</u>	\$2,877,318	\$2,877,318	\$5,754,636
13	<u>Health District</u>			
14	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
15	<del>((Thurston County Health Department))</del> <u>Thurston</u>	\$1,046,897	\$1,046,897	\$2,093,794
16	<u>County Public Health and Social Services</u>			
17	<del>((Wahkiakum County Health Department))</del> <u>Wahkiakum</u>	\$93,181	\$93,181	\$186,362
18	<u>County Health and Human Services</u>			
19	<del>((Walla Walla County-City Health Department))</del> <u>Walla</u>	\$302,173	\$302,173	\$604,346
20	<u>Walla County Department of Community Health</u>			
21	Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
22	<del>((Whitman County Health Department))</del> <u>Whitman</u>	\$189,355	\$189,355	\$378,710
23	<u>County Public Health</u>			
24	Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
25	TOTAL APPROPRIATIONS	\$36,386,000	\$36,386,000	\$72,772,000

26       **Sec. 705.** 2017 3rd sp.s. c 1 s 720 (uncodified) is amended to  
27 read as follows:

28 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—ANDY HILL CANCER RESEARCH**  
29 **ENDOWMENT FUND MATCH TRANSFER ACCOUNT**

30	General Fund—State Appropriation (FY 2018) . . . . .	\$5,000,000
31	TOTAL APPROPRIATION. . . . .	\$5,000,000

32       The appropriations in this section are subject to the following  
33 conditions and limitations: The appropriation in this section is  
34 provided solely for expenditure into the Andy Hill cancer research

1 endowment fund match transfer account per RCW 43.348.080 to fund the  
2 cancer research endowment program.

3 **Sec. 706.** 2017 3rd sp.s. c 1 s 722 (uncodified) is amended to  
4 read as follows:

5 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—HEALTH PROFESSIONS ACCOUNT**

6 Dedicated Marijuana Account—State Appropriation	
7 (FY 2018) . . . . .	(( <del>\$352,000</del> ))
8	<u>\$2,652,000</u>
9 Dedicated Marijuana Account—State Appropriation	
10 (FY 2019) . . . . .	\$352,000
11 TOTAL APPROPRIATION. . . . .	(( <del>\$704,000</del> ))
12	<u>\$3,004,000</u>

13 The appropriations in this section are subject to the following  
14 conditions and limitations: The appropriations are provided solely  
15 for expenditure into the health professions account to reimburse the  
16 account for costs incurred by the department of health for the  
17 development and administration of the marijuana authorization  
18 database.

19 **Sec. 707.** 2017 3rd sp.s. c 1 s 721 (uncodified) is amended to  
20 read as follows:

21 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—HOME VISITING SERVICES ACCOUNT**

22 General Fund—State Appropriation (FY 2018) . . . . .	\$691,000
23 General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$744,000</del> ))
24	<u>\$3,043,000</u>
25 TOTAL APPROPRIATION. . . . .	(( <del>\$1,435,000</del> ))
26	<u>\$3,734,000</u>

27 The appropriations in this section are subject to the following  
28 conditions and limitations: The appropriations are provided solely  
29 for expenditure into the home visiting services account for the home  
30 visiting program.

31 **Sec. 708.** 2017 3rd sp.s. c 1 s 723 (uncodified) is amended to  
32 read as follows:

33 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—LEASE COST POOL**

34 General Fund—State Appropriation (FY 2018) . . . . .	\$9,712,000
35 General Fund—State Appropriation (FY 2019). . . . .	<u>\$8,000,000</u>

1 General Fund—Federal Appropriation . . . . . \$2,431,000  
 2 TOTAL APPROPRIATION. . . . . ((~~\$12,143,000~~))  
 3 \$20,143,000

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

6 (1) The appropriations in this section are provided solely for  
 7 expenditure into the state agency office relocation pool account  
 8 created in section 949 of this act for state agency office relocation  
 9 costs as shown in LEAP omnibus document ((~~LEAS-2017~~)) LEAS-2018,  
 10 dated ((~~March 14, 2017~~)) February 20, 2018, which is hereby  
 11 incorporated by reference. To facilitate the transfer of moneys from  
 12 other funds and accounts that are associated with office relocations  
 13 contained in LEAP omnibus document LEAS-2017, dated March 14, 2017,  
 14 the state treasurer is directed to transfer moneys from other funds  
 15 and accounts in an amount not to exceed \$2,431,000 to the lease cost  
 16 pool in accordance with schedules provided by the office of financial  
 17 management.

18 (2) Agencies may apply to the office of financial management to  
 19 receive funds from the state agency office relocation pool account in  
 20 an amount not to exceed the actual costs for the office relocations.

21 NEW SECTION. **Sec. 709.** The following acts or parts of acts are  
 22 each repealed:

- 23 (1) 2017 3rd sp.s. c 1 s 726 (uncodified);
- 24 (2) 2017 3rd sp.s. c 1 s 727 (uncodified);
- 25 (3) 2017 3rd sp.s. c 1 s 728 (uncodified);
- 26 (4) 2017 3rd sp.s. c 1 s 729 (uncodified);
- 27 (5) 2017 3rd sp.s. c 1 s 730 (uncodified);
- 28 (6) 2017 3rd sp.s. c 1 s 731 (uncodified);
- 29 (7) 2017 3rd sp.s. c 1 s 732 (uncodified);
- 30 (8) 2017 3rd sp.s. c 1 s 733 (uncodified);
- 31 (9) 2017 3rd sp.s. c 1 s 734 (uncodified);
- 32 (10) 2017 3rd sp.s. c 1 s 735 (uncodified);
- 33 (11) 2017 3rd sp.s. c 1 s 736 (uncodified); and
- 34 (12) 2017 3rd sp.s. c 1 s 737 (uncodified).

35 NEW SECTION. **Sec. 710.** A new section is added to 2017 3rd sp.s.  
 36 c 1 (uncodified) to read as follows:

37 **PAID FAMILY LEAVE**

1	General Fund—State Appropriation (FY 2019) . . . . .	\$1,013,000
2	General Fund—Federal Appropriation. . . . .	\$85,000
3	General Fund—Private/Local Appropriation. . . . .	\$7,000
4	Dedicated Funds and Accounts Appropriation. . . . .	\$221,000
5	TOTAL APPROPRIATION. . . . .	\$1,326,000

6 The appropriations in this section are subject to the following  
7 conditions and limitations: Funding is provided for employer payment  
8 of employee family and medical leave premiums as shown in LEAP  
9 Document G2F 2018 dated February 15, 2018.

10 NEW SECTION. **Sec. 711.** A new section is added to 2017 3rd sp.s.  
11 c 1 (uncodified) to read as follows:

12 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—SECRETARY OF STATE ARCHIVES**  
13 **AND RECORDS MANAGEMENT**

14	General Fund—State Appropriation (FY 2018). . . . .	\$3,000
15	General Fund—State Appropriation (FY 2019). . . . .	\$4,000
16	General Fund—Federal Appropriation. . . . .	\$2,000
17	TOTAL APPROPRIATION. . . . .	\$9,000

18 The appropriations in this section are subject to the following  
19 conditions and limitations: The appropriations in this section  
20 reflect adjustments in agency appropriations related to corresponding  
21 adjustments in the secretary of state's billing authority for  
22 archives and records management. The office of financial management  
23 shall adjust allotments in the amounts specified, and to the state  
24 agencies specified in LEAP omnibus document 92C-2018, dated February  
25 20, 2018, and adjust appropriation schedules accordingly.

26 NEW SECTION. **Sec. 712.** A new section is added to 2017 3rd sp.s.  
27 c 1 (uncodified) to read as follows:

28 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—STATE AUDITOR AUDIT SERVICES**

29	General Fund—State Appropriation (FY 2018). . . . .	\$1,000
30	General Fund—State Appropriation (FY 2019). . . . .	\$4,000
31	General Fund—Federal Appropriation. . . . .	\$3,000
32	TOTAL APPROPRIATION. . . . .	\$8,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations: The appropriations in this section  
35 reflect adjustments in agency appropriations related to corresponding  
36 adjustments in the state auditor's billing authority for state agency



1 auditing services. The office of financial management shall adjust  
2 allotments in the amounts specified, and to the state agencies  
3 specified in LEAP omnibus document 92D-2018, dated February 20, 2018,  
4 and adjust appropriation schedules accordingly.

5 NEW SECTION. **Sec. 713.** A new section is added to 2017 3rd sp.s.  
6 c 1 (uncodified) to read as follows:

7 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—OFFICE OF ATTORNEY GENERAL**  
8 **LEGAL SERVICES**

9	General Fund—State Appropriation (FY 2018). . . . .	\$112,000
10	General Fund—State Appropriation (FY 2019). . . . .	\$187,000
11	General Fund—Federal Appropriation. . . . .	\$32,000
12	General Fund—Private/Local Appropriation. . . . .	\$2,000
13	Other Appropriated Funds. . . . .	\$103,000
14	TOTAL APPROPRIATION. . . . .	\$436,000

15 The appropriations in this section are subject to the following  
16 conditions and limitations: The appropriations in this section  
17 reflect adjustments in agency appropriations related to corresponding  
18 adjustments in the office of attorney general's billing authority for  
19 legal services. The office of financial management shall adjust  
20 allotments in the amounts specified, and to the state agencies  
21 specified in LEAP omnibus document 92E-2018, dated February 20, 2018,  
22 and adjust appropriation schedules accordingly.

23 NEW SECTION. **Sec. 714.** A new section is added to 2017 3rd sp.s.  
24 c 1 (uncodified) to read as follows:

25 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—ADMINISTRATIVE HEARINGS**

26	General Fund—State Appropriation (FY 2018). . . . .	(\$37,000)
27	General Fund—State Appropriation (FY 2019). . . . .	(\$318,000)
28	General Fund—Federal Appropriation. . . . .	(\$259,000)
29	General Fund—Private/Local Appropriation. . . . .	\$27,000
30	Other Appropriated Funds. . . . .	\$2,646,000
31	TOTAL APPROPRIATION. . . . .	\$2,059,000

32 The appropriations in this section are subject to the following  
33 conditions and limitations: The appropriations in this section  
34 reflect adjustments in agency appropriations related to corresponding  
35 adjustments in the office of administrative hearing's billing  
36 authority. The office of financial management shall adjust allotments

1 in the amounts specified, and to the state agencies specified in LEAP  
2 omnibus document 92G-2018, dated February 20, 2018, and adjust  
3 appropriation schedules accordingly.

4 NEW SECTION. **Sec. 715.** A new section is added to 2017 3rd sp.s.  
5 c 1 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—CONSOLIDATED TECHNOLOGY**  
7 **SERVICES CENTRAL SERVICES**

8	General Fund—State Appropriation (FY 2018). . . . .	\$453,000
9	General Fund—State Appropriation (FY 2019). . . . .	\$367,000
10	General Fund—Federal Appropriation. . . . .	\$245,000
11	General Fund—Private/Local Appropriation. . . . .	\$25,000
12	Other Appropriated Funds. . . . .	\$495,000
13	TOTAL APPROPRIATION. . . . .	\$1,585,000

14 The appropriations in this section are subject to the following  
15 conditions and limitations: The appropriations in this section  
16 reflect adjustments in agency appropriations related to corresponding  
17 adjustments in the central technology services' billing authority.  
18 The office of financial management shall adjust allotments in the  
19 amounts specified, and to the state agencies specified in LEAP  
20 omnibus document 92J-2018, dated February 20, 2018, and adjust  
21 appropriation schedules accordingly.

22 NEW SECTION. **Sec. 716.** A new section is added to 2017 3rd sp.s.  
23 c 1 (uncodified) to read as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—DEPARTMENT OF ENTERPRISE**  
25 **SERVICES CENTRAL SERVICES**

26	General Fund—State Appropriation (FY 2018). . . . .	\$10,000
27	General Fund—State Appropriation (FY 2019). . . . .	\$538,000
28	General Fund—Federal Appropriation. . . . .	\$111,000
29	General Fund—Private/Local Appropriation. . . . .	\$20,000
30	Other Appropriated Funds. . . . .	\$349,000
31	TOTAL APPROPRIATION. . . . .	\$1,028,000

32 The appropriations in this section are subject to the following  
33 conditions and limitations: The appropriations in this section  
34 reflect adjustments in agency appropriations related to corresponding  
35 adjustments in the department of enterprise services' billing  
36 authority. The office of financial management shall adjust allotments

1 in the amounts specified, and to the state agencies specified in LEAP  
2 omnibus document 92K-2018, dated February 20, 2018, and adjust  
3 appropriation schedules accordingly.

4 NEW SECTION. **Sec. 717.** A new section is added to 2017 3rd sp.s.  
5 c 1 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—OFFICE OF FINANCIAL MANAGEMENT**  
7 **CENTRAL SERVICES**

8	General Fund—State Appropriation (FY 2018). . . . .	\$3,000
9	General Fund—State Appropriation (FY 2019). . . . .	\$1,757,000
10	General Fund—Federal Appropriation. . . . .	\$452,000
11	General Fund—Private/Local Appropriation. . . . .	\$43,000
12	Other Appropriated Funds. . . . .	\$728,000
13	TOTAL APPROPRIATION. . . . .	\$2,983,000

14 The appropriations in this section are subject to the following  
15 conditions and limitations: The appropriations in this section  
16 reflect adjustments in agency appropriations related to new billing  
17 authority for central service functions performed by the office of  
18 financial management. The office of financial management shall adjust  
19 allotments in the amounts specified, and to the state agencies  
20 specified in LEAP omnibus document 92R-2018, dated February 20, 2018,  
21 and adjust appropriation schedules accordingly.

22 NEW SECTION. **Sec. 718.** A new section is added to 2017 3rd sp.s.  
23 c 1 (uncodified) to read as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—CONSOLIDATED TECHNOLOGY**  
25 **SERVICES FEE FOR SERVICE ADJUSTMENT**

26	General Fund—State Appropriation (FY 2018). . . . .	\$282,000
27	General Fund—State Appropriation (FY 2019). . . . .	\$570,000
28	General Fund—Federal Appropriation. . . . .	\$228,000
29	General Fund—Private/Local Appropriation. . . . .	\$36,000
30	Other Appropriated Funds. . . . .	\$559,000
31	TOTAL APPROPRIATION. . . . .	\$1,675,000

32 The appropriations in this section are subject to the following  
33 conditions and limitations: The appropriations in this section  
34 reflect adjustments in agency appropriations related to corresponding  
35 adjustments in the consolidated technology services' billing  
36 authority. The office of financial management shall adjust allotments

1 in the amounts specified, and to the state agencies specified in LEAP  
2 omnibus document GZC-2018, dated February 20, 2018, and adjust  
3 appropriation schedules accordingly.

4 NEW SECTION. **Sec. 719.** A new section is added to 2017 3rd sp.s.  
5 c 1 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—DEPARTMENT OF ENTERPRISE**  
7 **SERVICES RATE COMPENSATION ADJUSTMENTS**

8	General Fund—State Appropriation (FY 2018). . . . .	(\$5,000)
9	General Fund—State Appropriation (FY 2019). . . . .	\$572,000
10	General Fund—Federal Appropriation. . . . .	\$112,000
11	General Fund—Private/Local Appropriation. . . . .	\$15,000
12	Other Appropriated Funds. . . . .	\$298,000
13	TOTAL APPROPRIATION. . . . .	\$992,000

14 The appropriations in this section are subject to the following  
15 conditions and limitations: The appropriations in this section  
16 reflect adjustments in agency appropriations related to corresponding  
17 adjustments in the department of enterprise services' billing  
18 authority. The office of financial management shall adjust allotments  
19 in the amounts specified, and to the state agencies specified in LEAP  
20 omnibus document GZH-2018, dated February 20, 2018, and adjust  
21 appropriation schedules accordingly.

22 NEW SECTION. **Sec. 720.** A new section is added to 2017 3rd sp.s.  
23 c 1 (uncodified) to read as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—PUBLIC SAFETY EMPLOYEES'**  
25 **RETIREMENT SYSTEM**

26	General Fund—State Appropriation (FY 2019) . . . . .	\$2,900,000
27	Special Retirement Contribution Increase Revolving	
28	Account—State Appropriation. . . . .	(\$1,900,000)
29	TOTAL APPROPRIATION. . . . .	\$1,000,000

30 The appropriations in this section are subject to the following  
31 conditions and limitations: The appropriations are provided solely  
32 for allocation to state agencies for costs of revised eligibility  
33 criteria for the public safety employees' retirement system as  
34 provided in Substitute House Bill No. 1558 (public safety employees  
35 retirement system membership). If the bill is not enacted by June 30,  
36 2018, the appropriations in this section shall lapse.

1        NEW SECTION.    **Sec. 721.**    A new section is added to 2017 3rd sp.s.  
2    c 1 (uncodified) to read as follows:

3    **FOR THE OFFICE OF FINANCIAL MANAGEMENT—PERS AND TRS PLANS 1 MINIMUM**  
4    **BENEFITS**

5    General Fund—State Appropriation (FY 2019) . . . . .	\$7,200,000
6    Special Retirement Contribution Increase Revolving	
7        Account—State Appropriation. . . . .	\$2,000,000
8        TOTAL APPROPRIATION. . . . .	\$9,200,000

9        The appropriations in this section are subject to the following  
10    conditions and limitations: The appropriations are provided solely  
11    for allocation to state agencies and school districts for costs of a  
12    one-time, ongoing increase to the minimum benefit and the alternative  
13    minimum benefit in the public employees' retirement system and the  
14    teachers' retirement system plans 1. If a bill is not enacted by June  
15    30, 2018, to implement the increase in these minimum benefits, the  
16    appropriations in this section shall lapse.

17        NEW SECTION.    **Sec. 722.**    A new section is added to 2017 3rd sp.s.  
18    c 1 (uncodified) to read as follows:

19    **COMPENSATION—STATE EMPLOYEES INSURANCE BENEFITS**

20    General Fund—State Appropriation (FY 2019) . . . . .	(\$14,036,000)
21    General Fund—Federal Appropriation . . . . .	(\$3,012,000)
22    General Fund—Private/Local Appropriation . . . . .	(\$284,000)
23    Dedicated Funds and Accounts Appropriation . . . . .	(\$7,242,000)
24        TOTAL APPROPRIATION. . . . .	(\$24,574,000)

25        The appropriations in this section are subject to the following  
26    conditions and limitations: Funding is provided for state employee  
27    health benefits for state agencies, including institutions of higher  
28    education, and are subject to the conditions and limitations in  
29    sections 903 and 904 of this act. Appropriations in this act for  
30    state agencies, including institutions of higher education, are  
31    increased by the amounts specified in LEAP omnibus document GLS 2018  
32    dated February 15, 2018.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2017 3rd sp.s. c 1 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions. . . . .	(( <del>\$9,731,000</del> ))
	<u>\$9,730,000</u>
General Fund Appropriation for prosecuting attorney distributions. . . . .	(( <del>\$6,786,000</del> ))
	<u>\$6,643,000</u>
General Fund Appropriation for boating safety and education distributions. . . . .	\$4,000,000
General Fund Appropriation for public utility district excise tax distributions. . . . .	(( <del>\$60,611,000</del> ))
	<u>\$30,230,000</u>
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies. . . . .	(( <del>\$3,556,000</del> ))
	<u>\$3,135,000</u>
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution. . . . .	\$140,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties. . . . .	(( <del>\$77,367,000</del> ))
	<u>\$68,009,000</u>
County Criminal Justice Assistance Appropriation. . . . .	(( <del>\$96,145,000</del> ))
	<u>\$93,628,000</u>
Municipal Criminal Justice Assistance Appropriation. . . . .	(( <del>\$38,126,000</del> ))
	<u>\$36,908,000</u>
City-County Assistance Appropriation. . . . .	\$27,160,000
Liquor Excise Tax Account Appropriation for liquor excise tax distribution. . . . .	\$56,058,000
Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistributions effect of sourcing law changes. . . . .	(( <del>\$20,012,000</del> ))
	<u>\$20,549,000</u>
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville	

1	Reservation. . . . .	\$8,074,000
2	Columbia River Water Delivery Account Appropriation	
3	for the Spokane Tribe of Indians. . . . .	\$5,402,000
4	Liquor Revolving Account Appropriation for liquor	
5	profits distribution. . . . .	\$98,876,000
6	General Fund Appropriation for other tax	
7	distributions. . . . .	\$80,000
8	General Fund Appropriation for Marijuana Excise	
9	Tax distributions. . . . .	(( <del>\$12,000,000</del> ))
10		<u>\$30,000,000</u>
11	General Fund Appropriation for Habitat Conservation	
12	Program distributions. . . . .	\$5,347,000
13	TOTAL APPROPRIATION. . . . .	(( <del>\$529,471,000</del> ))
14		<u>\$485,969,000</u>

15 The total expenditures from the state treasury under the  
16 appropriations in this section shall not exceed the funds available  
17 under statutory distributions for the stated purposes.

18 **Sec. 802.** 2017 3rd sp.s. c 1 s 805 (uncodified) is amended to  
19 read as follows:

20 **FOR THE STATE TREASURER—TRANSFERS**

21 Criminal Justice Treatment Account: For transfer to  
22 the state general fund, \$4,450,000 for fiscal  
23 year 2018 and \$4,450,000 for fiscal year 2019. . . . . \$8,900,000  
24 Dedicated Marijuana Account: For transfer to  
25 the basic health plan trust account, the lesser  
26 of the amount determined pursuant to RCW 69.50.540  
27 or this amount plus \$40,494,000 for fiscal year  
28 2018, ((~~\$170,000,000~~)) \$226,654,000 and this  
29 amount for fiscal year 2019,  
30 ((~~\$180,000,000~~)) \$194,000,000. . . . . ((~~\$350,000,000~~))  
31 \$420,654,000

32 Dedicated Marijuana Account: For transfer to  
33 the state general fund, the lesser of the amount  
34 determined pursuant to RCW 69.50.540 or this amount  
35 for fiscal year 2018, ((~~\$120,000,000~~)) \$130,000,000  
36 and this amount for fiscal year 2019,  
37 ((~~\$130,000,000~~)) \$137,000,000. . . . . ((~~\$239,239,000~~))  
38 \$267,000,000

1 Aquatic Lands Enhancement Account: For transfer to  
 2 the clean up settlement account as repayment of  
 3 the loan provided in section 3022(2) chapter 2,  
 4 Laws of 2012, 2nd sp. sess. (ESB 6074 2012  
 5 supplemental capital budget), \$620,000 for fiscal  
 6 year 2018 and \$620,000 for fiscal year 2019. . . . . \$1,240,000  
 7 Tobacco Settlement Account: For transfer to the  
 8 state general fund, in an amount not to exceed the  
 9 actual amount of the annual base payment to the  
 10 tobacco settlement account for fiscal year 2018. . . \$101,639,000  
 11 Tobacco Settlement Account: For transfer to the  
 12 state general fund, in an amount not to exceed the  
 13 actual amount of the annual base payment to the  
 14 tobacco settlement account for fiscal year 2019. . . \$101,639,000  
 15 State Toxics Control Account: For transfer to the  
 16 cleanup settlement account as repayment of the  
 17 loan provided in section 3022(2) chapter 2,  
 18 Laws of 2012, 2nd sp. sess. (ESB 6074, 2012  
 19 supplemental capital budget), \$620,000 for  
 20 fiscal year 2018 and \$620,000 for fiscal  
 21 year 2019. . . . . \$1,240,000  
 22 General Fund: For transfer to the streamlined sales  
 23 and use tax account, (~~(\$11,171,000)~~) \$12,877,000  
 24 for fiscal year 2018 and (~~(\$8,641,000)~~) \$7,672,000  
 25 for fiscal year 2019. . . . . (~~(\$20,012,000)~~)  
 26 \$20,549,000  
 27 Aerospace Training and Student Loan Account: For  
 28 transfer to the state general fund, \$750,000  
 29 for fiscal year 2018 and \$750,000 for fiscal  
 30 year 2019. . . . . \$1,500,000  
 31 Disaster Response Account: For transfer to the state  
 32 general fund, \$42,000,000 for fiscal year 2018. . . . \$42,000,000  
 33 State Treasurer's Service Account: For transfer to the state  
 34 general fund, \$6,000,000 for fiscal year 2018 and  
 35 \$6,000,000 for fiscal year 2019. . . . . \$12,000,000  
 36 Statewide Information Tech System Maintenance and  
 37 Operations Revolving Account: For transfer to the  
 38 consolidated technology services revolving account,  
 39 \$5,500,000 for fiscal year 2018. . . . . \$5,500,000  
 40 General Fund: For transfer to the family and medical



1 leave insurance account as start-up costs for  
2 the family and medical leave insurance program  
3 pursuant to enactment of Substitute House Bill  
4 No. 1116 (family and medical leave insurance),  
5 Senate Bill No. 5975 (paid family and medical  
6 leave insurance), or Senate Bill No. 5032  
7 (family and medical leave insurance),  
8 \$82,000,000 for fiscal year 2018. . . . . \$82,000,000  
9 Family and Medical Leave Insurance Account: For  
10 transfer to the General Fund as repayment for  
11 start-up costs for the family and medical leave  
12 insurance program pursuant to implementation of  
13 Substitute House Bill No. 1116 (family and  
14 medical leave insurance), Senate Bill No. 5975  
15 (paid family and medical leave insurance),  
16 or Senate Bill No. 5032 (family and medical  
17 leave insurance), the lesser of the amount  
18 determined by the treasurer for full repayment  
19 of the \$82,000,000 transferred from the general  
20 fund in fiscal year 2018 for start-up costs  
21 with any related interest or this amount for  
22 fiscal year 2019, \$90,000,000. . . . . \$90,000,000  
23 Public Works Assistance Account: For transfer to the  
24 education legacy trust account, \$136,998,000 for  
25 fiscal year 2018 and \$117,017,000 for fiscal  
26 year 2019. . . . . \$254,015,000  
27 General Fund: For transfer to the firearms range  
28 account for fiscal year 2018. . . . . \$75,000  
29 Death Investigations Account: For transfer to  
30 the state general fund, \$1,186,000 for  
31 fiscal year 2018. . . . . \$1,186,000  
32 New Motor Vehicle Arbitration Account: For transfer  
33 to the state general fund, \$2,000,000 for fiscal  
34 year 2018. . . . . \$2,000,000  
35 Local Toxics Control Account: For transfer to the  
36 state toxics control account, \$9,000,000 for  
37 fiscal year 2018 and \$12,000,000 for fiscal  
38 year 2019. . . . . \$21,000,000  
39 Flood Control Assistance Account: For transfer to  
40 the state general fund, \$1,000,000 for fiscal

1       year 2018 and \$1,000,000 for fiscal year 2019. . . . . \$2,000,000  
 2   State Toxics Control Account: For transfer to water  
 3       pollution control revolving account, \$3,000 for  
 4       fiscal year 2018. . . . . \$3,000  
 5   Aquatic Lands Enhancement Account: For transfer to  
 6       the geoduck aquaculture research account for  
 7       fiscal year 2019. . . . . \$200,000  
 8   General Fund: For transfer to the basic education  
 9       account for fiscal year 2018. . . . . \$105,200,000  
 10       The amount transferred represents the monetary  
 11       sanctions accrued from August 13, 2015, through  
 12       June 30, 2018, under the order of the state supreme  
 13       court of August 13, 2015, in *McCleary v. State*.  
 14   General Fund: For transfer to the disaster response  
 15       account for fiscal year 2018. . . . . \$54,000,000  
 16   General Fund: For transfer to the education legacy  
 17       trust account for fiscal year 2019. . . . . \$1,069,668,000  
 18       The amount transferred is provided solely for  
 19       appropriation in the 2019-2021 fiscal biennium  
 20       for state salary allocations to school districts  
 21       pursuant to chapter 13, Laws of 2017 3rd sp. sess.  
 22       (Engrossed House Bill No. 2242).  
 23   Oil Spill Response Account: For transfer to the oil  
 24       spill prevention account for fiscal year 2018,  
 25       to be transferred no later than April 1, 2018. . . . . \$4,721,000

(End of part)

**PART IX**  
**MISCELLANEOUS**

**Sec. 901.** RCW 43.41.433 and 2017 3rd sp.s. c 1 s 950 are each amended to read as follows:

(1) The information technology investment revolving account is created in the custody of the state treasurer. All receipts from legislative appropriations and transfers must be deposited into the account. Only the director of financial management or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) Any residual balance of funds remaining in the information technology investment revolving account created in section 705, chapter 4, Laws of 2015 3rd sp. sess. and reenacted in subsection (1) of this section shall be transferred to the information technology investment revolving account created in subsection (1) of this section after June 30, 2017.

**Sec. 902.** 2017 3rd sp.s. c 1 s 936 (uncodified) is amended to read as follows:

**COMPENSATION—REPRESENTED EMPLOYEES—SUPER COALITION—INSURANCE  
BENEFITS**

An agreement was reached for the 2017-2019 biennium between the governor and the health care super coalition under the provisions of chapter 41.80 RCW. Appropriations in this act for state agencies, including institutions of higher education, are sufficient to implement the provisions of the 2017-2019 collective bargaining agreement, and are subject to the following conditions and limitations:

(1) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate shall not exceed (~~(\$957)~~) \$926 per eligible employee.

(2) Except as provided by the parties' health care agreement, in order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other

1 changes to benefits consistent with RCW 41.05.065. The board shall  
2 collect a twenty-five dollar per month surcharge payment from members  
3 who use tobacco products and a surcharge payment of not less than  
4 fifty dollars per month from members who cover a spouse or domestic  
5 partner where the spouse or domestic partner has chosen not to enroll  
6 in another employer-based group health insurance that has benefits  
7 and premiums with an actuarial value of not less than 95 percent of  
8 the actuarial value of the public employees' benefits board plan with  
9 the largest enrollment. The surcharge payments shall be collected in  
10 addition to the member premium payment.

11 (3) The health care authority shall deposit any moneys received  
12 on behalf of the uniform medical plan as a result of rebates on  
13 prescription drugs, audits of hospitals, subrogation payments, or any  
14 other moneys recovered as a result of prior uniform medical plan  
15 claims payments, into the public employees' and retirees' insurance  
16 account to be used for insurance benefits. Such receipts may not be  
17 used for administrative expenditures.

18 **Sec. 903.** 2017 3rd sp.s. c 1 s 937 (uncodified) is amended to  
19 read as follows:

20 **COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION—INSURANCE**  
21 **BENEFITS**

22 Appropriations for state agencies in this act are sufficient for  
23 represented employees outside the super coalition for health  
24 benefits, and are subject to the following conditions and  
25 limitations:

26 (1) The monthly employer funding rate for insurance benefit  
27 premiums, public employees' benefits board administration, and the  
28 uniform medical plan, may not exceed \$913 per eligible employee for  
29 fiscal year 2018. For fiscal year 2019, the monthly employer funding  
30 rate may not exceed (~~(\$957)~~) \$926 per eligible employee.

31 (2) In order to achieve the level of funding provided for health  
32 benefits, the public employees' benefits board shall require any or  
33 all of the following: Employee premium copayments, increases in  
34 point-of-service cost sharing, the implementation of managed  
35 competition, or other changes to benefits consistent with RCW  
36 41.05.065. The board shall collect a twenty-five dollar per month  
37 surcharge payment from members who use tobacco products and a  
38 surcharge payment of not less than fifty dollars per month from  
39 members who cover a spouse or domestic partner where the spouse or

1 domestic partner has chosen not to enroll in another employer-based  
2 group health insurance that has benefits and premiums with an  
3 actuarial value of not less than 95 percent of the actuarial value of  
4 the public employees' benefits board plan with the largest  
5 enrollment. The surcharge payments shall be collected in addition to  
6 the member premium payment.

7 (3) The health care authority shall deposit any moneys received  
8 on behalf of the uniform medical plan as a result of rebates on  
9 prescription drugs, audits of hospitals, subrogation payments, or any  
10 other moneys recovered as a result of prior uniform medical plan  
11 claims payments, into the public employees' and retirees' insurance  
12 account to be used for insurance benefits. Such receipts may not be  
13 used for administrative expenditures.

14 **Sec. 904.** 2017 3rd sp.s. c 1 s 942 (uncodified) is amended to  
15 read as follows:

16 **COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS**

17 Appropriations for state agencies in this act are sufficient for  
18 nonrepresented state employee health benefits for state agencies,  
19 including institutions of higher education, and are subject to the  
20 following conditions and limitations:

21 (1)(a) The monthly employer funding rate for insurance benefit  
22 premiums, public employees' benefits board administration, and the  
23 uniform medical plan, may not exceed \$913 per eligible employee for  
24 fiscal year 2018. For fiscal year 2019, the monthly employer funding  
25 rate may not exceed (~~(\$957)~~) \$926 per eligible employee.

26 (b) In order to achieve the level of funding provided for health  
27 benefits, the public employees' benefits board shall require any or  
28 all of the following: Employee premium copayments, increases in  
29 point-of-service cost sharing, the implementation of managed  
30 competition, or make other changes to benefits consistent with RCW  
31 41.05.065. The board shall collect a twenty-five dollar per month  
32 surcharge payment from members who use tobacco products and a  
33 surcharge payment of not less than fifty dollars per month from  
34 members who cover a spouse or domestic partner where the spouse or  
35 domestic partner has chosen not to enroll in another employer-based  
36 group health insurance that has benefits and premiums with an  
37 actuarial value of not less than 95 percent of the actuarial value of  
38 the public employees' benefits board plan with the largest  
39 enrollment. The surcharge payments shall be collected in addition to

1 the member premium payment. All savings resulting from reduced claim  
2 costs or other factors identified after December 31, 2016, must be  
3 reserved for reducing expenditures in the current biennium, or for  
4 funding employee health benefits in the 2019-2021 fiscal biennium,  
5 and shall not be used to increase benefits, except as provided in (c)  
6 of this subsection.

7 (c) The funding is sufficient for a new virtual diabetes  
8 prevention program, and for a change in the waiting period for dental  
9 crown replacements in the uniform dental program from seven years to  
10 five years.

11 (d) The health care authority shall deposit any moneys received  
12 on behalf of the uniform medical plan as a result of rebates on  
13 prescription drugs, audits of hospitals, subrogation payments, or any  
14 other moneys recovered as a result of prior uniform medical plan  
15 claims payments, into the public employees' and retirees' insurance  
16 account to be used for insurance benefits. Such receipts may not be  
17 used for administrative expenditures.

18 (2) The health care authority, subject to the approval of the  
19 public employees' benefits board, shall provide subsidies for health  
20 benefit premiums to eligible retired or disabled public employees and  
21 school district employees who are eligible for medicare, pursuant to  
22 RCW 41.05.085. For calendar year(~~s~~) 2018 (~~and 2019~~), the subsidy  
23 shall be up to \$150 per month. For calendar year 2019, the subsidy  
24 shall be up to \$168 per month. The public employees' benefits board  
25 may not authorize under RCW 41.05.085, and the health care authority  
26 may not provide, a subsidy under this subsection of more than \$150  
27 per month in calendar year 2018, and \$168 in calendar year 2019.  
28 Funds from reserves accumulated for future adverse claims experience,  
29 from past favorable claims experience, or otherwise, may not be used  
30 to increase this retiree subsidy beyond what is authorized by the  
31 legislature in this subsection.

32 (3) Technical colleges, school districts, and educational service  
33 districts shall remit to the health care authority for deposit into  
34 the public employees' and retirees' insurance account established in  
35 RCW 41.05.120 the following amounts:

36 (a) For each full-time employee, \$64.07 per month beginning  
37 September 1, 2017, and (~~(\$68.67)~~) \$71.08 beginning September 1, 2018;

38 (b) For each part-time employee, who at the time of the  
39 remittance is employed in an eligible position as defined in RCW  
40 41.32.010 or 41.40.010 and is eligible for employer fringe benefit

1 contributions for basic benefits, \$64.07 each month beginning  
2 September 1, 2017, and (~~(\$68.67)~~) \$71.08 beginning September 1, 2018,  
3 prorated by the proportion of employer fringe benefit contributions  
4 for a full-time employee that the part-time employee receives. The  
5 remittance requirements specified in this subsection do not apply to  
6 employees of a technical college, school district, or educational  
7 service district who purchase insurance benefits through contracts  
8 with the health care authority.

9 **Sec. 905.** RCW 80.36.690 and 2013 2nd sp.s. c 8 s 208 are each  
10 amended to read as follows:

11 (1) The universal communications services account is created in  
12 the custody of the state treasurer. Revenues to the account consist  
13 of moneys deposited in the account by the legislature and any  
14 penalties or other recoveries received pursuant to RCW 80.36.670.  
15 Expenditures from the account may be used only for the purposes of  
16 the universal communications services program established in RCW  
17 80.36.650. During the 2017-19 biennium, expenditures from the account  
18 may also be used for grants to local governments and federally  
19 recognized tribes to provide high-speed, open access broadband  
20 services to rural and underserved communities. Only the secretary of  
21 the commission or the secretary's designee may authorize expenditures  
22 from the account. The account is subject to allotment procedures  
23 under chapter 43.88 RCW, but an appropriation is not required for  
24 expenditures.

25 (2) This section expires July 1, 2020.

26 **Sec. 906.** RCW 28B.20.476 and 2013 2nd sp.s. c 4 s 960 are each  
27 amended to read as follows:

28 The geoduck aquaculture research account is created in the  
29 custody of the state treasurer. All receipts from any legislative  
30 appropriations, the aquaculture industry, or any other private or  
31 public source directed to the account must be deposited in the  
32 account. Expenditures from the account may only be used by the sea  
33 grant program for the geoduck research projects identified by RCW  
34 28B.20.475. Only the president of the University of Washington or the  
35 president's designee may authorize expenditures from the account. The  
36 account is subject to the allotment procedures under chapter 43.88  
37 RCW, but an appropriation is not required for expenditures. During  
38 the (~~(2013-2015)~~) 2017-2019 fiscal biennium, amounts available in the

1 geoduck aquaculture research account may also be appropriated for the  
2 sea grant program at the University of Washington to conduct research  
3 examining the possible negative and positive effects of evolving  
4 shellfish aquaculture techniques and practices on Washington's  
5 economy and marine ecosystems. It is the intent of the legislature  
6 that this policy be continued in future biennia.

7 **Sec. 907.** 2017 3rd sp.s. c 1 s 944 (uncodified) is amended to  
8 read as follows:

9 **INITIATIVE 732 COST-OF-LIVING INCREASES**

10 Part IX of this act authorizes general wage increases for state  
11 employees covered by Initiative Measure No. 732. The general wage  
12 increases on July 1, 2017, and July 1, 2018, provide a portion of the  
13 annual cost-of-living adjustments required under Initiative Measure  
14 No. 732. Funding is also provided for additional increases of three-  
15 tenths of a percent on July 1, 2017, and (~~seven-tenths of a~~) one  
16 percent on July 1, 2018, for cost-of-living adjustments under the  
17 initiative. Funding is provided for a salary increase on January 1,  
18 2019, of (~~one~~) seven-tenths of a percent for these employees, for a  
19 nominal total of a six percent increase during the 2017-2019 fiscal  
20 biennium.

21 NEW SECTION. **Sec. 908.** A new section is added to 2017 3rd sp.s.  
22 c 1 (uncodified) to read as follows:

23 A paid family and medical leave program was created by chapter 5,  
24 Laws of 2017 3rd sp. sess. The state, as an employer, will be  
25 responsible for payment of employer premiums for employees beginning  
26 January 1, 2019, other than those covered by a collective bargaining  
27 agreement. Funding is provided for this obligation.

28 **Sec. 909.** RCW 41.26.802 and 2017 3rd sp.s. c 1 s 964 are each  
29 amended to read as follows:

30 (1) By September 30, 2011, if the prior fiscal biennium's general  
31 state revenues exceed the previous fiscal biennium's revenues by more  
32 than five percent, subject to appropriation by the legislature, the  
33 state treasurer shall transfer five million dollars to the local  
34 public safety enhancement account.

35 (2) By September 30, 2019, and by September 30 of each  
36 odd-numbered year thereafter, if the prior fiscal biennium's general  
37 state revenues exceed the previous fiscal biennium's revenues by more



1 than five percent, subject to appropriation by the legislature, the  
2 state treasurer shall transfer the lesser of one-third of the  
3 increase, or fifty million dollars, to the local public safety  
4 enhancement account.

5 (3) It is the intent of the legislature to fund any distribution  
6 in 2019 and 2021 dedicated to the local law enforcement officers' and  
7 firefighters' retirement system benefits improvement account through  
8 alternate means, which may include transfers from the law enforcement  
9 officers' and firefighters' plan 2 retirement fund.

10 **Sec. 910.** RCW 69.50.530 and 2016 sp.s. c 36 s 942 are each  
11 amended to read as follows:

12 The dedicated marijuana account is created in the state treasury.  
13 All moneys received by the state liquor and cannabis board, or any  
14 employee thereof, from marijuana-related activities must be deposited  
15 in the account. Unless otherwise provided in chapter 4, Laws of 2015  
16 2nd sp. sess., all marijuana excise taxes collected from sales of  
17 marijuana, useable marijuana, marijuana concentrates, and marijuana-  
18 infused products under RCW 69.50.535, and the license fees,  
19 penalties, and forfeitures derived under this chapter from marijuana  
20 producer, marijuana processor, marijuana researcher, and marijuana  
21 retailer licenses, must be deposited in the account. Moneys in the  
22 account may only be spent after appropriation. During the 2015-2017  
23 and 2017-2019 fiscal (~~biennium~~) biennia, the legislature may  
24 transfer from the dedicated marijuana account to the basic health  
25 plan trust account such amounts as reflect the excess fund balance of  
26 the account.

27 **Sec. 911.** RCW 69.50.540 and 2017 3rd sp.s. c 1 s 979 are each  
28 amended to read as follows:

29 The legislature must annually appropriate moneys in the dedicated  
30 marijuana account created in RCW 69.50.530 as follows:

31 (1) For the purposes listed in this subsection (1), the  
32 legislature must appropriate to the respective agencies amounts  
33 sufficient to make the following expenditures on a quarterly basis:

34 (a) Beginning July 1, 2015, one hundred twenty-five thousand  
35 dollars to the department of social and health services to design and  
36 administer the Washington state healthy youth survey, analyze the  
37 collected data, and produce reports, in collaboration with the office  
38 of the superintendent of public instruction, department of health,

1 department of commerce, family policy council, and state liquor and  
2 cannabis board. The survey must be conducted at least every two years  
3 and include questions regarding, but not necessarily limited to,  
4 academic achievement, age at time of substance use initiation,  
5 antisocial behavior of friends, attitudes toward antisocial behavior,  
6 attitudes toward substance use, laws and community norms regarding  
7 antisocial behavior, family conflict, family management, parental  
8 attitudes toward substance use, peer rewarding of antisocial  
9 behavior, perceived risk of substance use, and rebelliousness. Funds  
10 disbursed under this subsection may be used to expand administration  
11 of the healthy youth survey to student populations attending  
12 institutions of higher education in Washington;

13 (b) Beginning July 1, 2015, fifty thousand dollars to the  
14 department of social and health services for the purpose of  
15 contracting with the Washington state institute for public policy to  
16 conduct the cost-benefit evaluation and produce the reports described  
17 in RCW 69.50.550. This appropriation ends after production of the  
18 final report required by RCW 69.50.550;

19 (c) Beginning July 1, 2015, five thousand dollars to the  
20 University of Washington alcohol and drug abuse institute for the  
21 creation, maintenance, and timely updating of web-based public  
22 education materials providing medically and scientifically accurate  
23 information about the health and safety risks posed by marijuana use;

24 (d)(i) An amount not less than one million two hundred fifty  
25 thousand dollars to the state liquor and cannabis board for  
26 administration of this chapter as appropriated in the omnibus  
27 appropriations act; (~~and~~)

28 (ii) (~~Three hundred fifty-one thousand seven hundred fifty~~) Two  
29 million six hundred fifty-one thousand seven hundred fifty dollars  
30 for fiscal year 2018 and three hundred fifty-one thousand seven  
31 hundred fifty dollars for fiscal year 2019 to the health professions  
32 account established under RCW 43.70.320 for the development and  
33 administration of the marijuana authorization database by the  
34 department of health(~~(. It is the intent of the legislature that this~~  
35 ~~policy will be continued in the 2019-2021 fiscal biennium))~~);

36 (iii) Two million eight hundred three thousand dollars for fiscal  
37 year 2019 to the Washington state patrol for a drug enforcement task  
38 force. It is the intent of the legislature that this policy will be  
39 continued in the 2019-2021 fiscal biennium; and

1       (iv) One hundred eighty thousand dollars for fiscal year 2019 to  
2 the department of ecology for accreditation of marijuana product  
3 testing laboratories. It is the intent of the legislature that this  
4 policy will be continued in the 2019-2021 fiscal biennium.

5       (e) Twenty-three thousand seven hundred fifty dollars to the  
6 department of enterprise services provided solely for the state  
7 building code council established under RCW 19.27.070, to develop and  
8 adopt fire and building code provisions related to marijuana  
9 processing and extraction facilities. The distribution under this  
10 subsection (1)(e) is for fiscal year 2016 only;

11       (2) From the amounts in the dedicated marijuana account after  
12 appropriation of the amounts identified in subsection (1) of this  
13 section, the legislature must appropriate for the purposes listed in  
14 this subsection (2) as follows:

15       (a)(i) Up to fifteen percent to the department of social and  
16 health services division of behavioral health and recovery for the  
17 development, implementation, maintenance, and evaluation of programs  
18 and practices aimed at the prevention or reduction of maladaptive  
19 substance use, substance use disorder, substance abuse or substance  
20 dependence, as these terms are defined in the Diagnostic and  
21 Statistical Manual of Mental Disorders, among middle school and high  
22 school-age students, whether as an explicit goal of a given program  
23 or practice or as a consistently corresponding effect of its  
24 implementation, mental health services for children and youth, and  
25 services for pregnant and parenting women; PROVIDED, That:

26       (A) Of the funds appropriated under (a)(i) of this subsection for  
27 new programs and new services, at least eighty-five percent must be  
28 directed to evidence-based or research-based programs and practices  
29 that produce objectively measurable results and, by September 1,  
30 2020, are cost-beneficial; and

31       (B) Up to fifteen percent of the funds appropriated under (a)(i)  
32 of this subsection for new programs and new services may be directed  
33 to proven and tested practices, emerging best practices, or promising  
34 practices.

35       (ii) In deciding which programs and practices to fund, the  
36 secretary of the department of social and health services must  
37 consult, at least annually, with the University of Washington's  
38 social development research group and the University of Washington's  
39 alcohol and drug abuse institute.

1 (iii) For the fiscal year beginning July 1, 2016, the legislature  
2 must appropriate a minimum of twenty-seven million seven hundred  
3 eighty-six thousand dollars, and for each subsequent fiscal year  
4 thereafter, the legislature must appropriate a minimum of twenty-five  
5 million five hundred thirty-six thousand dollars under this  
6 subsection (2)(a);

7 (b)(i) Up to ten percent to the department of health for the  
8 following, subject to (b)(ii) of this subsection (2):

9 (A) Creation, implementation, operation, and management of a  
10 marijuana education and public health program that contains the  
11 following:

12 (I) A marijuana use public health hotline that provides referrals  
13 to substance abuse treatment providers, utilizes evidence-based or  
14 research-based public health approaches to minimizing the harms  
15 associated with marijuana use, and does not solely advocate an  
16 abstinence-only approach;

17 (II) A grants program for local health departments or other local  
18 community agencies that supports development and implementation of  
19 coordinated intervention strategies for the prevention and reduction  
20 of marijuana use by youth; and

21 (III) Media-based education campaigns across television,  
22 internet, radio, print, and out-of-home advertising, separately  
23 targeting youth and adults, that provide medically and scientifically  
24 accurate information about the health and safety risks posed by  
25 marijuana use;

26 (B) The Washington poison control center; and

27 (C) During the 2015-2017 fiscal biennium, the funds appropriated  
28 under this subsection (2)(b) may be used for prevention activities  
29 that target youth and populations with a high incidence of tobacco  
30 use.

31 (ii) For the fiscal year beginning July 1, 2016, the legislature  
32 must appropriate a minimum of seven million five hundred thousand  
33 dollars and for each subsequent fiscal year thereafter, the  
34 legislature must appropriate a minimum of nine million seven hundred  
35 fifty thousand dollars under this subsection (2)(b);

36 (c)(i) Up to six-tenths of one percent to the University of  
37 Washington and four-tenths of one percent to Washington State  
38 University for research on the short and long-term effects of  
39 marijuana use, to include but not be limited to formal and informal

1 methods for estimating and measuring intoxication and impairment, and  
2 for the dissemination of such research.

3 (ii) For the fiscal year beginning July 1, 2016, the legislature  
4 must appropriate a minimum of two hundred seven thousand dollars and  
5 for each subsequent fiscal year, except for the 2017-2019 fiscal  
6 biennium, the legislature must appropriate a minimum of one million  
7 twenty-one thousand dollars to the University of Washington. For the  
8 fiscal year beginning July 1, 2016, the legislature must appropriate  
9 a minimum of one hundred thirty-eight thousand dollars and for each  
10 subsequent fiscal year thereafter, except for the 2017-2019 fiscal  
11 biennium, a minimum of six hundred eighty-one thousand dollars to  
12 Washington State University under this subsection (2)(c). It is the  
13 intent of the legislature that this policy will be continued in the  
14 2019-2021 fiscal biennium;

15 (d) Fifty percent to the state basic health plan trust account to  
16 be administered by the Washington basic health plan administrator and  
17 used as provided under chapter 70.47 RCW;

18 (e) Five percent to the Washington state health care authority to  
19 be expended exclusively through contracts with community health  
20 centers to provide primary health and dental care services, migrant  
21 health services, and maternity health care services as provided under  
22 RCW 41.05.220;

23 (f)(i) Up to three-tenths of one percent to the office of the  
24 superintendent of public instruction to fund grants to building  
25 bridges programs under chapter 28A.175 RCW.

26 (ii) For the fiscal year beginning July 1, 2016, and each  
27 subsequent fiscal year, the legislature must appropriate a minimum of  
28 five hundred eleven thousand dollars to the office of the  
29 superintendent of public instruction under this subsection (2)(f);  
30 and

31 (g) At the end of each fiscal year, the treasurer must transfer  
32 any amounts in the dedicated marijuana account that are not  
33 appropriated pursuant to subsection (1) of this section and this  
34 subsection (2) into the general fund, except as provided in (g)(i) of  
35 this subsection (2).

36 (i) Beginning in fiscal year 2018, if marijuana excise tax  
37 collections deposited into the general fund in the prior fiscal year  
38 exceed twenty-five million dollars, then each fiscal year the  
39 legislature must appropriate an amount equal to thirty percent of all  
40 marijuana excise taxes deposited into the general fund the prior

1 fiscal year to the treasurer for distribution to counties, cities,  
2 and towns as follows:

3 (A) Thirty percent must be distributed to counties, cities, and  
4 towns where licensed marijuana retailers are physically located. Each  
5 jurisdiction must receive a share of the revenue distribution under  
6 this subsection (2)(g)(i)(A) based on the proportional share of the  
7 total revenues generated in the individual jurisdiction from the  
8 taxes collected under RCW 69.50.535, from licensed marijuana  
9 retailers physically located in each jurisdiction. For purposes of  
10 this subsection (2)(g)(i)(A), one hundred percent of the proportional  
11 amount attributed to a retailer physically located in a city or town  
12 must be distributed to the city or town.

13 (B) Seventy percent must be distributed to counties, cities, and  
14 towns ratably on a per capita basis. Counties must receive sixty  
15 percent of the distribution, which must be disbursed based on each  
16 county's total proportional population. Funds may only be distributed  
17 to jurisdictions that do not prohibit the siting of any state  
18 licensed marijuana producer, processor, or retailer.

19 (ii) Distribution amounts allocated to each county, city, and  
20 town must be distributed in four installments by the last day of each  
21 fiscal quarter.

22 (iii) By September 15th of each year, the state liquor and  
23 cannabis board must provide the state treasurer the annual  
24 distribution amount, if any, for each county and city as determined  
25 in (g)(i) of this subsection (2).

26 (iv) The total share of marijuana excise tax revenues distributed  
27 to counties and cities in (g)(i) of this subsection (2) may not  
28 exceed ((~~six~~)) fifteen million dollars in fiscal years 2018 and 2019  
29 and twenty million dollars per fiscal year thereafter. ((~~However, if~~  
30 ~~the February 2018 forecast of state revenues for the general fund in~~  
31 ~~the 2017-2019 fiscal biennium exceeds the amount estimated in the~~  
32 ~~June 2017 revenue forecast by over eighteen million dollars after~~  
33 ~~adjusting for changes directly related to legislation adopted in the~~  
34 ~~2017 legislative session, the total share of marijuana excise tax~~  
35 ~~revenue distributed to counties and cities in (g)(i) of this~~  
36 ~~subsection (2) may not exceed fifteen million dollars in fiscal years~~  
37 ~~2018 and 2019.~~)) It is the intent of the legislature that the policy  
38 for the maximum distributions in the subsequent fiscal biennia will  
39 be no more than ((\$6)) fifteen million dollars per fiscal year.

1 For the purposes of this section, "marijuana products" means  
2 "useable marijuana," "marijuana concentrates," and "marijuana-infused  
3 products" as those terms are defined in RCW 69.50.101.

4 **Sec. 912.** RCW 70.105D.070 and 2017 3rd sp.s. c 1 s 980 are each  
5 amended to read as follows:

6 (1) The state toxics control account and the local toxics control  
7 account are hereby created in the state treasury.

8 (2)(a) Moneys collected under RCW 82.21.030 must be deposited as  
9 follows: Fifty-six percent to the state toxics control account under  
10 subsection (3) of this section and forty-four percent to the local  
11 toxics control account under subsection (4) of this section. When the  
12 cumulative amount of deposits made to the state and local toxics  
13 control accounts under this section reaches the limit during a fiscal  
14 year as established in (b) of this subsection, the remainder of the  
15 moneys collected under RCW 82.21.030 during that fiscal year must be  
16 deposited into the environmental legacy stewardship account created  
17 in RCW 70.105D.170.

18 (b) The limit on distributions of moneys collected under RCW  
19 82.21.030 to the state and local toxics control accounts for the  
20 fiscal year beginning July 1, 2013, is one hundred forty million  
21 dollars.

22 (c) In addition to the funds required under (a) of this  
23 subsection, the following moneys must be deposited into the state  
24 toxics control account: (i) The costs of remedial actions recovered  
25 under this chapter or chapter 70.105A RCW; (ii) penalties collected  
26 or recovered under this chapter; and (iii) any other money  
27 appropriated or transferred to the account by the legislature.

28 (3) Moneys in the state toxics control account must be used only  
29 to carry out the purposes of this chapter, including but not limited  
30 to the following activities:

31 (a) The state's responsibility for hazardous waste planning,  
32 management, regulation, enforcement, technical assistance, and public  
33 education required under chapter 70.105 RCW;

34 (b) The state's responsibility for solid waste planning,  
35 management, regulation, enforcement, technical assistance, and public  
36 education required under chapter 70.95 RCW;

37 (c) The hazardous waste clean-up program required under this  
38 chapter;

39 (d) State matching funds required under federal cleanup law;

1 (e) Financial assistance for local programs in accordance with  
2 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

3 (f) State government programs for the safe reduction, recycling,  
4 or disposal of paint and hazardous wastes from households, small  
5 businesses, and agriculture;

6 (g) Oil and hazardous materials spill prevention, preparedness,  
7 training, and response activities;

8 (h) Water and environmental health protection and monitoring  
9 programs;

10 (i) Programs authorized under chapter 70.146 RCW;

11 (j) A public participation program;

12 (k) Public funding to assist potentially liable persons to pay  
13 for the costs of remedial action in compliance with clean-up  
14 standards under RCW 70.105D.030(2)(e) but only when the amount and  
15 terms of such funding are established under a settlement agreement  
16 under RCW 70.105D.040(4) and when the director has found that the  
17 funding will achieve both: (i) A substantially more expeditious or  
18 enhanced cleanup than would otherwise occur; and (ii) the prevention  
19 or mitigation of unfair economic hardship;

20 (l) Development and demonstration of alternative management  
21 technologies designed to carry out the hazardous waste management  
22 priorities of RCW 70.105.150;

23 (m) State agriculture and health programs for the safe use,  
24 reduction, recycling, or disposal of pesticides;

25 (n) Stormwater pollution control projects and activities that  
26 protect or preserve existing remedial actions or prevent hazardous  
27 clean-up sites;

28 (o) Funding requirements to maintain receipt of federal funds  
29 under the federal solid waste disposal act (42 U.S.C. Sec. 6901 et  
30 seq.);

31 (p) Air quality programs and actions for reducing public exposure  
32 to toxic air pollution;

33 (q) Public funding to assist prospective purchasers to pay for  
34 the costs of remedial action in compliance with clean-up standards  
35 under RCW 70.105D.030(2)(e) if:

36 (i) The facility is located within a redevelopment opportunity  
37 zone designated under RCW 70.105D.150;

38 (ii) The amount and terms of the funding are established under a  
39 settlement agreement under RCW 70.105D.040(5); and



1 (iii) The director has found the funding meets any additional  
2 criteria established in rule by the department, will achieve a  
3 substantially more expeditious or enhanced cleanup than would  
4 otherwise occur, and will provide a public benefit in addition to  
5 cleanup commensurate with the scope of the public funding;

6 (r) Petroleum-based plastic or expanded polystyrene foam debris  
7 cleanup activities in fresh or marine waters;

8 (s) Appropriations to the local toxics control account or the  
9 environmental legacy stewardship account created in RCW 70.105D.170,  
10 if the legislature determines that priorities for spending exceed  
11 available funds in those accounts;

12 (t) During the ~~((2015-2017-and))~~ 2017-2019 fiscal ~~((biennia))~~  
13 biennium, the department of ecology's water quality, shorelands,  
14 environmental assessment, administration, and air quality programs;

15 ~~((During the 2013-2015 fiscal biennium, actions at the state  
16 conservation commission to improve water quality for shellfish;~~

17 ~~(v) During the 2013-2015 and 2015-2017 fiscal biennia, actions at  
18 the University of Washington for reducing ocean acidification;~~

19 ~~(w))~~ During the ~~((2015-2017-and))~~ 2017-2019 fiscal ~~((biennia))~~  
20 biennium, for the University of Washington Tacoma soil remediation  
21 project; and

22 ~~((x) For the 2013-2015 fiscal biennium, moneys in the state  
23 toxics control account may be spent on projects in section 3160,  
24 chapter 19, Laws of 2013 2nd sp. sess. and for transfer to the local  
25 toxics control account;~~

26 ~~(y) For the 2013-2015 fiscal biennium, moneys in the state toxics  
27 control account may be transferred to the radioactive mixed waste  
28 account; and~~

29 ~~(z))~~ (v) For the ~~((2015-2017-and))~~ 2017-2019 fiscal ~~((biennia))~~  
30 biennium, forest practices regulation at the department of natural  
31 resources.

32 (4)(a) The department shall use moneys deposited in the local  
33 toxics control account for grants or loans to local governments for  
34 the following purposes in descending order of priority:

35 (i) Extended grant agreements entered into under ~~((e))~~ (c)(i)  
36 of this subsection;

37 (ii) Remedial actions, including planning for adaptive reuse of  
38 properties as provided for under ~~((e))~~ (c)(iv) of this subsection.  
39 The department must prioritize funding of remedial actions at:

1 (A) Facilities on the department's hazardous sites list with a  
2 high hazard ranking for which there is an approved remedial action  
3 work plan or an equivalent document under federal cleanup law;

4 (B) Brownfield properties within a redevelopment opportunity zone  
5 if the local government is a prospective purchaser of the property  
6 and there is a department-approved remedial action work plan or  
7 equivalent document under the federal cleanup law;

8 (iii) Stormwater pollution source projects that: (A) Work in  
9 conjunction with a remedial action; (B) protect completed remedial  
10 actions against recontamination; or (C) prevent hazardous clean-up  
11 sites;

12 (iv) Hazardous waste plans and programs under chapter 70.105 RCW;

13 (v) Solid waste plans and programs under chapters 70.95, 70.95C,  
14 70.95I, and 70.105 RCW;

15 (vi) Petroleum-based plastic or expanded polystyrene foam debris  
16 cleanup activities in fresh or marine waters; and

17 (vii) Appropriations to the state toxics control account or the  
18 environmental legacy stewardship account created in RCW 70.105D.170,  
19 if the legislature determines that priorities for spending exceed  
20 available funds in those accounts.

21 (b) Funds for plans and programs must be allocated consistent  
22 with the priorities and matching requirements established in chapters  
23 70.105, 70.95C, 70.95I, and 70.95 RCW.

24 ~~(c) ((During the 2013-2015 fiscal biennium, the local toxics  
25 control account may also be used for local government stormwater  
26 planning and implementation activities.~~

27 ~~(d) During the 2013-2015 fiscal biennium, the legislature may  
28 transfer from the local toxics control account to the state general  
29 fund, such amounts as reflect the excess fund balance in the account.~~

30 (e)) To expedite cleanups throughout the state, the department  
31 may use the following strategies when providing grants to local  
32 governments under this subsection:

33 (i) Enter into an extended grant agreement with a local  
34 government conducting remedial actions at a facility where those  
35 actions extend over multiple biennia and the total eligible cost of  
36 those actions exceeds twenty million dollars. The agreement is  
37 subject to the following limitations:

38 (A) The initial duration of such an agreement may not exceed ten  
39 years. The department may extend the duration of such an agreement

1 upon finding substantial progress has been made on remedial actions  
2 at the facility;

3 (B) Extended grant agreements may not exceed fifty percent of the  
4 total eligible remedial action costs at the facility; and

5 (C) The department may not allocate future funding to an extended  
6 grant agreement unless the local government has demonstrated to the  
7 department that funds awarded under the agreement during the previous  
8 biennium have been substantially expended or contracts have been  
9 entered into to substantially expend the funds;

10 (ii) Enter into a grant agreement with a local government  
11 conducting a remedial action that provides for periodic reimbursement  
12 of remedial action costs as they are incurred as established in the  
13 agreement;

14 (iii) Enter into a grant agreement with a local government prior  
15 to it acquiring a property or obtaining necessary access to conduct  
16 remedial actions, provided the agreement is conditioned upon the  
17 local government acquiring the property or obtaining the access in  
18 accordance with a schedule specified in the agreement;

19 (iv) Provide integrated planning grants to local governments to  
20 fund studies necessary to facilitate remedial actions at brownfield  
21 properties and adaptive reuse of properties following remediation.  
22 Eligible activities include, but are not limited to: Environmental  
23 site assessments; remedial investigations; health assessments;  
24 feasibility studies; site planning; community involvement; land use  
25 and regulatory analyses; building and infrastructure assessments;  
26 economic and fiscal analyses; and any environmental analyses under  
27 chapter 43.21C RCW;

28 (v) Provide grants to local governments for remedial actions  
29 related to area-wide groundwater contamination. To receive the  
30 funding, the local government does not need to be a potentially  
31 liable person or be required to seek reimbursement of grant funds  
32 from a potentially liable person;

33 (vi) The director may alter grant matching requirements to create  
34 incentives for local governments to expedite cleanups when one of the  
35 following conditions exists:

36 (A) Funding would prevent or mitigate unfair economic hardship  
37 imposed by the clean-up liability;

38 (B) Funding would create new substantial economic development,  
39 public recreational opportunities, or habitat restoration  
40 opportunities that would not otherwise occur; or

1 (C) Funding would create an opportunity for acquisition and  
2 redevelopment of brownfield property under RCW 70.105D.040(5) that  
3 would not otherwise occur;

4 (vii) When pending grant applications under ~~((e))~~ (c)(iv) and  
5 (v) of this subsection (4) exceed the amount of funds available,  
6 designated redevelopment opportunity zones must receive priority for  
7 distribution of available funds.

8 ~~((f))~~ (d) To expedite multiparty clean-up efforts, the  
9 department may purchase remedial action cost-cap insurance. ~~((For the  
10 2013-2015 fiscal biennium, moneys in the local toxics control account  
11 may be spent on projects in sections 3024, 3035, 3036, and 3059,  
12 chapter 19, Laws of 2013 2nd sp. sess.))~~

13 (5) Except for unanticipated receipts under RCW 43.79.260 through  
14 43.79.282, moneys in the state and local toxics control accounts may  
15 be spent only after appropriation by statute.

16 (6) No moneys deposited into either the state or local toxics  
17 control account may be used for: Natural disasters where there is no  
18 hazardous substance contamination; high performance buildings; solid  
19 waste incinerator facility feasibility studies, construction,  
20 maintenance, or operation; or ~~((after January 1, 2010, for))~~ projects  
21 designed to address the restoration of Puget Sound, funded in a  
22 competitive grant process, that are in conflict with the action  
23 agenda developed by the Puget Sound partnership under RCW 90.71.310.  
24 However, this subsection does not prevent an appropriation from the  
25 state toxics control account to the department of revenue to enforce  
26 compliance with the hazardous substance tax imposed in chapter 82.21  
27 RCW.

28 (7) ~~((Except during the 2011-2013 and the 2015-2017 fiscal  
29 biennia,))~~ One percent of the moneys collected under RCW 82.21.030  
30 shall be allocated only for public participation grants to persons  
31 who may be adversely affected by a release or threatened release of a  
32 hazardous substance and to not-for-profit public interest  
33 organizations. The primary purpose of these grants is to facilitate  
34 the participation by persons and organizations in the investigation  
35 and remedying of releases or threatened releases of hazardous  
36 substances and to implement the state's solid and hazardous waste  
37 management priorities. No grant may exceed sixty thousand dollars.  
38 Grants may be renewed annually. Moneys appropriated for public  
39 participation that are not expended at the close of any biennium  
40 revert to the state toxics control account.

1 (8) The department shall adopt rules for grant or loan issuance  
2 and performance. To accelerate both remedial action and economic  
3 recovery, the department may expedite the adoption of rules necessary  
4 to implement chapter 1, Laws of 2013 2nd sp. sess. using the  
5 expedited procedures in RCW 34.05.353. The department shall initiate  
6 the award of financial assistance by August 1, 2013. To ensure the  
7 adoption of rules will not delay financial assistance, the department  
8 may administer the award of financial assistance through interpretive  
9 guidance pending the adoption of rules through July 1, 2014.

10 (9) Except as provided under subsection (3)(k) and (q) of this  
11 section, nothing in chapter 1, Laws of 2013 2nd sp. sess. affects the  
12 ability of a potentially liable person to receive public funding.

13 ~~((During the 2015-2017 fiscal biennium the local toxics  
14 control account may also be used for the centennial clean water  
15 program and for the stormwater financial assistance program  
16 administered by the department of ecology.~~

17 ~~(11))~~ During the 2017-2019 biennium:

18 (a) The state toxics control account, the local toxics control  
19 account, and the environmental legacy stewardship account may be used  
20 for interchangeable purposes and funds may be transferred between  
21 accounts to accomplish those purposes.

22 (b) The legislature may direct the state treasurer to make  
23 transfers of moneys in the state toxics control account to the water  
24 pollution control revolving account.

25 **Sec. 913.** RCW 79.105.150 and 2017 3rd sp.s. c 1 s 987 are each  
26 amended to read as follows:

27 (1) After deduction for management costs as provided in RCW  
28 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys  
29 received by the state from the sale or lease of state-owned aquatic  
30 lands and from the sale of valuable material from state-owned aquatic  
31 lands shall be deposited in the aquatic lands enhancement account  
32 which is hereby created in the state treasury. After appropriation,  
33 these funds shall be used solely for aquatic lands enhancement  
34 projects; for the purchase, improvement, or protection of aquatic  
35 lands for public purposes; for providing and improving access to the  
36 lands; and for volunteer cooperative fish and game projects. During  
37 the ~~((2013-2015, 2015-2017, and))~~ 2017-2019 fiscal ~~((biennia))~~  
38 biennium, the aquatic lands enhancement account may be used to  
39 support the shellfish program, the ballast water program, hatcheries,

1 the Puget Sound toxic sampling program and steelhead mortality  
2 research at the department of fish and wildlife, the knotweed program  
3 at the department of agriculture, actions at the University of  
4 Washington for reducing ocean acidification, which may include the  
5 creation of a center on ocean acidification, the Puget SoundCorps  
6 program, and support of the marine resource advisory council and the  
7 Washington coastal marine advisory council. During the ((2013-2015))  
8 2017-2019 fiscal biennium, the legislature may transfer from the  
9 aquatic lands enhancement account to the geoduck aquaculture research  
10 account for research related to shellfish aquaculture. ((During the  
11 ~~2015-2017~~ fiscal biennium, the legislature may transfer moneys from  
12 the ~~aquatic lands enhancement account to the marine resources~~  
13 ~~stewardship trust account.~~))

14 (2) In providing grants for aquatic lands enhancement projects,  
15 the recreation and conservation funding board shall:

16 (a) Require grant recipients to incorporate the environmental  
17 benefits of the project into their grant applications;

18 (b) Utilize the statement of environmental benefits,  
19 consideration, except as provided in RCW 79.105.610, of whether the  
20 applicant is a Puget Sound partner, as defined in RCW 90.71.010,  
21 whether a project is referenced in the action agenda developed by the  
22 Puget Sound partnership under RCW 90.71.310, and except as otherwise  
23 provided in RCW 79.105.630, and effective one calendar year following  
24 the development and statewide availability of model evergreen  
25 community management plans and ordinances under RCW 35.105.050,  
26 whether the applicant is an entity that has been recognized, and what  
27 gradation of recognition was received, in the evergreen community  
28 recognition program created in RCW 35.105.030 in its prioritization  
29 and selection process; and

30 (c) Develop appropriate outcome-focused performance measures to  
31 be used both for management and performance assessment of the grants.

32 (3) To the extent possible, the department should coordinate its  
33 performance measure system with other natural resource-related  
34 agencies as defined in RCW 43.41.270.

35 (4) The department shall consult with affected interest groups in  
36 implementing this section.

37 (5) ((~~After January 1, 2010,~~) Any project designed to address  
38 the restoration of Puget Sound may be funded under this chapter only  
39 if the project is not in conflict with the action agenda developed by  
40 the Puget Sound partnership under RCW 90.71.310.

1       **Sec. 914.** RCW 86.26.007 and 2015 3rd sp.s. c 4 s 978 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,~~  
5 ~~the state treasurer shall transfer three million dollars from the~~  
6 ~~general fund to the flood control assistance account.~~) Each biennium  
7 (~~thereafter~~) the state treasurer shall transfer four million  
8 dollars from the general fund to the flood control assistance  
9 account(~~, except that during the 2011-2013 fiscal biennium, the~~  
10 ~~state treasurer shall transfer one million dollars from the general~~  
11 ~~fund to the flood control assistance account~~). Moneys in the flood  
12 control assistance account may be spent only after appropriation for  
13 purposes specified under this chapter. (~~During the 2013-2015 fiscal~~  
14 ~~biennium and the 2015-2017 fiscal biennium, the legislature may~~  
15 ~~transfer from the flood control assistance account to the state~~  
16 ~~general fund such amounts as reflect the excess fund balance of the~~  
17 ~~account.~~) During the 2017-2019 fiscal biennium, the legislature may  
18 direct the state treasurer to make transfers of moneys in the flood  
19 control assistance account to the state general fund.

20       **Sec. 915.** RCW 90.56.500 and 2015 c 274 s 6 are each amended to  
21 read as follows:

22       (1) The state oil spill response account is created in the state  
23 treasury. All receipts from RCW 82.23B.020(1) shall be deposited in  
24 the account. All costs reimbursed to the state by a responsible party  
25 or any other person for responding to a spill of oil shall also be  
26 deposited in the account. Moneys in the account shall be spent only  
27 after appropriation. The account is subject to allotment procedures  
28 under chapter 43.88 RCW.

29       (2)(a) The account shall be used exclusively to pay for:

30       (i) The costs associated with the response to spills or imminent  
31 threats of spills of crude oil or petroleum products into the waters  
32 of the state; and

33       (ii) The costs associated with the department's use of an  
34 emergency response towing vessel.

35       (b) During the (~~2015-2017~~) 2017-2019 biennium, the legislature  
36 may transfer up to (~~two million two hundred twenty-five~~) four  
37 million seven hundred twenty-one thousand dollars from the account to  
38 the oil spill prevention account created in RCW 90.56.510.

1 (3) Payment of response costs under subsection (2)(a)(i) of this  
2 section shall be limited to spills which the director has determined  
3 are likely to exceed one thousand dollars.

4 (4) Before expending moneys from the account, but without  
5 delaying response activities, the director shall make reasonable  
6 efforts to obtain funding for response costs under subsection (2) of  
7 this section from the person responsible for the spill and from other  
8 sources, including the federal government.

9 (5) Reimbursement for response costs from this account shall be  
10 allowed only for costs which are not covered by funds appropriated to  
11 the agencies responsible for response activities. Costs associated  
12 with the response to spills of crude oil or petroleum products shall  
13 include:

14 (a) Natural resource damage assessment and related activities;

15 (b) Spill related response, containment, wildlife rescue,  
16 cleanup, disposal, and associated costs;

17 (c) Interagency coordination and public information related to a  
18 response; and

19 (d) Appropriate travel, goods and services, contracts, and  
20 equipment.

21 NEW SECTION. **Sec. 916.** A new section is added to chapter  
22 28A.150 RCW to read as follows:

23 The basic education account is created in the state treasury.  
24 Moneys in the account may be spent only after appropriation. Revenues  
25 to the account consist of moneys transferred to the account pursuant  
26 to legislative directive. The legislature may appropriate from the  
27 account only for purposes of the state's program of basic education  
28 as defined in RCW 28A.150.220.

29 NEW SECTION. **Sec. 917.** If any provision of this act or its  
30 application to any person or circumstance is held invalid, the  
31 remainder of the act or the application of the provision to other  
32 persons or circumstances is not affected.

33 NEW SECTION. **Sec. 918.** This act is necessary for the immediate  
34 preservation of the public peace, health, or safety, or support of  
35 the state government and its existing public institutions, and takes  
36 effect immediately.



(End of part)

(End of Bill)

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