HOUSE BILL 1218

State of Washington 69th Legislature 2025 Regular Session

By Representatives Farivar, Macri, Reed, Simmons, Wylie, Pollet, Street, Ormsby, Scott, Salahuddin, Parshley, and Hill; by request of Governor Inslee

Prefiled 01/09/25. Read first time 01/13/25. Referred to Committee on Civil Rights & Judiciary.

AN ACT Relating to persons referred for competency evaluation and 1 2 restoration services within the framework of the forensic mental 3 health care system consistent with the requirements agreed to in the 4 Trueblood settlement agreement; amending RCW 10.77.074, 10.77.084, 5 10.77.086, 10.77.088, and 10.77.092; reenacting and amending RCW 43.84.092 and 43.84.092; adding new sections to chapter 10.77 RCW; 6 7 creating a new section; providing an effective date; and providing 8 expiration dates.

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

10 Sec. 1. The legislature finds that individuals NEW SECTION. 11 referred for services related to competency to stand trial requiring 12 admission into a psychiatric facility are experiencing significantly 13 reduced wait times for competency services. In order to preserve 14 these critical gains, for the benefit of the state and those 15 individuals awaiting services, the legislature finds that 16 implementing measures to reduce the continued growth of referrals to 17 competency system are necessary. The state's forensic bed 18 capacity forecast model indicates that if the state continues to receive competency referrals from local superior, district, and 19 20 municipal courts at the same volume, the state will again fall 21 behind.

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The legislature further finds that historical investments and policy changes have been made in behavioral health services over the past several years, designed to both increase capacity to provide competency to stand trial services and to reduce the need for them by creating opportunities for diversion, prevention, and improved community health. New construction at western state hospital has resulted in the opening of 58 forensic psychiatric beds in the first 2023, while emergency community hospital quarter of expanded to allow for the discharge or transfer of over 50 civil conversion patients occupying forensic state hospital beds over the same period. Sixteen beds for civil conversion patients opened at Maple Lane school in the first quarter of 2023, with 30 additional beds for patients acquitted by reason of insanity opened in early 2024. The state also acquired a new facility in 2024, now known as Olympic Heritage behavioral health, which added to this historic rise in bed capacity in the state of Washington. Over a longer time period, 350 forensic beds are planned to open within a new forensic hospital on the western state hospital campus between 2028 and 2029. Policy and budget changes have increased capacity for assisted outpatient treatment, 988 crisis response, use of medication for opioid use disorders in jails and community settings, reentry services, and mental health advance directives, and created new behavioral health facility types, supportive housing, and supportive Forensic navigator services, outpatient employment services. competency restoration programs, clinical intervention specialists other specialty forensic services are now available and continuing to be deployed in phase one, two, and three Trueblood settlement regions.

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The legislature further finds that these investments over a period of many years have made significant improvements in the wait times for competency services. Even so, there remains a need for everyone to come together to find solutions to both reduce demand for forensic services and shrink the number of individuals whose only access to behavioral health care is through the criminal justice system. Forensic services should be reserved only for those where the state's interest is sufficient to justify the detention and greater efforts are needed to prevent or divert individuals with behavioral health needs from being unnecessarily incarcerated. The state needs collaboration from local governments and other entities to provide and develop services and supports to patients connected to the

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- 1 forensic system, to reduce the flow of competency referrals coming
- 2 from municipal, district, and superior courts, and to improve
- 3 availability and effectiveness of behavioral health services provided
- 4 outside the criminal justice system.

- **Sec. 2.** RCW 10.77.074 and 2023 c 453 s 5 are each amended to 6 read as follows:
 - (1) Subject to the limitations described in subsection (2) of this section, a court may appoint an impartial forensic navigator employed by or contracted by the department to assist individuals who have been referred for competency evaluation for level B and level C felonies and all misdemeanors and shall appoint a forensic navigator in circumstances described under RCW 10.77.072. Level A felonies will not be referred to forensic navigators unless requested by the court.
 - (2) A forensic navigator must assist the individual to access services related to diversion and community outpatient competency restoration. The forensic navigator must assist the individual, prosecuting attorney, defense attorney, and the court to understand the options available to the individual and be accountable as an officer of the court for faithful execution of the responsibilities outlined in this section.
- 21 (3) The duties of the forensic navigator include, but are not 22 limited to, the following:
 - (a) To collect relevant information about the individual, including behavioral health services and supports available to the individual that might support placement in outpatient restoration, diversion, or some combination of these;
 - (b) To meet with, interview, and observe the individual;
- 28 (c) To assess the individual for appropriateness for assisted 29 outpatient treatment under chapter 71.05 RCW;
 - (d) To present information to the court in order to assist the court in understanding the treatment options available to the individual to support the entry of orders for diversion from the forensic mental health system or for community outpatient competency restoration, to facilitate that transition;
 - (e) To provide regular updates to the court and parties of the status of the individual's participation in diversion or outpatient services and be responsive to inquiries by the parties about treatment status;

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- 1 (f) When the individual is ordered to receive community 2 outpatient restoration, to provide services to the individual 3 including:
 - (i) Assisting the individual with attending appointments and classes relating to outpatient competency restoration;
 - (ii) Coordinating access to housing for the individual;
 - (iii) Meeting with the individual on a regular basis;

- (iv) Providing information to the court concerning the individual's progress and compliance with court-ordered conditions of release, which may include appearing at court hearings to provide information to the court;
- (v) Coordinating the individual's access to community case management services and mental health services;
- (vi) Assisting the individual with obtaining prescribed medication and encouraging adherence with prescribed medication;
- (vii) Assessing the individual for appropriateness for assisted outpatient treatment under chapter 71.05 RCW and coordinating the initiation of an assisted outpatient treatment order if appropriate;
- (viii) Planning for a coordinated transition of the individual to a case manager in the community behavioral health system;
- (ix) Attempting to follow-up with the individual to check whether the meeting with a community-based case manager took place;
- 23 (x) When the individual is a high utilizer, attempting to connect 24 the individual with high utilizer services; and
 - (xi) Attempting to check up on the individual at least once per month for up to sixty days after coordinated transition to community behavioral health services, without duplicating the services of the community-based case manager;
 - (g) If the individual is an American Indian or Alaska Native who receives medical, behavioral health, housing, or other supportive services from a tribe within this state, to notify and coordinate with the tribe and Indian health care provider. Notification shall be made in person or by telephonic or electronic communication to the tribal contact listed in the authority's tribal crisis coordination plan as soon as possible.
 - (4) Forensic navigators may submit recommendations to the court regarding treatment and restoration options for the individual, which the court may consider and weigh in conjunction with the recommendations of all of the parties.

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1 (5) Forensic navigators shall be deemed officers of the court for 2 the purpose of immunity from civil liability.

- (6) The signed order for competency evaluation from the court shall serve as authority for the forensic navigator to be given access to all records held by a behavioral health, educational, or law enforcement agency or a correctional facility that relates to an individual. Information that is protected by state or federal law, including health information, shall not be entered into the court record without the consent of the individual or their defense attorney.
- (7) Admissions made by the individual in the course of receiving services from the forensic navigator may not be used against the individual in the prosecution's case in chief.
- (8) A court may not issue an order appointing a forensic navigator unless the department certifies that there is adequate forensic navigator capacity to provide these services at the time the order is issued.
- **Sec. 3.** RCW 10.77.084 and 2023 c 453 s 6 are each amended to 19 read as follows:
 - (1) (a) If at any time during the pendency of an action and prior to judgment the court finds, following a report as provided in RCW 10.77.060, a defendant is incompetent, the court shall order the proceedings against the defendant be stayed except as provided in subsection (4) of this section. Beginning October 1, 2023, if the defendant is charged with a serious traffic offense under RCW 9.94A.030, or a felony version of a serious traffic offense, the court may order the clerk to transmit an order to the department of licensing for revocation of the defendant's driver's license for a period of one year.
 - (b) The court may order a defendant who has been found to be incompetent to undergo competency restoration treatment at a facility designated by the department if the defendant is eligible under RCW 10.77.086 or 10.77.088. At the end of each competency restoration period or at any time a professional person determines competency has been, or is unlikely to be, restored, the defendant shall be returned to court for a hearing, except that if the opinion of the professional person is that the defendant remains incompetent and the hearing is held before the expiration of the current competency restoration period, the parties may agree to waive the defendant's

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presence, to remote participation by the defendant at a hearing, or to presentation of an agreed order in lieu of a hearing. The facility shall promptly notify the court and all parties of the date on which the competency restoration period commences and expires so that a timely hearing date may be scheduled.

- (c) If, following notice and hearing or entry of an agreed order under (b) of this subsection, the court finds that competency has been restored, the court shall lift the stay entered under (a) of this subsection. If the court finds that competency has not been restored, the court shall dismiss the proceedings without prejudice, except that the court may order a further period of competency restoration treatment if it finds that further treatment within the time limits established by RCW 10.77.086 or 10.77.088 is likely to restore competency, and a further period of treatment is allowed under RCW 10.77.086 or 10.77.088.
- (d) If at any time during the proceeding the court finds, following notice and hearing, a defendant is not likely to regain competency, the court shall dismiss the proceedings without prejudice and refer the defendant for civil commitment evaluation or proceedings if appropriate under RCW 10.77.065, 10.77.086, or 10.77.088.
- (e) Beginning October 1, 2023, if the court issues an order directing revocation of the defendant's driver's license under (a) of this subsection, and the court subsequently finds that the defendant's competency has been restored, the court shall order the clerk to transmit an order to the department of licensing for reinstatement of the defendant's driver's license. The court may direct the clerk to transmit an order reinstating the defendant's driver's license before the end of one year for good cause upon the petition of the defendant.
- (2) If the defendant is referred for evaluation by a designated crisis responder under this chapter, the designated crisis responder shall provide prompt written notification of the results of the evaluation and whether the person was detained. The notification shall be provided to the court in which the criminal action was pending, the prosecutor, the defense attorney in the criminal action, and the facility that evaluated the defendant for competency.
- 38 (3) The fact that the defendant is unfit to proceed does not 39 preclude any pretrial proceedings which do not require the personal 40 participation of the defendant.

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(4) A defendant receiving medication for either physical or mental problems shall not be prohibited from standing trial, if the medication either enables the defendant to understand the proceedings against him or her and to assist in his or her own defense, or does not disable him or her from so understanding and assisting in his or her own defense.

- (5) At or before the conclusion of any commitment period provided for by this section, the facility providing evaluation and treatment shall provide to the court a written report of evaluation which meets the requirements of RCW 10.77.060(3). For defendants charged with a felony, the report following the second competency restoration period or first competency restoration period if the defendant's incompetence is determined to be solely due to a developmental disability or the evaluator concludes that the defendant is not likely to regain competency must include an assessment of the defendant's future dangerousness which is evidence-based regarding predictive validity.
- (6) For defendants who are on personal recognizance who are waiting for competency restoration services, in a county with an outpatient competency restoration program that has adequate space, the department shall provide a recommended services plan to the court and parties. Upon receipt of this recommended services plan, if restoration is still required, the court shall order outpatient competency restoration.
- (7) If, after two attempts to schedule or admit a defendant on personal recognizance status to a department facility for competency evaluation or restoration, the department is not able to complete scheduling the admission or the defendant does not arrive at the scheduled time of the admission, the department shall submit a report to the court and parties and include a date and time for another admission which must be at least two weeks later. The court shall provide notice to the defendant of the date and time of the admission. If the defendant fails to appear at that admission, the court shall recall the order for competency evaluation or restoration and may issue a warrant for the failure to appear. The secretary may adopt rules and regulations necessary to implement this section.
- **Sec. 4.** RCW 10.77.086 and 2024 c 290 s 3 are each amended to 38 read as follows:

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(1) (a) Except as otherwise provided in this section, if the defendant is charged with a felony and determined to be incompetent, until he or she has regained the competency necessary to understand the proceedings against him or her and assist in his or her own defense, but in any event for a period of no longer than 90 days, the court shall commit the defendant to the custody of the secretary for inpatient competency restoration, or may alternatively order the defendant to receive outpatient competency restoration based on a recommendation from a forensic navigator and input from the parties.

- (b) For a defendant who is determined to be incompetent and whose highest charge is a class C felony other than assault in the third degree under RCW 9A.36.031(1) (d) or (f), felony physical control of a vehicle under RCW 46.61.504(6), felony hit and run resulting in injury under RCW 46.52.020(4)(b), a hate crime offense under RCW 9A.36.080, a class C felony with a domestic violence designation, a class C felony sex offense as defined in RCW 9.94A.030, or a class C felony with a sexual motivation allegation, the court shall first consider all available and appropriate alternatives to inpatient competency restoration. The court shall dismiss the proceedings without prejudice upon agreement of the parties if the forensic navigator has found an appropriate and available diversion program willing to accept the defendant.
- (2) (a) To be eligible for an order for outpatient competency restoration, a defendant must be clinically appropriate and be willing to:
- (i) Adhere to medications or receive prescribed intramuscular medication; and
 - (ii) ((Abstain from alcohol and unprescribed drugs; and
- (iii) Comply with urinalysis or breathalyzer monitoring if needed)) Adhere to all rules and conditions of the identified outpatient competency restoration.
- (b) If the court orders inpatient competency restoration, the department shall place the defendant in an appropriate facility of the department for competency restoration.
- (c) For a defendant ordered to inpatient competency restoration, the department shall promptly notify the court and parties whenever it appears the defendant's condition is such that a transfer to outpatient competency restoration is appropriate. Any such notice to the court and parties shall provide pertinent information concerning the change in condition or the reasons supporting transfer to

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outpatient competency restoration. Upon receipt of this notice, the court shall schedule a hearing within five days to review the information provided by the department, conditions of release of the defendant, and anticipated release date from inpatient treatment. The court shall issue appropriate orders if it finds that the defendant's condition has so changed that they are a suitable candidate for outpatient competency restoration.

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(d) If the court orders outpatient competency restoration, the court shall modify conditions of release as needed to authorize the department to place the person in approved housing, which may include access to supported housing, affiliated with a contracted outpatient competency restoration program. The department, in conjunction with the health care authority, must establish rules for conditions of participation in the outpatient competency restoration program, which must include the defendant being subject to medication management. The court may order regular urinalysis testing. The outpatient competency restoration program shall monitor the defendant during the defendant's placement in the program and report any noncompliance or significant changes with respect to the defendant to the department and, if applicable, the forensic navigator.

 $((\frac{d}{d}))$ (e) If a defendant fails to comply with the restrictions of the outpatient restoration program such that restoration is no longer appropriate in that setting or the defendant is no longer clinically appropriate for outpatient competency restoration, the director of the outpatient competency restoration program shall notify the authority and the department of the need to terminate the outpatient competency restoration placement and intent to request placement for the defendant in an appropriate facility of the department for inpatient competency restoration. The outpatient competency restoration program shall coordinate with the authority, the department, and any law enforcement personnel under $((\frac{d}{d}))$ (i) of this subsection to ensure that the time period between termination and admission into the inpatient facility is as minimal as possible. The time period for inpatient competency restoration shall be reduced by the time period spent in active treatment within the outpatient competency restoration program, excluding time periods in which the defendant was absent from the program and all time from notice of termination of the outpatient competency restoration period through the defendant's admission to the facility. The department shall obtain a placement for the defendant within seven days of the

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notice of intent to terminate the outpatient competency restoration placement.

- (i) The department may authorize a peace officer to detain the defendant into emergency custody for transport to the designated inpatient competency restoration facility. If medical clearance is required by the designated competency restoration facility before admission, the peace officer must transport the defendant to a crisis stabilization unit, evaluation and treatment facility, or emergency department of a local hospital for medical clearance once a bed is available at the designated inpatient competency restoration facility. The signed outpatient competency restoration order of the court shall serve as authority for the detention of the defendant under this subsection. This subsection does not preclude voluntary transportation of the defendant to a facility for inpatient competency restoration or for medical clearance, or authorize admission of the defendant into jail.
- (ii) The department shall notify the court and parties of the defendant's admission for inpatient competency restoration before the close of the next judicial day. The court shall schedule a hearing within five days to review the conditions of release of the defendant and anticipated release from treatment and issue appropriate orders.
- $((\frac{(e)}{(e)}))$ In the court may not issue an order for outpatient competency restoration unless the department certifies that there is an available appropriate outpatient competency restoration program that has adequate space for the person at the time the order is issued or the court places the defendant under the guidance and control of a professional person identified in the court order.
- (3) For a defendant whose highest charge is a class C felony, or a class B felony that is not classified as violent under RCW 9.94A.030, the maximum time allowed for the initial competency restoration period is 45 days if the defendant is referred for inpatient competency restoration, or 90 days if the defendant is referred for outpatient competency restoration, provided that if the outpatient competency restoration placement is terminated and the defendant is subsequently admitted to an inpatient facility, the period of inpatient treatment during the first competency restoration period under this subsection shall not exceed 45 days.
- (4) When any defendant whose highest charge is a class C felony other than assault in the third degree under RCW 9A.36.031(1) (d) or (f), felony physical control of a vehicle under RCW 46.61.504(6),

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felony hit and run resulting in injury under RCW 46.52.020(4)(b), a 1 hate crime offense under RCW 9A.36.080, a class C felony with a 2 domestic violence designation, a class C felony sex offense as 3 defined in RCW 9.94A.030, or a class C felony with a sexual 4 motivation allegation is admitted for inpatient competency 5 6 restoration with an accompanying court order for involuntary medication under RCW 10.77.092, and the defendant is found not 7 competent to stand trial following that period of competency 8 restoration, the court shall dismiss the charges pursuant to 9 10 subsection (7) of this section.

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- (5) If the court determines or the parties agree before the initial competency restoration period or at any subsequent stage of the proceedings that the defendant is unlikely to regain competency, the court may dismiss the charges without prejudice without ordering the defendant to undergo an initial or further period of competency restoration treatment, in which case the court shall order that the defendant be referred for evaluation for civil commitment in the manner provided in subsection (7) of this section.
- (6) On or before expiration of the initial competency restoration period the court shall conduct a hearing to determine whether the defendant is now competent to stand trial. If the court finds by a preponderance of the evidence that the defendant is incompetent to stand trial, the court may order an extension of the competency restoration period for an additional period of 90 days, but the court must at the same time set a date for a new hearing to determine the defendant's competency to stand trial before the expiration of this second restoration period. The defendant, the defendant's attorney, and the prosecutor have the right to demand that the hearing be before a jury. No extension shall be ordered for a second or third competency restoration period if the defendant is ineligible for a subsequent competency restoration period under subsection (4) of this section or the defendant's incompetence has been determined by the secretary to be solely the result of an intellectual or developmental disability, dementia, or traumatic brain injury which is such that competence is not reasonably likely to be regained during an extension.
- (7)(a) Except as provided in (b) of this subsection, at the hearing upon the expiration of the second competency restoration period, or at the end of the first competency restoration period if the defendant is ineligible for a second or third competency

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restoration period under subsection (4) or (6) of this section, if the jury or court finds that the defendant is incompetent to stand trial, the court shall dismiss the charges without prejudice and order the defendant to be committed to the department for placement in a facility operated or contracted by the department for up to 120 hours if the defendant has not undergone competency restoration services or has engaged in outpatient competency restoration services, and up to 72 hours if the defendant engaged in inpatient competency restoration services starting from admission to the facility, excluding Saturdays, Sundays, and holidays, for evaluation for the purpose of filing a civil commitment petition under chapter 71.05 RCW. If at the time the order to dismiss the charges without prejudice is entered by the court the defendant is already in a facility operated or contracted by the department, the 72-hour or 120-hour period shall instead begin upon department receipt of the court order.

(b) The court shall not dismiss the charges if the defendant is eligible for a second or third competency restoration period under subsection (6) of this section and the court or jury finds that: (i) The defendant (A) is a substantial danger to other persons; or (B) presents a substantial likelihood of committing criminal acts jeopardizing public safety or security; and (ii) there is a substantial probability that the defendant will regain competency within a reasonable period of time. If the court or jury makes such a finding, the court may extend the period of commitment for up to an additional six months.

- (8) Any period of competency restoration treatment under this section includes only the time the defendant is actually at the facility or is actively participating in an outpatient competency restoration program and is in addition to reasonable time for transport to or from the facility.
- (9) If at any time the court dismisses charges based on incompetency to stand trial under this section, the court shall issue an order prohibiting the defendant from the possession of firearms until a court restores his or her right to possess a firearm under RCW 9.41.047. The court shall notify the defendant orally and in writing that the defendant may not possess a firearm unless the defendant's right to do so is restored by the superior court that issued the order under RCW 9.41.047, and that the defendant must

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- 1 immediately surrender all firearms and any concealed pistol license 2 to their local law enforcement agency.
- 3 **Sec. 5.** RCW 10.77.088 and 2024 c 290 s 4 are each amended to 4 read as follows:

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- (1) If the defendant is charged with a nonfelony crime which is a serious offense as identified in RCW 10.77.092 and found by the court to be not competent, the court shall first consider all available and appropriate alternatives to inpatient competency restoration. If the parties agree that there is an appropriate diversion program available to accept the defendant, the court shall dismiss the proceedings without prejudice and refer the defendant to the recommended diversion program. If the parties do not agree that there is an appropriate diversion program available to accept the defendant, then the court:
- (a) Shall dismiss the proceedings without prejudice and detain the defendant pursuant to subsection (6) of this section, unless the prosecutor objects to the dismissal and provides notice of a motion for an order for competency restoration treatment, in which case the court shall schedule a hearing within seven days.
- (b) At the hearing, the prosecuting attorney must establish that there is a compelling state interest to order competency restoration treatment for the defendant. The court may consider prior criminal history, prior history in treatment, prior history of violence, the quality and severity of the pending charges, any history that suggests whether competency restoration treatment is likely to be successful, in addition to the factors listed under RCW 10.77.092. If the defendant is subject to an order under chapter 71.05 RCW or proceedings under chapter 71.05 RCW have been initiated, there is a rebuttable presumption that there is no compelling state interest in competency restoration treatment. If the prosecuting attorney proves by a preponderance of the evidence that there is a compelling state interest in ordering competency restoration treatment, then the court shall issue an order in accordance with subsection (2) of this section.
- (2)(a) If a court finds pursuant to subsection (1)(b) of this section that there is a compelling state interest in pursuing competency restoration treatment, the court shall order the defendant to receive outpatient competency restoration consistent with the recommendation of the forensic navigator, unless the court finds that

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an order for outpatient competency restoration is inappropriate considering the health and safety of the defendant and risks to public safety.

- (b) To be eligible for an order for outpatient competency restoration, a defendant must be willing to:
- (i) Adhere to medications or receive prescribed intramuscular medication; and
 - (ii) ((Abstain from alcohol and unprescribed drugs; and
- 9 (iii) Comply with urinalysis or breathalyzer monitoring if 10 needed)) Adhere to the rules and conditions of the identified 11 outpatient competency restoration program.
 - (c) If the court orders inpatient competency restoration, the department shall place the defendant in an appropriate facility of the department for competency restoration under subsection (3) of this section.
 - (d) For a defendant ordered to inpatient competency restoration, the department shall promptly notify the court and parties whenever it appears the defendant's condition is such that a transfer to outpatient competency restoration is appropriate. Any such notice to the court and parties shall provide pertinent information concerning the change in condition or the reasons supporting transfer to outpatient competency restoration. Upon receipt of this notice, the court shall schedule a hearing within five days to review the information provided by the department, conditions of release of the defendant, and anticipated release date from inpatient treatment. The court shall issue appropriate orders if it finds that the defendant's condition has so changed that they are a suitable candidate for outpatient competency restoration.
 - (e) If the court orders outpatient competency restoration, the court shall modify conditions of release as needed to authorize the department to place the person in approved housing, which may include access to supported housing, affiliated with a contracted outpatient competency restoration program. The department, in conjunction with the health care authority, must establish rules for conditions of participation in the outpatient competency restoration program, which must include the defendant being subject to medication management. The court may order regular urinalysis testing. The outpatient competency restoration program shall monitor the defendant during the defendant's placement in the program and report any noncompliance or

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significant changes with respect to the defendant to the department and, if applicable, the forensic navigator.

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((+e))) (f) If a defendant fails to comply with the restrictions outpatient competency restoration program restoration is no longer appropriate in that setting or the defendant longer clinically appropriate for outpatient competency restoration, the director of the outpatient competency restoration program shall notify the authority and the department of the need to terminate the outpatient competency restoration placement and intent to request placement for the defendant in an appropriate facility of the department for inpatient competency restoration. The outpatient competency restoration program shall coordinate with the authority, the department, and any law enforcement personnel under $((\frac{(e)}{(e)}))$ (i) of this subsection to ensure that the time period between termination and admission into the inpatient facility is as minimal as possible. The time period for inpatient competency restoration shall be reduced by the time period spent in active treatment within the outpatient competency restoration program, excluding time periods in which the defendant was absent from the program and all time from notice of termination of the outpatient competency restoration period through the defendant's admission to the facility. The department shall obtain a placement for the defendant within seven days of the notice of intent to terminate the outpatient competency restoration placement.

- (i) The department may authorize a peace officer to detain the defendant into emergency custody for transport to the designated inpatient competency restoration facility. If medical clearance is required by the designated competency restoration facility before admission, the peace officer must transport the defendant to a crisis stabilization unit, evaluation and treatment facility, or emergency department of a local hospital for medical clearance once a bed is available at the designated inpatient competency restoration facility. The signed outpatient competency restoration order of the court shall serve as authority for the detention of the defendant under this subsection. This subsection does not preclude voluntary transportation of the defendant to a facility for inpatient competency restoration or for medical clearance, or authorize admission of the defendant into jail.
- (ii) The department shall notify the court and parties of the defendant's admission for inpatient competency restoration before the

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close of the next judicial day. The court shall schedule a hearing within five days to review the conditions of release of the defendant and anticipated release from treatment and issue appropriate orders.

- (((f))) (g) The court may not issue an order for outpatient competency restoration unless the department certifies that there is an available appropriate outpatient restoration program that has adequate space for the person at the time the order is issued or the court places the defendant under the guidance and control of a professional person identified in the court order.
- $((\frac{g}{g}))$ (h) If the court does not order the defendant to receive outpatient competency restoration under (a) of this subsection, the court shall commit the defendant to the department for placement in a facility operated or contracted by the department for inpatient competency restoration.
- (3) The placement under subsection (2) of this section shall not exceed 29 days if the defendant is ordered to receive inpatient competency restoration, and shall not exceed 90 days if the defendant is ordered to receive outpatient competency restoration. The court may order any combination of this subsection, but the total period of inpatient competency restoration may not exceed 29 days.
- (4) Beginning October 1, 2023, if the defendant is charged with a serious traffic offense under RCW 9.94A.030, the court may order the clerk to transmit an order to the department of licensing for revocation of the defendant's driver's license for a period of one year. The court shall direct the clerk to transmit an order to the department of licensing reinstating the defendant's driver's license if the defendant is subsequently restored to competency, and may do so at any time before the end of one year for good cause upon the petition of the defendant.
- (5) If the court has determined or the parties agree that the defendant is unlikely to regain competency, the court may dismiss the charges without prejudice without ordering the defendant to undergo competency restoration treatment, in which case the court shall order that the defendant be referred for evaluation for civil commitment in the manner provided in subsection (6) of this section.
- (6)(a) If the proceedings are dismissed under RCW 10.77.084 and the defendant was on conditional release at the time of dismissal, the court shall order the designated crisis responder within that county to evaluate the defendant pursuant to chapter 71.05 RCW. The

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1 evaluation may be conducted in any location chosen by the 2 professional.

- (b) If the defendant was in custody and not on conditional release at the time of dismissal, the defendant shall be detained and sent to an evaluation and treatment facility for up to 120 hours if the defendant has not undergone competency restoration services or has engaged in outpatient competency restoration services and up to 72 hours if the defendant engaged in inpatient competency restoration services, excluding Saturdays, Sundays, and holidays, for evaluation for purposes of filing a petition under chapter 71.05 RCW. The 120-hour or 72-hour period shall commence upon the next nonholiday weekday following the court order and shall run to the end of the last nonholiday weekday within the 120-hour or 72-hour period.
- (7) If the defendant is charged with a nonfelony crime that is not a serious offense as defined in RCW 10.77.092 and found by the court to be not competent, the court may stay or dismiss proceedings and detain the defendant for sufficient time to allow the designated crisis responder to evaluate the defendant and consider initial detention proceedings under chapter 71.05 RCW. The court must give notice to all parties at least 24 hours before the dismissal of any proceeding under this subsection, and provide an opportunity for a hearing on whether to dismiss the proceedings.
- (8) If at any time the court dismisses charges under subsections (1) through (7) of this section, the court shall make a finding as to whether the defendant has a history of one or more violent acts. If the court so finds, the court shall issue an order prohibiting the defendant from the possession of firearms until a court restores his or her right to possess a firearm under RCW 9.41.047. The court shall notify the defendant orally and in writing that the defendant may not possess a firearm unless the defendant's right to do so is restored by the superior court that issued the order under RCW 9.41.047, and that the defendant must immediately surrender all firearms and any concealed pistol license to their local law enforcement agency.
- (9) Any period of competency restoration treatment under this section includes only the time the defendant is actually at the facility or is actively participating in an outpatient competency restoration program and is in addition to reasonable time for transport to or from the facility.

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1 **Sec. 6.** RCW 10.77.092 and 2023 c 453 s 11 are each amended to 2 read as follows:

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- (1) For purposes of determining whether a court may authorize involuntary medication for the purpose of competency restoration pursuant to RCW 10.77.084 and for maintaining the level of restoration in the jail following the restoration period, a pending charge involving any one or more of the following crimes is a serious offense per se in the context of competency restoration:
- 9 (a) Any violent offense, sex offense, serious traffic offense, 10 and most serious offense, as those terms are defined in RCW 11 9.94A.030;
- 12 (b) Any offense, except nonfelony counterfeiting offenses, 13 included in crimes against persons in RCW 9.94A.411;
- 14 (c) Any offense contained in chapter 9.41 RCW (firearms and dangerous weapons);
 - (d) Any offense listed as domestic violence in RCW 10.99.020;
 - (e) Any offense listed as a harassment offense in chapter 9A.46 RCW, except for criminal trespass in the first or second degree;
- 19 (f) Any violation of chapter 69.50 RCW that is a class B felony; 20 or
- 21 (g) Any city or county ordinance or statute that is equivalent to 22 an offense referenced in this subsection.
 - (2) Upon order for inpatient competency restoration under RCW 10.77.086, if the court has sufficient information to determine the criteria established under Sell v. United States has been established, then the court must make a medication determination under this section.
 - (3) Any time a petition is filed seeking a court order authorizing the involuntary medication for purposes of competency restoration pursuant to RCW 10.77.084, the petition must also seek authorization to continue involuntary medication for purposes of maintaining the level of restoration in the jail or juvenile detention facility following the restoration period.
 - $((\frac{3}{2}))$ $(\frac{4}{2})$ (a) In a particular case, a court may determine that a pending charge not otherwise defined as serious by state or federal law or by a city or county ordinance is, nevertheless, a serious offense within the context of competency restoration treatment when the conduct in the charged offense falls within the standards established in (b) of this subsection.

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(b) To determine that the particular case is a serious offense within the context of competency restoration, the court must consider the following factors and determine that one or more of the following factors creates a situation in which the offense is serious:

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- (i) The charge includes an allegation that the defendant actually inflicted bodily or emotional harm on another person or that the defendant created a reasonable apprehension of bodily or emotional harm to another;
- 9 (ii) The extent of the impact of the alleged offense on the basic 10 human need for security of the citizens within the jurisdiction;
- 11 (iii) The number and nature of related charges pending against 12 the defendant;
- 13 (iv) The length of potential confinement if the defendant is convicted; and
- 15 (v) The number of potential and actual victims or persons 16 impacted by the defendant's alleged acts.
 - Sec. 7. RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12 are each reenacted and amended to read as follows:
 - (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
 - (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
 - (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking

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services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

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- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's 13 average daily balance for the period: The abandoned recreational 14 vehicle disposal account, the aeronautics account, the Alaskan Way 15 16 viaduct replacement project account, the ambulance transport fund, 17 behavioral health diversion fund, the budget stabilization account, 18 the capital vessel replacement account, the capitol building 19 construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory 20 21 institutions account, the Chehalis basin account, the Chehalis basin 22 taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, 23 climate active transportation account, the climate transit 24 25 programs account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply 26 development account, the Columbia river basin water supply revenue 27 28 recovery account, the common school construction fund, the community 29 forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance 30 31 the covenant homeownership account, the 32 compensation administrative account, the deferred compensation principal account, the department of licensing services account, the 33 department of retirement systems expense account, the developmental 34 disabilities community services account, the diesel idle reduction 35 account, the opioid abatement settlement account, the drinking water 36 assistance account, the administrative subaccount of the drinking 37 water assistance account, the early learning facilities development 38 39 account, the early learning facilities revolving account, the Eastern 40 Washington University capital projects account, the education

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construction fund, the education legacy trust account, the election 1 account, the electric vehicle account, the energy freedom account, 2 the energy recovery act account, the essential rail assistance 3 account, The Evergreen State College capital projects account, the 4 fair start for kids account, the family medicine workforce 5 6 development account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment 7 account, the freight mobility multimodal account, the grade crossing 8 protective fund, the higher education retirement plan supplemental 9 benefit fund, the Washington student loan account, the highway bond 10 11 retirement fund, the highway infrastructure account, the highway 12 safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 405 and state 13 route number 167 express toll lanes account, the judges' retirement 14 account, the judicial retirement administrative account, the judicial 15 16 retirement principal account, the limited fish and wildlife account, 17 the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine 18 resources stewardship trust account, the medical aid account, the 19 money-purchase retirement savings administrative account, the money-20 21 purchase retirement savings principal account, the motor vehicle 22 fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal 23 transportation account, the multiuse roadway safety account, the 24 25 municipal criminal justice assistance account, the oyster reserve 26 land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, 27 the pollution liability insurance agency underground storage tank 28 revolving account, the public employees' retirement system plan 1 29 account, the public employees' retirement system combined plan 2 and 30 31 plan 3 account, the public facilities construction loan revolving 32 account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the 33 Puget Sound ferry operations account, the Puget Sound Gateway 34 facility account, the Puget Sound taxpayer accountability account, 35 the real estate appraiser commission account, the recreational 36 vehicle account, the regional mobility grant program account, the 37 reserve officers' relief and pension principal fund, the resource 38 39 management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the 40

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1 second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility 2 safety net trust fund, the small city pavement and sidewalk account, 3 the special category C account, the special wildlife account, the 4 state hazard mitigation revolving loan account, the state investment 5 6 board expense account, the state investment board commingled trust 7 fund accounts, the state patrol highway account, the reclamation revolving account, the state route number 520 civil 8 penalties account, the state route number 520 corridor account, the 9 statewide broadband account, the statewide tourism marketing account, 10 the supplemental pension account, the Tacoma Narrows toll bridge 11 account, the teachers' retirement system plan 1 account, the 12 teachers' retirement system combined plan 2 and plan 3 account, the 13 tobacco prevention and control account, the tobacco settlement 14 account, the toll facility bond retirement account, the 15 16 transportation 2003 account (nickel account), the transportation 17 equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation 18 19 improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the 20 21 traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, 22 23 the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal 24 25 fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, 26 the Washington judicial retirement system account, the Washington law 27 28 enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' 29 system plan 2 retirement account, the Washington public safety 30 31 employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the 32 Washington state patrol retirement account, the Washington State 33 University building account, the Washington State University bond 34 retirement fund, the water pollution control revolving administration 35 account, the water pollution control revolving fund, the Western 36 Washington University capital projects account, the Yakima integrated 37 implementation account, the 38 Yakima integrated 39 implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from 40

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investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

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- (b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.
- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.
- 14 **Sec. 8.** RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13 are each reenacted and amended to read as follows:
 - (1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.
 - (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
 - (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is

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subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

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- (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
- The following accounts and funds shall receive their 9 proportionate share of earnings based upon each account's and fund's 10 11 average daily balance for the period: The abandoned recreational 12 vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, behavioral health diversion 13 fund, the budget stabilization account, the capital vessel 14 replacement account, the capitol building construction account, the 15 16 Central Washington University capital projects account, the 17 charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the 18 19 clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the climate active 20 transportation account, the climate transit programs account, the 21 22 Columbia river basin water supply development account, the Columbia 23 river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the 24 25 common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation 26 account, the county criminal justice assistance account, the covenant 27 28 homeownership account, the deferred compensation administrative 29 account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems 30 31 expense account, the developmental disabilities community services 32 account, the diesel idle reduction account, the opioid abatement 33 settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, 34 the early learning facilities development account, the early learning 35 facilities revolving account, the Eastern Washington University 36 capital projects account, the education construction fund, the 37 education legacy trust account, the election account, the electric 38 39 vehicle account, the energy freedom account, the energy recovery act 40 account, the essential rail assistance account, The Evergreen State

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College capital projects account, the fair start for kids account, 1 the family medicine workforce development account, the ferry bond 2 3 retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal 4 account, the grade crossing protective fund, the higher education 5 6 retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway 7 infrastructure account, the highway safety fund, the hospital safety 8 net assessment fund, the Interstate 5 bridge replacement project 9 account, the Interstate 405 and state route number 167 express toll 10 11 lanes account, the judges' retirement account, the judicial 12 retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold 13 excise tax account, the local real estate excise tax account, the 14 local sales and use tax account, the marine resources stewardship 15 16 trust account, the medical aid account, the money-purchase retirement 17 savings administrative account, the money-purchase retirement savings 18 principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA 19 flexible account, the multimodal transportation account, the multiuse 20 21 roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding 22 stabilization account, the perpetual surveillance and maintenance 23 account, the pilotage account, the pollution liability insurance 24 25 agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' 26 retirement system combined plan 2 and plan 3 account, the public 27 28 facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget 29 Sound capital construction account, the Puget Sound ferry operations 30 31 account, the Puget Sound Gateway facility account, the Puget Sound 32 taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility 33 grant program account, the reserve officers' relief and pension 34 principal fund, the resource management cost account, the rural 35 arterial trust account, the rural mobility grant program account, the 36 rural Washington loan fund, the second injury fund, the sexual 37 assault prevention and response account, the site closure account, 38 39 the skilled nursing facility safety net trust fund, the small city 40 pavement and sidewalk account, the special category C account, the

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1 special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state 2 3 investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state 4 route number 520 civil penalties account, the state route number 520 5 6 corridor account, the statewide broadband account, the statewide 7 tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system 8 plan 1 account, the teachers' retirement system combined plan 2 and 9 plan 3 account, the tobacco prevention and control account, the 10 11 tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the 12 transportation equipment fund, the JUDY transportation future funding 13 14 program account, the transportation improvement account, 15 transportation improvement board bond retirement account, the 16 transportation infrastructure account, the transportation partnership 17 account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond 18 retirement fund, the University of Washington building account, the 19 voluntary cleanup account, the volunteer firefighters' relief and 20 21 pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education 22 23 account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 24 25 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public 26 27 safety employees' plan 2 retirement account, the Washington school 28 employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State 29 30 University building account, the Washington State University bond 31 retirement fund, the water pollution control revolving administration 32 account, the water pollution control revolving fund, the Western 33 Washington University capital projects account, the Yakima integrated implementation account, the Yakima 34 plan integrated implementation revenue recovery account, and the Yakima integrated 35 plan implementation taxable bond account. Earnings derived from 36 investing balances of the agricultural permanent fund, the normal 37 school permanent fund, the permanent common school fund, 38 39 scientific permanent fund, and the state university permanent fund 40 shall be allocated to their respective beneficiary accounts.

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(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

- (5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.
- NEW SECTION. Sec. 9. A new section is added to chapter 10.77
 RCW to read as follows:
 - (1) (a) The department shall develop and implement a growth cap program to manage inpatient competency orders under this chapter. The department shall assess penalties as described in this section to implement the growth cap program.
 - (b) The department shall establish a baseline cap for each county by utilizing the average number of inpatient competency orders to the department from any court within a county's jurisdiction in fiscal years 2024 and 2025. For any county with an average of less than two inpatient competency orders in fiscal years 2024 and 2025, the baseline shall be set at one.
 - (c) The department shall establish an incentive cap for each county by utilizing the average number of inpatient competency orders to the department from any court within a county's jurisdiction in fiscal years 2018 and 2019. For any county with an average less than two inpatient competency orders in fiscal years 2017 and 2018, the baseline shall be set at one individual.
 - (d) Commencing in fiscal year 2026 and each fiscal year thereafter, for each inpatient competency order that exceeds the baseline number identified in (b) of this subsection, a county shall pay the penalty amount described in (f) of this subsection.
 - (e) The department shall reconcile the total county inpatient competency orders against the baseline by August 15th each year. The first reconciliation will be August 15, 2026.
 - (f) Calculations shall be based on the per day individual rate as calculated by the department for state hospital treatment for individuals referred for inpatient competency services, as follows:
 - (i) Each county shall make penalty payments equivalent to 25 percent of the rate for the third and fourth inpatient competency

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orders over the baseline, 50 percent of the rate for the fifth, sixth, and seventh inpatient competency orders over the baseline, 75 percent of the rate for the eighth and ninth inpatient competency orders over the baseline, and 100 percent of the rate for the 10th and all inpatient competency orders over the baseline;

- (ii) Commencing with fiscal year 2027 and each fiscal year thereafter, a county that creates a behavioral health diversion plan as defined in section 14 of this act designed to prevent further growth of inpatient competency orders, for the third and any subsequent individual inpatient competency orders over the baseline, shall make penalty payments equivalent to 100 percent of the rate;
- (iii) Commencing with fiscal year 2027 and each fiscal year thereafter, any county without a behavioral health diversion plan as defined in section 14 of this act, for the third and any subsequent individual inpatient competency orders over the baseline, shall make penalty payments equivalent to 150 percent of the rate.
- (g) Commencing with fiscal year 2026, each county shall remit payment to the department in an amount equal to the amount identified in the invoice issued to the county administrator or their designee by the department. The penalty payment shall be due no later than 90 days after the date that the invoice is received by the county. The penalty funds shall be collected as revenue by the department and deposited into the behavioral health diversion fund, created in section 10 of this act.
- 25 (h) A county may not use state funds to pay for any penalty under 26 this act.
- NEW SECTION. Sec. 10. A new section is added to chapter 10.77 RCW to read as follows:

The behavioral health diversion fund is hereby created in the state treasury. All penalty payments from each county as collected by the department pursuant to section 9 of this act and all receipts from assessed penalties pursuant to this act must be deposited into the fund. Moneys in the fund may be spent only after appropriation. Expenditures from the fund may only be used for services or supports that either prevent individuals with behavioral health needs from entering the criminal justice system or that diverts them away from the criminal justice system once incarcerated.

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NEW SECTION. Sec. 11. A new section is added to chapter 10.77
RCW to read as follows:

Any county that reduces its total annual inpatient competency 3 referrals below the incentive cap established by the department in 4 section 9(1)(c) of this act or that reduces its overall orders for 5 6 any competency service by at least 40 percent for a given fiscal year 7 shall be eligible to request an appropriation from the behavioral health diversion fund. Any funds appropriated to a county from the 8 behavioral health diversion fund shall be used toward services or 9 supports that either prevent individuals with behavioral health needs 10 11 from entering the criminal justice system or that diverts them away 12 from the criminal justice system once incarcerated. Counties that have an average incentive cap of less than five individuals may apply 13 14 based on a 50 percent or greater reduction in their total number of 15 inpatient competency orders.

NEW SECTION. Sec. 12. A new section is added to chapter 10.77 RCW to read as follows:

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Commencing January 1, 2026, the department shall notify the superior, district, and municipal courts and relevant county agencies of each county including, but not limited to, the county administrator, behavioral health department, sheriff, public defender, and district attorney on a quarterly basis the total number of inpatient competency restoration orders made in that county for the current fiscal year compared to the baseline determination for that county.

NEW SECTION. Sec. 13. A new section is added to chapter 10.77 RCW to read as follows:

(1) Beginning in fiscal year 2026 and commencing no later than August 15, 2025, the department of social and health services in partnership with the health care authority shall convene a taskforce to determine rules, policies, protocols, and other related requirements to implement a growth cap system for inpatient competency services. This must include eligibility requirements on the necessary elements for a behavioral health diversion plan to meet the threshold as described in section 9(1)(f) of this act. The taskforce must also include a determination on rules and requirements to determine county of origin for purposes of this act. The taskforce shall produce a report no later than June 1, 2026, to the governor

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- 1 and appropriate committees of the legislature. The taskforce shall,
- 2 at a minimum, include partners from local government, the criminal
- 3 justice system, behavioral health providers, tribes, people with
- 4 lived experience, and disability rights Washington or a designee.
- 5 (2) This section expires December 31, 2026.
- 6 <u>NEW SECTION.</u> **Sec. 14.** A new section is added to chapter 10.77 RCW to read as follows:
- 8 (1) For purposes of this section, "behavioral health diversion"
 9 means adult jail diversion, whereby a person who has a behavioral
 10 health need may still have involvement with the criminal justice
 11 system but spends little to no time in a jail facility and is instead
 12 connected to community-based treatment and support services either
 13 with or without court involvement or correctional supervision.
- (2) (a) For purposes of this section, "behavioral health diversion plan" means a plan or strategy to ensure the availability and utilization of community-based treatment and support services designed to reduce or eliminate the amount of time persons with behavioral health needs spend in a jail facility.
- 19 (b) The department shall establish rules to determine the 20 eligibility, elements, and criteria needed to establish a behavioral 21 health diversion plan under this subsection.
- NEW SECTION. Sec. 15. Section 7 of this act expires July 1, 23 2028.
- NEW SECTION. Sec. 16. Section 8 of this act takes effect July 25 1, 2028.

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